Financial report
2023

BOUYGUES CONSTRUCTION

KEY FIGURES

32,500
HEADCOUNT

€9,755M
SALES **(+5%)**
60% INTERNATIONAL SALES

€178M
NET PROFIT ATTRIBUTABLE TO THE GROUP
(1.8% OF SALES)

€15.0bn
ORDER BACKLOG
(+6%)

CONTENTS

High Speed 2 rail link, United Kingdom

SIGNIFICANT EVENTS

DISPOSALS - PROJECTS

- Transfer of Bouygues Energies & Services to Equans (4 January 2023)

PROJECTS HANDED OVER

- WestConnex 3A Tunnel (Australia)
- Palmer Lake Logistics Center (USA)
- Fécamp offshore wind farm (France)
- Extension of Port la Nouvelle Harbour (France)
- Grand Paris Express Line 15 South - Package T2A (France)

CSR

- Science Based Targets initiative (SBTi) validation of Bouygues Construction's carbon trajectory to 2030

ONGOING PROJECTS

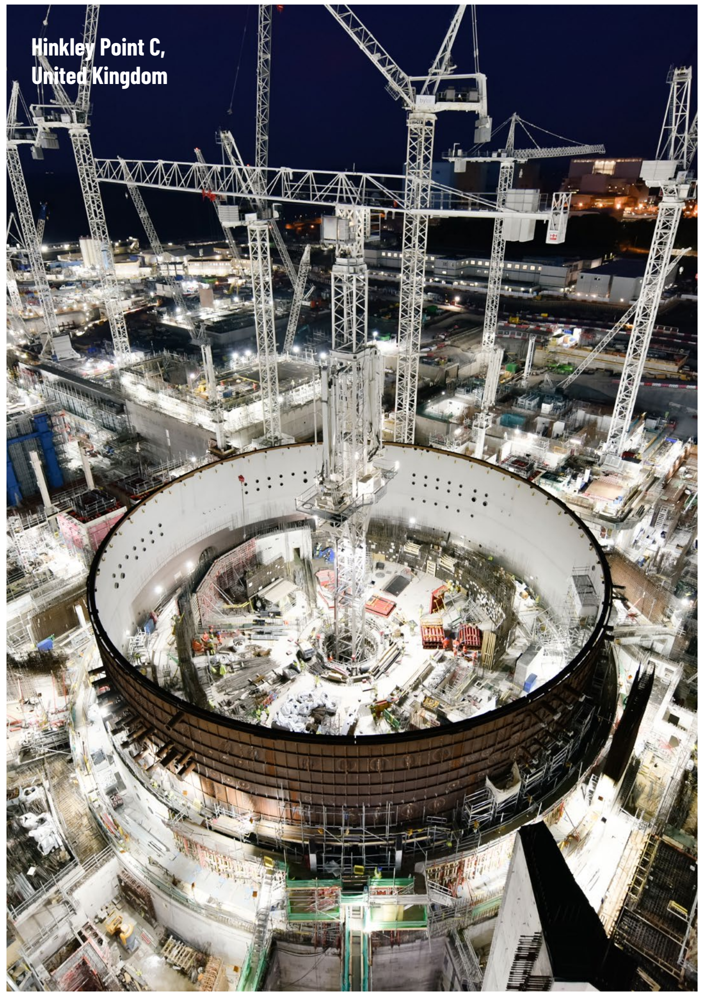
- Six Flags Qiddiya Theme Park (Saudi Arabia)
- Pier 66 Hotel, Florida (USA)
- SMS Sports Centre (Hong Kong)
- Quais-Vernets eco-neighbourhood, Geneva (Switzerland)
- High Speed 2 rail link (UK)
- Hinkley Point C EPR (UK)
- Melbourne Metro (Australia)
- Pawtucket Tunnel (USA)
- Engie campus (France)
- Belliard property complex, Paris (France)
- Lille administrative centre (France)

MAJOR CONTRACTS SIGNED IN 2023

- Abidjan Metro (Côte d'Ivoire)
- Potomac River Tunnel (USA)
- MTR Contract 1201: Tung Chung Westline Metro (Hong Kong)
- Oriel Hospital project (UK)
- Riviera Tower residential tower block (Greece)
- Huawei factory (France)
- Toulouse Metro - Package 4 & 7 (France)
- Trousseau Hospital complex, Tours (France)


Lille administrative center, France


Quai-Vernets, Geneva, Switzerland


Hinkley Point C, United Kingdom


Palmer Lake Logistics Center, USA

MANAGEMENT REPORT

The presentation of Bouygues Construction's profile and strategy provided below relates solely to Building & Civil Works, given that Bouygues Energies & Services was transferred to Equans on 4 January 2023.

I – INTRODUCTION

With nearly 32,500 responsible, dedicated employees in around 60 countries, Bouygues Construction designs, builds and operates projects in the building and civil works sectors.

A benchmark player in sustainable construction, Bouygues Construction is developing new areas of expertise to tackle environmental issues: delivering numerous eco-neighbourhoods, low-carbon (timber-frame) buildings, and structures certified to the world's best eco-standards, as well as upgrading sites to positive-energy status[a]. We also develop circular economy business models, from the design phase of projects to recycling the waste they generate.

We are increasingly involved in high value-added large-scale structures, and in more all-encompassing projects ranging from neighbourhoods to connected cities.

I.1 GROWTH STRATEGY AND OPPORTUNITIES

With the ultimate goal of combining business and environmental performance, Bouygues Construction launched a new strategic plan in 2022, with an embedded CSR dimension and three key objectives:
- delivering a virtuous dynamic of sustainable and profitable growth;
- differentiating ourselves to make us more attractive and competitive; and
- modernising our processes and internationalising our organisational structures.

Under the plan, we aim to:
- be a global player in places where we have a long-term presence like Australia, France, the UK, Hong Kong and Switzerland, by drawing on our innovative products and services, while also developing one-off projects with local partners;
- extend our geographical footprint to new high-potential developed territories, especially in the United States and Germany;
- in our Building operations, be a leader in refurbishment and regeneration whilst boosting our property development activities via our Linkcity network; and
- in our Civil Works operations, continue to be a top-notch player in the major infrastructure market (bridges, tunnels, nuclear power plants, offshore wind power) in France and abroad, and expand our activities in the growing market for infrastructure repair work.

(a) A building which, in operation, produces more energy than it consumes.

In everything we do, we:
- give top priority to the health and safety of our employees and partners in all our projects;
- propose full-service offerings that meet customer needs, capitalising on our expertise in key markets and sectors, in both new-build and refurbishment (housing, industry, healthcare, hotels/tourism, education, commercial property etc);
- pursue customer satisfaction over the long term, in particular by ensuring tight control over execution, delivering high-quality products and services, and providing after-sales support;
- digitise our building methods in order to improve productivity; and
- use digital technology as a strategic avenue of growth, via the design of new products and services and the use of digital solutions within our own business activities.

Implementing the plan has already enabled us to:
- reorganising activities around Business Lines in each entity (new housing, commercial property, industry, healthcare, hotels/tourism, education, justice, data centres, airports, offshore wind power, etc.) and the roll-out of new marketing offers in France (Archisobre, etc.);
- launching a programme to share and develop key account relationships;
- create two property development funds in France, and a foundation in Switzerland;
- develop an in-house community to share experience and competencies around major projects;
- deploy risk management tools on major projects;
- launch two pilot projects in France using the digital platform developed as part of the BRYCK project, aimed at achieving productivity gains by standardising and industrialising our processes;
- embedding carbon reporting into our management cycle;
- disseminating four new values (simplicity, confidence, teamwork and pioneer spirit) to all our people.

I.2 CLIMATE AND BIODIVERSITY STRATEGY

AMBITIONS

Across all our operations, we are intensifying our actions in innovation and renewable energies, and rolling out our Carbon strategy. Our ambitions are to:
- make the transition to a low-carbon economy a major growth driver and generate business growth opportunities by offering customers distinctive, high value-added products and services to minimise the carbon impact across the entire value chain;
- pioneer the integration of solutions for producing, storing and distributing decarbonised energy (solar, nuclear, hydrogen, etc.); for making buildings, neighbourhoods, towns and cities more energy-efficient (positive-energy buildings, "zero-carbon" neighbourhoods, etc.); and for supporting the development of low-carbon mobility (electric mobility, rail infrastructure, etc.);
- reduce our direct and indirect emissions by 2030 compared to 2021 (by 40% in absolute terms for scopes 1 and 2, by 30% in intensity for scope 3 in Building, and by 20% for scope 3 in absolute terms in Civil Works);
- offer solutions to our customers that allow them to address the challenges of ecological transition; and
- continue rolling out eco-design solutions such as Archisobre (a building concept designed to achieve a threefold reduction in the buildings' carbon footprint); timber construction (with our "WeWood" approach); recycling and reuse with our Cyneo platform; ecological engineering; drastic reductions in site waste; valorisation of surplus excavated earth for landscaping (the "Terres Fertiles" project); and reconstruction of natural, agricultural and horticultural land.

ACTION PLAN

Our action plan to create a low-carbon culture involves:
- reducing the carbon intensity of our operations by focusing on design and building methods (timber construction, etc.), procurement (especially priority packages such as concrete, steel, facades and external joinery), and the energy consumption of our worksites;
- developing and valorising our expertise, skills and flagship projects in solutions for a low-carbon world;
- introducing carbon trajectory tracking tools to align our climate roadmap and our business plans (revisiting management cycles, and embedding carbon footprint measurement in the commercial, design and site-work phases of our projects);
- training our people in climate-related issues – over 7,600 of our employees received such training in 2023, representing 52% of our managerial, administrative, clerical, technical and supervisory staff; and
- championing biodiversity in our infrastructure and building projects by developing innovative solutions that protect existing on-site wildlife and ecosystems, and by reintroducing nature into urban environments.

In early 2024, the Science Based Targets initiative (SBTi) committee certified that our greenhouse gas emission objectives are in line with limiting average temperature rises to 1.5°C on scopes 1 & 2.

We have identified eight levers to help us achieve those objectives:
- using biofuel for heavy machinery;
- transitioning heavy machinery and the vehicle fleet to electric or hydrogen power;
- buying green energy for our own power consumption;
- using low-carbon concrete, recycled steel, and biosourced materials like timber, straw and raw earth;
- applying an eco-design approach, to reduce emissions in both the construction and operating phases;
- using components derived from the circular economy;
- selecting suppliers with the lowest emission factors in their category; and
- increasing the proportion of refurbishment projects.

I.3 STRENGTHS AND ASSETS

To deliver on our strategic plan, Bouygues Construction can count on:
- know-how, through the talent of employees in around 50 countries who share the same customer-focused values;
- acknowledged expertise in production infrastructure projects from renewable energies and digital (data centres) to public and electric-powered transport networks, and in refurbishment and urban regeneration projects;
- the ability to mobilise resources and offer innovative solutions for major projects anywhere in the world, making us a key player in delivering infrastructure and buildings for a low-carbon planet;
- distinctive, high value-added products and services based on long experience of managing complex projects, specific knowledge of sustainable construction and constant innovation in all its forms; and
- the ability to adapt to changing markets: the level of our backlog provides good visibility, enabling costs to be adjusted while focusing commercial investment on the most dynamic markets.

I.4 MARKET POSITION

- Given the organisational structure of our direct competitors and recent changes in the composition of many groups in the sector, it is difficult to make like-for-like comparisons between them and Bouygues Construction.
- Worldwide: in the 2023 ENR[a] ranking of international contractors, the Bouygues group's construction activities (represented by its three business segments: Bouygues Construction, Bouygues Immobilier, Colas) ranked fourth, like in 2022, when based solely on its share of sales generated in international markets.

(a) ENR Top 250 Global Contractors and International Contractors survey, 2023.

II - REVIEW OF OPERATIONS, RESULTS AND FINANCIAL POSITION

II.1 KEY FIGURES FOR THE YEAR ENDED 31 DECEMBER 2023

- **Sales: €9,755m (+5%)**
- **Current operating margin: 2.9% (-0.1 of a point)**
- **Net profit attributable to the Group: €178m (1.8% of sales)**
- **Order backlog: €15.0bn (+6%)**

II.2 BUSINESS PERFORMANCE

ORDER INTAKE SHARPLY HIGHER

In 2023, our order intake came to €10.6 billion, up 25% on 2022. That increase reflects the significant number of major new contracts won during the period, and the resilience of our core business.

In France, the order intake was €4.1 billion, 17% higher than in 2022. That figure includes the award of various packages of line C of the Toulouse Metro and line 18 of the Grand Paris Express network.

Internationally, the order intake reached €6.6 billion, up 31% versus 2022, boosted by large projects such as the Abidjan Metro in Côte d'Ivoire, MTRC 1201 and 1601 for the Hong Kong Metro, and the Potomac River Tunnel in the United States.

SUBSTANTIAL ORDER BACKLOG

The backlog at end 2023 stood at €15 billion (up 6% on end December 2022, and up 9% like-for-like and at constant exchange rates), with international markets accounting for 66%. Europe was the largest international market, ahead of the Asia-Pacific region.

Building accounted for €8.8 billion of the order backlog at 31 December 2023, and Civil Works for €6.2 billion.

The proportion to be delivered in 2024 is €8.2 billion, a higher level than in the previous year.

SALES DRIVEN BY INTERNATIONAL MARKETS

Sales were €9.8 billion in 2023, up 5% versus 2022 (up 7% like-for-like and at constant exchange rates). Building accounted for 62% of sales, and Civil Works for 38%.

French sales were down slightly (by 2%) at €3.9 billion, representing 40% of total sales.

International sales totalled €5.8 billion, 10% higher than in 2022.

ROBUST OPERATING PERFORMANCE

Current operating profit from activities (COPA) reached €281 million, up €5 million year-on-year. Operating margin (COPA margin) amounted to 2.9% of sales, down slightly (by 0.1 of a point) year-on-year.

Net profit attributable to the Group for the year ended 31 December 2023 was €178 million.

HIGH LEVEL OF NET SURPLUS CASH

Net surplus cash remained high at the end of 2023, at €3.4 billion (versus €3.6 billion at the end of 2022).

II.3 DEVELOPMENTS IN OUR MARKETS AND ACTIVITIES

France - 2023 sales: €3.9 billion (-2%)

The Building segment in France enjoyed strong momentum in 2023, with highlights including order intakes for the Huawei factory at Brumath and the Trousseau Hospital complex in Tours.

In parallel, a number of projects are ongoing, such as the Logisterra platform at Noeux-Les Mines; the Belliard property complex in the 18th arrondissement of Paris; and UNIK, a nationwide accommodation programme launched by the French Armed Forces Ministry.

Projects relating to the summer 2024 International Sporting competitions taking place in Paris (construction of the Aquatics Centre, Plot A2 at the Saint-Denis Athletes Village and the Porte de la Chapelle Arena) are nearing completion.

In Civil Works, the order intake in 2023 included 5 tranches of Line C of the Toulouse Metro, and tranche 3C of Grand Paris Express Line 18.

During 2023, Bouygues Construction also finalised Line 15 T2A (delivered in December 2023) and Line T3A (delivery scheduled early 2024).

Europe - 2023 sales: €2.7 billion (+6%)

In **the UK**, Bouygues Construction is involved in several urban regeneration projects, such as the Hallsville Quarter and Tustin Estate in London. We are also active in healthcare, and started work in early 2023 on the Oriel Hospital complex, a state-of-the art eye health complex in London.

In parallel, work is ongoing on two major infrastructure projects:
- the Hinkley Point nuclear power plant, where the dome on the first of the two reactors was lifted into place at the end of 2023. The plant will eventually meet 7% of the UK's electricity needs, supplying power to over five million households; and
- the HS2 high-speed rail link that will connect central London to Birmingham and Manchester. Here, the highlight of the year was ongoing work on the Colne Valley Viaduct which on completion will be the longest railway viaduct in the UK at 3.4km.

In **Switzerland**, we are extending our footprint in commercial and residential property development, with projects like:
- four new major projects booked in during 2023 (Switzerland's first-ever energy-positive neighbourhood in Bern, the Les Acacias residential neighbourhood in Geneva, the cantonal administration complex in Luzern, and four office blocks in Vernier);
- ongoing construction of eco-neighbourhoods like Quais-Vernets and Coté Parc in Geneva, and Arbora in Vaud canton.

In **Central Europe**, we are continuing with the construction of a tram depot in the Czech Republic and a pharmaceutical laboratory in Poland.

In **Croatia**, the huge project aimed at dualling the Istrian peninsula motorway network is also ongoing, with the start-up of two new phases including the Mirna viaduct.

And in **Greece**, 2023 saw the commencement of work on the Riviera Tower, a 200-metre-high residential block on the site of the former Athens airport.

Asia-Pacific - 2023 sales: €1.9 billion (+13%)

In the **Asia-Pacific** region, we have developed our expertise through our Building and Civil Works subsidiaries so that we now have long-established local operations, especially in Australia, Hong Kong and Thailand.

In **Australia**, Bouygues Construction has completed work on the WestConnex tunnel in Sydney, while construction work on the Melbourne metro contract is ongoing.

Thanks to our subsidiary AW Edwards, we are now firmly established in the Australian construction sector, particularly with the Crows Nest metro station project and a number of data centres in Sydney.

We also began work on a solar farm project at Culcairn in early 2024.

Business remains buoyant in **Hong Kong**, in both Building and Civil Works. The 2023 order intake included the Anderson Road Quarry multi-use complex, and packages MTRC 1201 and 1601 of the Hong Kong metro.

Work is also ongoing on two tunnelling projects (Central Kowloon Route and Trunk Road T2) along with the SMS Sports Centre and the Hospital Authority Support Services Centre.

In the **Philippines**, Bouygues Travaux Publics continues to work on the extension of the Manila metro. Initial track testing of metro train units took place in December 2023.

Africa – Maghreb – Middle East - 2023 sales: €0.8 billion (+27%)

Bouygues Construction has a selective approach to projects in this region.

In **Morocco**, business remains buoyant, driven by projects including the BenGuérir Hospital complex and MyWay, a mixed residential/office development complex in Casablanca.

We also have a presence in **Benin**, where we are close to completing the Abomey Calavi University Hospital.

In **Saudi Arabia**, we are building the Qiddiya theme park, and carrying out preliminary work on a hotel in the AlUla desert; both projects are part of the country's broader strategy of developing a post-oil economy.

In **Egypt**, we are still working on the construction of Cairo Metro Line 3.

In the **Democratic Republic of Congo**, **Côte d'Ivoire**, **Guinea-Conakry** and **Mali**, Bouygues Construction is in charge of earthworks for opencast mining at the gold mines located in Kibali, Tongon, Tinguilinta and Gounkoto respectively.

Americas – Caribbean - 2023 sales: €0.5 billion (+2%)

We are continuing to expand in the **United States** where we we are involved in several large projects, including the Pier 66 hotel complex (a combination of major refurbishment and new build on the site of a former beach resort) and the waste water storage tunnel at Pawtucket, south of Boston.

At the end of 2023, Bouygues Construction was awarded the contract to build another waste water storage tunnel: the Potomac River Tunnel in Washington.

III - RESEARCH AND DEVELOPMENT ACTIVITIES

III.1 SHARED INNOVATION AS CUSTOMER SERVICE

Innovation and R&D are the best way to offer our customers more sustainable and responsible solutions. We are driving innovation at every stage in the value chain:

• In the design phase, we can expect to see digitisation gather pace in the years ahead. Improvements in data capture and processing will pave the way for the development of digital twins, generating efficiencies in design and workflow management and reducing the gap between forecasts and outcomes.

In 2023, Bouygues Construction issued a white paper that set out our stance on this issue, how we see the potential of these technologies, and our vision.

Digital twins can also deliver solutions further upstream in the value chain. Working with our partner Dassault Systèmes, we are drawing inspiration from design and production methods used in the aeronautics, space and automotive industries and from university research (at Stanford, ETH Zürich and Centrale Lille) to initiate new design solutions for buildings, especially through our new transformation approach, dubbed "BRYCK". This ambitious project will change the way we work, by transposing real-world built environment expertise into the digital space. Digital twins will become a platform for architects, engineers and site workers to share their viewpoints and knowledge. BRYCK will drive industrialisation of the built environment by enabling modular design, more efficient use of materials and better on-site productivity. It will also help us better align on our customers' needs, by configuring standardized elements to create a unique outcome. Meanwhile, better visibility on contract progress will generate logistics efficiencies, as components are created and delivered in real time.

- Digital solutions like these should enable us to make better choices in the design phase. That's the aim of our MDO project, which massively optimises the process by shifting from sequential design with a limited range of configurations to multi-disciplinary, parametric design. This will also help us identify new low-cost, low carbon solutions at an early stage.
- Our BYsprong project leverages our BYGEAS ultra-fast parametric calculation model to identify the price and carbon impact of hundreds of configurations, and to select the best energy upgrade package for existing buildings.
- And our BYWALLi system loads a 3D scan of an existing facade into the Dassault Systèmes platform, which then automatically generates cladding modules so that we can launch manufacture by one of our industrial partners. This optimises the weight of the insulation modules and reduces the risk that cladding will fall off.
- Finally, virtual reality (VR) and augmented reality (AR) are potential game-changers for the way we work, from safety training and ergonomics to virtual property viewings. As part of this process, our R&D unit runs the DesignLab facility at the Challenger building, which demonstrates tried and tested technologies to our employees.

Launched by Bouygues Construction a few years ago and drawing on play-based tools including the serious game concept, CityPlay is developing into a fully-fledged co-construction approach to urban development.

The aim is to imagine and build - in conjunction with residents, neighbours and stakeholders - a more resilient, inclusive and intelligent city. The CityPlay approach uses a set of play-based, online and face-to-face solutions to transform cities: citizens and users become designers, and residents are fully engaged.

Examples include:

- future workshops, to help local authorities plan their strategies;
- serious games, to co-construct a project with end users;
- spatial planning of unique, hybrid places, to create the future user community; and
- intrapreneurship: incubating citizen projects, so that hyper-local initiatives can emerge.

Solutions like these can tap into a network of partners (institutions, businesses, universities and non-profits) to support cities with their transformation projects.

The serious game concept has already been deployed on 45 projects, including La Maillerie in Lille (urban spatial planning), Les Fabriques in Marseille (new business start-ups in a makerspace), Share in Tours (serious game), and the Smart City projects developed by Bouygues Energies & Services.

Bouygues Construction also offers local authorities integrated solutions for regenerating industrial wasteland that combine sustainable construction, energy efficiency, a mix of uses, active travel, biodiversity, and new technologies tailored to residents' needs. The Bouygues group has been involved in a number of landmark projects, both in France and internationally.

We also submitted a bid in response to a call by ADEME (the French Environment and Energy Management Agency) for collaborative, open-source projects to build local resilience. Our project – developed in partnership with Auxilia-Chronos, Institut Eco-Conseil and Banque des Territoires – takes the form of a serious game, used by councillors and officials to explore the concept of local resilience. This fun but educational tool has been tested in some pilot local authorities, and its holistic approach is a good way of raising awareness of key resilience issues, sharing existing resources, and motivating everyone involved. The game is fully downloadable and printable for local authorities, and is supported by a Wiki database to inspire users and tool them up for action.

Bouygues Construction offers customers an office building design concept capable of subsequent conversion to residential use, which is being trialled in Lyon as part of the Eureka Confluence project. More generally, we provide support for customers seeking to repurpose office space as residential units through our asset transformation business line.

On the academic front, Bouygues Construction continues to strengthen the partnerships built over the last few years.

- We are working with ESB Nantes, a specialist timber college, to deliver outcomes that will make it easier for our engineers to promote biosourced materials to our customers. A dynamic study of timber as a resource at a time of rising demand is under way, alongside workstreams investigating the use of alternative species (broad-leaved trees).
- We have ongoing research projects with the Centre for Integrated Facility Engineering (CIFE), headed up by Prof. Martin Fischer at Stanford University in the USA, and (since 2021) with the ESTP Paris engineering school in association with the Arts et Métiers Institute of Technology (ENSAM), Schneider Electric, Egis, French state railway network SNCF Réseau, and the French Geological Survey (BRGM). This chair, dedicated to digital twins, aims to identify ways to develop more sustainable and resilient buildings.
- We have also partnered with the Cambridge Service Alliance at the University of Cambridge to research digital twin use cases.
- In 2022, we linked up with a lab at ETH Zürich on a joint project focused on the circular economy.
- And in partnership with Essec Business School, we have set up the "Circularise Your Organisation" chair, encouraging students to explore innovative circular business models that will help us strengthen and refresh our operations, such as the Functionality Economy and Buildings as Material Banks).

All these collaborations broaden the scope of our research, especially in emerging fields.

• In the construction phase, Bouygues Construction emphasises eco-construction methods and the use of innovative, low-carbon or bio-sourced materials, and provides the keys for constructing buildings aligned on circular economy principles. For example the BIO4EEB project, awarded Horizon Europe funding in early 2023, will contribute to the development of biosourced cladding materials (including the use of recycled Neptune seagrass for insulation).

Our teams are increasingly turning to less polluting materials – ecological, biosourced, recycled or reused. Bouygues Construction has set up Cyneo, a subsidiary dedicated to reusing construction materials so as to develop a circular economy in the building industry.

A patent has been filed for BYWALLi, an industrialised, hand-liftable timber cladding solution. Accredited by the French Scientific and Technical Centre for Building (CSTB) and ATEx certified as a biosourced insulating material, it aims to offer a more competitive option than timber framed walls thanks to offsite industrial prefabrication.

The fablab-developed BYBlock prototype offers an all-in-one solution encompassing heating, hot water, ventilation, and thermal/electrical storage for energy upgrades to detached houses. The concept has now been fine-tuned to produce a BYBlock capable of supplying apartment blocks and small office blocks.

A range of European energy upgrade research programmes (such as INFINITE, RESPONSE and RINNO) have led to further innovations, such as a 3D printer robot producing insulation for external cladding that has been piloted jointly with robotics firm Batiprint on a social housing upgrade project.

Turning to cement, we have for several years been developing multiple techniques for optimising concrete formulations, in particular by using mineral admixtures (such as metakaolin and milk protein) to reduce carbon emissions. During 2023, we used concrete formulations with 20% metakaolin developed in our R&D lab to build a number of structures, with the aim of a 30% reduction in carbon.

We have also developed unconventional materials, such as the use of recovered sand to make mortar. During 2023, our R&D teams trialled alkali-activated cement on a range of building and civil works sites (such as acoustic barriers on the A10 motorway in Tours, and modules at Lavau prison) to establish the conditions and limitations for its use. At present, this type of cement has a carbon footprint 70% lower than CEM I. Based on this trial, we were able to select this clinker-free binder for various projects including the Loiret departmental archive building in Orléans, the ARENA venue for the Paris Olympics, and the Issy-les-Moulineaux station on the Grand Paris Express rapid transit rail system (winner of the Greater Paris Environment Award).

We have entered into a partnership with Hoffmann Green Cement Technologies to develop and test concrete formulations using H-EVA metakaolin-based technology. Initial research identified a need for tailored adjuvants, so Bouygues Construction asked the adjuvant manufacturer Chryso to provide technical assistance. Three years of research and fine-tuning have focused on addressing a series of technical issues around slowing or controlling hydration reaction in the binder without impairing workability and mechanical performances. These issues are now starting to be resolved so that researchers can assess the effects on unset and hardened concrete, and monitor creep, shrinkage and durability. As a result, this binder formulation has now progressed to preparation of a Preliminary Technical Evaluation of Material (ETPM). The objective is a carbon reduction of 60%-70% versus CEM I.

Finally, to ramp up our transformation drive we have launched ScaleOne, a new worksite lab devoted to upscaling.

ScaleOne is a life-size test-bed where worksite technologies of the future can be deployed in real-life conditions – ranging from digitisation and industrialisation to artificial intelligence and eco-design, not to mention green energy, smart buildings and low-carbon materials. The success of ScaleOne is built on an ecosystem of players from right across the construction value chain: manufacturers, project managers and owners, and builders; start-ups, SMEs and large companies; academics and testing centres. It's a hybridisation-based approach that promotes collective emulation, knowledge-sharing, training, and disseminating innovation. To meet those objectives, ScaleOne operates test-beds in three key research fields: environmental performance (LowCarbonLab), industrialisation of building techniques (ConstructionLab), and new technologies (DigiLab).

• **In the operational phase**, Bouygues Construction is responsive to customer needs in terms of usage, energy efficiency and optimal infrastructure and utilities management.

To deliver on this aim, our R&D teams have developed Datawatcher, an energy data visualisation and analysis tool that identifies problems and excess consumption faster and more easily than conventional building energy management systems.

The "smart city" concept is constantly evolving. The use of information and communication technology will become increasingly important for the competitiveness of cities. But cities also need to be sustainable, and to ensure that parts of their population are not left behind. The European Union is supporting these activities, and its Horizon Europe program (€95 billion in grant money) will lead to significant investment in addressing the issues raised by growing urbanisation.

Our research is geared towards helping cities perform better: public accessibility of services, infrastructure optimisation, and limiting environmental impacts. During 2023, we worked on urban resilience - specifically, on evaluating and reducing heat island risks in neighbourhood redevelopment projects. At the end of 2023, a consortium made up of the Bouygues Construction and Linkcity R&D teams successfully bid for a new Horizon Europe project (CLIMRES), dedicated to identifying vulnerabilities of buildings to climate risks.

Whether city-wide or for individual buildings, we are migrating towards the "smart building" concept – in other words, buildings that communicate and integrate with the "smart city". The core mission of our Connected Buildings unit is to help develop in-house expertise that will make us competitive in embedding new information and communication technologies into buildings via a "Building Operating System" (BOS).

Smalt is a start-up created and incubated by Bouygues Construction which delivers solutions that reduce the carbon footprint of a building during its use. Smalt's digital technology tools give users closer control over their individual consumption.

Turning to infrastructures, the state of disrepair of many bridges in France and elsewhere is highlighting the importance of timely and appropriate maintenance and upkeep strategies. Monitoring the condition of infrastructure means assessing its fitness for purpose as well as its structural integrity. Our solutions address this with both innovative and mature geophysical techniques. The GEOPONT project, a winner in the French Ministry of Ecological and Community Transition "Connected Bridges" call for projects, focuses mainly on concrete structures – which account for the majority of road bridges. The project draws on two geophysical methods at different stages of technical maturity – geo-radar and active seismic techniques – to construct an overall analytical baseline for a bridge. The ultimate aim is for these geophysical methods to become established as reliable, fit-for-purpose low-cost operational tools for monitoring bridge structures. The solutions delivered will be practical as well as innovative.

III.2 LEADING PLAYER IN SUSTAINABLE CONSTRUCTION

At the heart of our strategy as a responsible and engaged business is our emphasis on environmental issues.

In a world of dwindling resources, we are developing alternative solutions, such as reusing tunnelling spoil to make concrete for use in building new structures.

The future of our industry depends on a return to a circular economy. That's not just about renewable energy: we need to design and build structures that require less materials (by optimising usage and surfaces) and can use recycled or (even better) reused materials. For several years, our Circular Design Experience (CDE) unit, part of our R&D function, has been exploring how to make this happen. Design and deconstruction tools are currently being rolled out. The next step is to construct a demonstrator building that will use circular economy principles to deliver a low carbon footprint and a sharp reduction in resource depletion. Alongside CDE, we have also set up Cyneo, inaugurated in November 2023 at the Halles des Ardoines tech hub. Cyneo is a platform dedicated to reuse, and hosts businesses committed to this key principle of the circular economy; it also supports educational programmes and encourages collaborative progress.

In addition, Bouygues Construction is participating in a forward planning committee set up by the French Scientific and Technical Centre for Building (CSTB), looking at the question of what material resources the building industry and property sector will be using in 2040. This collaborative endeavour has set itself the challenge of identifying the key issues the building industry and property sector will face in terms of the future consumption of resources, and developing contrasting scenarios on the potential use of those resources.

INCREASE, a new Horizon Europe project awarded to Bouygues Construction in July 2023, will enable us to join a consortium developing photovoltaic panels embedded in the building fabric. A demonstrator is being erected at Linkcity's Connexion project in Grenoble with an innovative, hyper-resistant, coloured photovoltaic curtain wall delivering an enhanced performance.

Bouygues Travaux Publics, in partnership with Sapiem, has delivered gravity-based foundations for the new Fécamp wind farm off the Normandy coast. With a total capacity of around 500 MW, the wind farm is expected to generate the equivalent of the domestic energy consumption of some 770,000 people, or 60% of the population of the Seine-Maritime region of Normandy.

A number of Bouygues Construction projects reuse secondary raw materials directly on site. For the Pantin Kanal project (a 20,500 m^2 office block on the edge of the Port de Pantin development zone in the north-eastern suburbs of Paris), our subsidiary Bouygues Bâtiment Ile-de-France Construction Privée is adopting a circular economy approach. A range of measures are being taken to reduce the project's carbon footprint: recovery and reuse of raised floor panels; metal posts that can be reused through the entire cycle; algae-based paints that are not classed as hazardous waste; and composting facilities at the site office. Another example: in refurbishing the Biomet indoor swimming baths in Paris, Bouygues Bâtiment Ile-de-France Ouvrages Publics repurposed the 900 m^2 of polycarbonate glazing panels from the old structure to create greenhouses for communal gardens.

Bouygues Construction is experimenting with alternative construction methods, and has strengthened its expertise in using timber (which has a lower carbon footprint). We have used timber for nearly 100 new-build or refurbishment projects in France, the United Kingdom and Switzerland.

For example, Revaison College at Saint-Priest, built by Bouygues Bâtiment Sud-Est for Lyon City Council in partnership with timber-construction specialist Ossabois, is 90% timber (half of which is modular). Using modular timber construction meant that the building was completed more quickly, to a higher standard, and in a more eco-friendly way.

Bouygues Construction is also involved in developing two new accreditation standards: BiodiverCity Life and BiodiverCity Ready. While the existing accreditation scheme takes account of biodiversity in the design and construction phases, the new standards will broaden the scope to include pre-existing buildings or even the biodiversity of an entire neighbourhood. Our performance on this indicator reflects a better general understanding of biodiversity issues, and a strong commitment among our operational teams to biodiversity initiatives such as species conservation (fauna and flora); ecological continuity measures; and the installation of beehives and community food-growing areas. Bouygues Bâtiment International has issued a guide with 17 practical tips to help operational staff take practical steps to support biodiversity. And Bouygues Bâtiment France Europe systematically applies a process for identifying biodiversity challenges, allowing for input from local environmental groups if necessary.

Bouygues Construction has embedded the Climate Strategy and SBTi objectives agreed in 2022 at the heart of its new strategic plan. Through an iterative process, we have engaged with all our subsidiaries to establish our emission trajectory out to 2030, based on identified levers for action and key performance indicators adapted to each entity.

So that we can build in environmental considerations at the earliest possible stage, we have developed a carbon impact scoring tool. This means that we can assess carbon performance in the selection, tendering and delivery phases, alongside financial indicators.

IV - RISK MANAGEMENT POLICIES

Internal control and disclosures about risks
(Article L. 225-100-1, 3 of the French Commercial Code)

IV.1 INTERNAL CONTROL

INTERNAL CONTROL SYSTEMS

The Internal Control and Risk Management Reference Manual of the Bouygues group is based on the reference framework published by the AMF. The Reference Manual covers the general principles of internal control and risk management, and internal control principles relating to accounting and finance. In addition to setting out the general principles of internal control within the Bouygues group, the Reference Manual also identifies good practices common to all the Group's business segments, and applies standard treatments on important transverse issues. Each business segment has supplemented the Reference Manual with principles specifically related to its own activities.

To check on how well internal control principles are being applied, annual internal control self-assessment campaigns are conducted. In selecting which control principles are assessed, priority is given to identified risks and topics. At Bouygues Construction, the self-assessment campaign is usually conducted during the spring and summer, with summary reports presented at the end of the year. The data collected are used to compile findings about the effectiveness of internal control within Bouygues Construction, and to develop and implement action plans with a view to constantly improving the internal control system and risk management. Each entity develops its own action plans. At Bouygues Construction level, managers of the support functions oversee transverse action plans.

Overall, the 2023 campaign involved 265 people in 59 operating units or holding companies, representing 90% of Bouygues Construction sales. A total of 83 principles from the risk management and internal control reference manual were evaluated.

Two topics were selected by Bouygues SA:

- PG 07: Treasury Management, Financing, and Market Instruments
- PG 11: Guarantees

Four topics were selected by Bouygues Construction:

- PG.0341-BYCN – Understanding Major Project Risks
- PG.036-BYCN – Income taxes
- PG.041-BYCN – Safety
- CF.21 – Taxes other than income taxes

Some Bouygues Construction entities opted to evaluate additional topics based on their specific risks and challenges.

The 2023 campaign continued the process of extending the rollout of internal control systems to the entities and units closest to the front line, while identifying areas for progress via self-assessment. By providing high-quality feedback and pooling their results, those involved are helping internal control to become a training, team-building and management tool.

RISK MAPPING

Risk mapping is integrated into the Bouygues Construction management cycle. It is submitted to the Audit Committee and the Board of Directors.

This management process provides a shared vision of major risks within Bouygues Construction, with the aim of constantly improving control over those risks and reducing exposure. In addition, synergies between risk management, internal control and internal audit can add value to the organisation's control processes. The annual internal audit plan includes a number of assignments which address the key risks identified by the mapping process.

Risk mapping is updated during the summer and autumn. The work done at entity level is supplemented by contributions from the support functions, forming the basis for risk mapping across the Bouygues Construction group as a whole.

Key risk factsheets, which identify action plans, are updated during the campaign.

RESOURCES DEPLOYED

The internal control rollout strategy adopted by Bouygues Construction reflects the Group's decentralised structure, and the decision to rely on strong and highly-structured support functions. The control environment is adapted accordingly:

ROLE OF THE BOUYGUES CONSTRUCTION HOLDING COMPANY

Overall management of the internal control system is handled by a dedicated team within the Audit and Internal Control function, which reports to the Bouygues Construction General Counsel. The holding company plays the lead role in the process, co-ordinates the self-assessment campaigns, and provides methodological support to the entities. It also prepares the Group-level summary report, monitors transverse action plans, and drafts the risk mapping.

ROLE OF THE ENTITIES

Within the entities, the internal control system is the responsibility of the General Counsel. Internal control correspondents are responsible for the rollout of self-assessment campaigns. The General Counsel of each operational unit is usually responsible for onward deployment within the unit itself.

ROLE OF THE SUPPORT FUNCTIONS

The support functions bind the process together, building on the work done at entity level. Managers of the support functions and centres of excellence are responsible for approving certain principles; they also prepare a summary report, and monitor transverse action plans.

TRAINING AND AWARENESS PROGRAMMES

Numerous training and awareness programmes form part of the campaign: discussion forums and feedback meetings, internal control workshops, committee meetings at support function level, and reporting to the Executive Committees. A co-ordinating committee for those responsible for internal control at entity level provides a forum for information-sharing across the Group's entities.

ACCOUNTING AND FINANCIAL INTERNAL CONTROL

The entities have specific resources in both accounting and financial control. Accounting teams may be centralised or decentralised, depending on the circumstances. Financial controllers – present at every level of the organisation – work closely with operational managers.

The financial control and accounting functions both report to the Corporate Secretary. Shared resource centres are in place in the main territories where Bouygues Construction operates. These centres enable subsidiaries based in the same geographical territory to access shared accounting resources, helping to ensure that common policies and rules are strictly observed.

IV.2 RISKS RELATING TO BOUYGUES CONSTRUCTION'S OPERATIONS AND ACTIVITIES

OPERATIONAL RISKS ON MAJOR PROJECTS

The complexity and size of the projects undertaken by Bouygues Construction may expose the Group to risk both in studies and design, and in the execution phase.

Such risks may originate from factors such as:

- errors in design, costings or methods;
- insolvency of partners (co-contractors, subcontractors, service-providers and/or suppliers);
- co-ordination and interface issues, especially on co-construction projects or works in occupied premises;
- the occurrence of specific unforeseen events; and/or failure to manage tough contractual commitments.

If this type of risk materialises, it can lead to consequences such as (i) cost overruns due to project delays (such as the cost of additional resources or late delivery penalties); (ii) the need to deploy additional technical and human resources; (iii) the need to carry out unforeseen design and/or construction work; (iv) replacement of a partner that has failed; (v) claims and litigation; and (vi) damage to the company's image or reputation.

Bouygues Construction's organisational structure builds in strict selection, commitment, validation and control procedures, at the most appropriate level within the business; the bigger the project, the more centralised the process.

For all major projects, the commercial commitment validation procedure requires the preparation at the outset of (i) a Project Executive Summary, which identifies the main issues and commitments; and (ii) a Risk Scoring Matrix, which quantifies major risks and the mitigations required. Internal audits are regularly conducted on major projects to obtain assurance of adequate control over emerging risks.

Finally, Bouygues Construction entities can call upon highly qualified human resources in both technical fields (through skills hubs) and specialist support services.

RISKS ASSOCIATED WITH HIGH INTERNATIONAL EXPOSURE

Bouygues Construction generates more than 60% of its business outside France, operating in over 60 countries, and hence is exposed to risks arising from political or social instability in certain nation states or regions (diplomatic tensions between nation states, and/or economic and commercial tensions); those risks are being accentuated by the rise of protectionism.

Generally speaking, if such a risk materialises, it could result in Bouygues Construction:

- incurring extra costs to continue operations and/or maintain a presence in the region affected, due (for example) to tougher regulations, higher taxes and/or embargoes;
- incurring extra costs to withdraw from a region or country;
- forgoing certain contracts or markets.

The risks arising from Bouygues Construction's international exposure are limited by:

- the resources in place to prevent and mitigate such risks, including:
  - a rigorous selection procedure implemented by the Executive Committee for any country where Bouygues Construction entities do not yet have a presence, or where they have not recently carried on operations;
  - in some regions, a "nomadic" business model, with a temporary operation set up to execute a specific major project;
  - the use of protective contractual terms, and the implementation of legal, financial and insurance-based preventive measures;
  - requiring payment in stable currencies;
  - close monitoring of forecasts (made possible by the depth of our order backlog) so that we can anticipate adverse trends and reallocate our means of production to less affected markets or activities.
- reinforcing our operations in stable countries: Europe (e.g. France and Switzerland), the United States, and Australia.

RISKS ASSOCIATED WITH SUPPLY CHAIN DISRUPTION

Since 2021, we have seen sharp price rises for materials and energy, disruption to freight and international logistics, and longer manufacturing and delivery lead-times.

The increasing scarcity of some commodities has created supply issues, and may generate extra costs for our business.

For Bouygues Construction, supply chain risks are mitigated by:

- a centralised procurement function, with specialist buyers and strategic offices around the world to take us as close as possible to where we source our supplies;
- an increased role for our dedicated cross-disciplinary Trading & Logistics unit in under-pressure regions, especially in the UK where the fallout from Brexit is also a factor.

Our procurement function has activated action plans to reduce the risk of supply chain disruption, including:

- specialised focus on supplies and subcontracting;
- enlarged scope of operations via the central management team;
- digitisation, including applications such as marketplace and RPA software;
- communication (economic briefing notes, and specific guidance on trends in raw materials prices); and
- locking in supplies through localised strategic procurement that takes account of the economic, geopolitical and public health context in each country, and through national or local partnerships.

MARKET TRENDS AND NEW TECHNOLOGIES

Our ability to innovate and adapt to changes in markets, techniques and technologies is essential.

Failure to adapt and innovate can adversely affect our capacity to improve productivity and reduce production costs. It could also lead to lost opportunities, and to our withdrawal from certain markets.

To provide a cohesive response to strategic market and stakeholder issues, Bouygues Construction's organisational structure combines a Strategy Directorate (Strategy Rollout, Prospective, Corporate Intelligence & Venture, Mergers & Acquisitions, Key Account Management and Efficiency Program) with a Transformation Directorate (CSR & Decarbonisation, Digitalisation and Industrialisation) that is tasked with:

- supporting R&D efforts within our subsidiaries by deploying new construction methods (prefabrication, industrialisation) and developing innovative, eco-friendly technical solutions (timber construction, biosourced materials, eco-design, recycling/reuse of materials) that will deliver benefits for all our projects and customers;
- developing specialisations focused on specific products and major customers so we can spot market trends better, and devise new commercial solutions aligned on what our customers expect (such as low-energy buildings, highly durable materials and new use cases);
- identifying and securing partnerships with start-ups that offer a good fit with our business, so as to strengthen our ties with the construction industry start-up ecosystem; and
- supporting the establishment of investment funds to acquire land alongside investors and developers, and continuing to move up the value chain in property development; and
- promoting in-house initiatives.

EROSION OF SKILLS BASE AND LOSS OF ATTRACTIVENESS AS AN EMPLOYER

Bouygues Construction's activities are dependent on the competencies, know-how and expertise of its employees, especially for the delivery of construction projects.

So the risk is that Bouygues Construction may be unable to attract and retain the most suitable people in terms of their know-how and/or potential; to train and build the skills of its employees effectively; or to allocate resources appropriately.

If this risk were to materialise, it would:

- reduce the overall level of expertise within Bouygues Construction, potentially weakening its market position;
- make it difficult to plan the availability of essential resources, leading to internal disruption;
- impair the quality and lead-times of project design and/or execution, leading to cost overruns; and
- adversely affect the image and reputation of Bouygues Construction.

Preventive and corrective measures are applied; these relate to spotting skills and talents, diversifying sources of recruitment (early talent pool); management training and support; strengthening and promoting our areas of expertise (engineering, production, major projects), and the attractiveness of the sector and of Bouygues Construction as an employer; and developing workforce planning so that we can better anticipate of our future needs.

RISKS ASSOCIATED WITH CLIMATE CHANGE AND DECARBONISATION EXPECTATIONS (CSR)

For Bouygues Construction, responding to mounting expectations in terms of corporate social responsibility, environmental awareness, climate risks and reducing our carbon footprint represents a major challenge.

Failure to address this challenge could result in lost opportunities and reputational damage.

Bouygues Construction has set up specific organisational structures to meet the challenge and limit the associated risks, and is continuing to apply its "Responsible and Engaged" approach covering 12 issues: Health & Safety; Ethics; Human Rights; Exemplary Operations; Energy & Carbon; Diversity & Quality of Life at Work; Circular Economy; Biodiversity; Sourcing of Sustainable Resources; Employability & Local Rootedness; Openness to Society; and Community Spirit.

We have also set up "TopSite", an internal accreditation scheme for our work sites, which addresses five issues: Health & Safety; Environment; Employees; Society; and Quality/Customer Engagement.

During 2021, we rolled out our climate strategy, and are now monitoring performance against our 2030 targets.

This is being backed up by awareness, communication and training campaigns to secure buy-in from everyone throughout our business.

During 2022, we bolstered our sustainable development strategy with three priorities:

- combating climate change through a strategy to decarbonise our operations;
- building an engaged supply chain through responsible, sustainable partnerships; and
- creating social value, so that we can have a positive impact in our communities and territories.

In 2023, the Science Based Targets initiative (SBTi) officially validated the targets set by Bouygues Construction to reduce its emissions of greenhouse gases (GHGs) for the 2021-2030 period. SBTi validation attests that our commitments are consistent with currently available scientific climate data and with the Paris Agreement.

The three targets we have set ourselves to reduce our GHG emissions by 2030 versus 2021 are:

- 40% reduction in direct emissions produced by our own activities (scopes 1 & 2);
- 30% reduction in intesity (in m3) of indirect emissions generated by the building industry value chain, both upstream in the construction phase and downstream in the operating phase (scope 3); and
- 20% reduction in absolute terms in indirect emissions generated by our upstream value chain in Civil Works (scope 3).

To help us deliver on these targets, we have introduced a carbon management cycle which now embeds optimization and tracking of our carbon footprint in all the phases of every project, from design to delivery.

LEGAL, REGULATORY AND ETHICAL RISKS

Ethical and compliance breaches

Bouygues Construction is exposed to ethical and compliance risks due to non-compliance with Group standards, especially as regards:

- its relationships with public sector bodies, whether acting as principal or granting the permissions necessary for projects to go ahead;
- the potential for employees to be subject to illegal approaches by intermediaries, suppliers or local partners, potentially resulting in anti-competitive practices, conflicts of interest, or embargo violations;
- the number of players involved in projects, whether in the prospecting phase or during execution;
- the extent of its geographical footprint.

Ethical and compliance breaches may lead to substantial financial penalties; criminal convictions; denial of access to certain contracts, markets, sources of funding and/or insurance policies; reputational damage; internal disruption; and the imposition of restrictive monitoring regimes. We use corruption risk mapping to track such risks and develop appropriate action plans in line with recommendations issued by regulatory bodies.

Our ethics and compliance policy has strong backing at the highest level of management, and is supported by our Executive Committee (our chief decision-making body), of which our Chief Ethics Officer is a member. Our Chief Ethics Officer is supported by the Compliance Department, in turn backed up by compliance reps within entity-level Legal Affairs departments and our Local Legal Desks. Our policy is built around the Bouygues group's Code of Ethics, the Anti-Corruption Code, and the four Bouygues group compliance programmes. Bouygues Construction also provides employees with a Practical Guide to Ethics and Compliance (fully updated in 2022) which includes our policies on gifts and hospitality, guidance on patronage and sponsorship, and the rule under which the use of commercial intermediaries is no longer allowed. Implementation of the policy is supported by online tools including gift and hospitality reporting (a new application went live at the end of 2022); compliance verification databases; training tools developed in-house; and a whistle-blowing procedure.

Employee training and awareness programs are provided through the new ByCompliant training module, and performance indicators are presented during annual compliance reviews at entity and Bouygues Construction levels, as well as at meetings of the Bouygues Construction Ethics Committee. We monitor all of our ethics and compliance policies so that we can make any improvements as and when they are needed.

In May 2023, two Bouygues Construction subsidiaries (Bouygues Bâtiment Sud Est and Linkcity Sud Est) signed a Judicial Public Interest Agreement (Convention Judiciaire d'Intérêt Public – CJIP) with the French Economic and Financial Crime Office (Parquet National Financier - PNF). Under the terms of the agreement, Bouygues Construction agreed to submit to a Compliance Remediation Programme (Programme de Mise en Conformité – PMC) overseen by the French Anticorruption Agency. The PMC began in the autumn of 2023. The relevant teams within Bouygues Construction are liaising with the Agency, and with the consultants retained in connection with the PMC, on the implementation of the pillars of the "Sapin II" law and the measures being taken by the company.

IV.3 CREDIT AND/OR COUNTERPARTY RISK

COMMERCIAL CREDIT AND COUNTERPARTY RISK

The fact that our projects and operational units are structurally cash-positive is a fundamental principle underpinning the financial security of our operations. Cash flow and financial risk projections are prepared for major projects from the prospecting phase onwards, and are regularly updated.

The quality and financial soundness of sensitive customers, consortium members, partners, suppliers and subcontractors are closely analysed. Depending on the contractual and commercial context of a project, we may inter alia:

- require an upfront advance from the customer before works commence and deduct warranty retentions from subcontractor progress statements;
- require bank guarantees (e.g. to secure payment in the case of customers, or as performance bonds in the case of subcontractors);
- assign trade receivables without recourse;
- take out export risk insurance (covering against country risk and political risk);
- take out credit insurance.

The Bouygues Construction group is not exposed to any risk of dependency on a specific customer.

In the case of ad-hoc consortia, temporary allocations of cash between consortium members are covered by bank guarantees securing the return of the cash.

BANKING CREDIT AND COUNTERPARTY RISK

Any investment of funds with a third party requires the prior approval of the Treasury and Financing Department, in terms of both the choice of bank counterparty (based on an analysis of the bank's rating) and the type of instrument.

- The main investment products used are:
- certificates of deposit and term deposits with a maturity of no more than three months with high-grade counterparties;
- term accounts and interest-bearing accounts with high-grade banks offering daily liquidity;
- pure money-market funds offering daily liquidity and a positive yield.

These investments are subject to review and monitoring on a monthly basis.

No losses arose during 2023 on any of the investment products used by the Group.

As of 31 December 2023, no single bank held more than 5% of the Group's available liquidity. Over 90% of investments are placed with counterparties rated investment grade or better (minimum: Standard & Poors BBB+).

LIQUIDITY RISK

Net surplus cash as of 31 December 2023 is €3,435 million, a decrease of €206 million versus the end of 2022.

There were €350 million of undrawn confirmed short-term credit facilities as of 31 December 2023.

IV.4 INTEREST RATE RISK

EXPOSURE TO INTEREST RATE RISK

Interest rate risk exposure arises on floating-rate debt recognised in the balance sheet, and is hedged by floating-rate investments. Bouygues Construction negotiates upfront payments with customers before starting work on a contract, and hence has a substantial net cash surplus which is invested in the short term in products that are sensitive to interest rate movements.

INTEREST RATE RISK HEDGING POLICY

The only instruments that can be used for interest rate risk hedging purposes are interest rate swaps, caps and collars. These instruments are used solely for hedging purposes, are contracted solely with high-grade French and foreign banks, and carry no liquidity risk in the event of reversal. Specific reports are prepared for those responsible for the management and supervision of the relevant Group companies describing the use of these instruments, the selection of counterparties with whom they are contracted, and more generally, the management of exposure to interest rate risk.

Bouygues Construction's policy is to hedge at Group level some or all of its financial assets and liabilities, where these are foreseeable and recurring. Given the Group's level of debt and capital expenditure needs, use of the financial instruments listed above is limited to hedging the company's risk exposures.

IV.5 CURRENCY RISK

EXPOSURE TO CURRENCY RISK

Bouygues Construction has low exposure to currency risk in routine commercial transactions. Where possible, expenses relating to a contract are incurred in the same currency as that in which the contract is billed.

This applies to most projects executed outside France, on which local-currency expenses (sub-contracting and supplies) represent a much higher proportion than euro-denominated expenses. Bouygues Construction also pays particular attention to risks relating to assets denominated in non-convertible currencies, and to country risk generally.

CURRENCY RISK HEDGING POLICY

The only instruments that can be used for currency risk hedging purposes are forward currency purchases and sales, currency swaps and currency options. These instruments are used solely for hedging purposes, are contracted solely with high-grade French and foreign banks, and carry no liquidity risk in the event of reversal. Specific reports are prepared for those responsible for the management and supervision of the relevant Group companies describing the use of these instruments, the selection of counterparties with whom they are contracted, and more generally, the management of exposure to currency risk.

Bouygues Construction group policy is to hedge systematically all residual exposure to currency risk on commercial transactions relative to the functional currency of a project or entity. If the future cash flow is certain, the currency risk is hedged by buying or selling currency forward, or by means of currency swaps. For some large contracts, options may be taken out for hedging purposes before the contract award has been confirmed. Equity investments in foreign companies are usually hedged by a liability of a similar amount in the same currency in the books of the entity that holds the investment.

IV.6 RISK RELATING TO EQUITIES AND OTHER FINANCIAL INSTRUMENTS

Bouygues Construction has no exposure to equities risk.

Financial instruments may occasionally be contracted to hedge a commodities risk, provided that an adequate instrument is available on the financial markets. These instruments are used solely for hedging purposes and are contracted solely with high-grade banks.

V - STATEMENT ON NON-FINANCIAL PERFORMANCE

SOCIAL AND ENVIRONMENTAL IMPACT OF ACTIVITIES – SOCIETAL COMMITMENTS – COLLECTIVE AGREEMENTS – WORKING CONDITIONS

In accordance with Article L. 225-102-1 of the French Commercial Code, information relating to:

- the consequences of the company's activities, and of the use made of the goods and services produced by the company, for climate change;
- the company's societal commitments to support sustainable development and the circular economy, cut food waste, combat food poverty, respect animal welfare and support responsible, fair and sustainable food;
- collective agreements in effect within the company, and their impacts on the company's economic performance and on the working conditions of employees;
- actions taken to combat discrimination and promote diversity;
- actions taken to promote the armed forces covenant and support engagement with armed forces reserves; and
- actions taken to promote physical activities and sport, and to support people with disabilities;

is provided in the 2023 Bouygues Universal Registration Document, as posted on www.bouygues.com on 22 March 2024.

VI - VIGILANCE PLAN

In accordance with Article L. 225-102-4 of the French Commercial Code, information relating to:

- human rights and fundamental freedoms; and
- human health and safety, and the environment;

is provided in the 2023 Bouygues Universal Registration Document, as posted on www.bouygues.com on 22 March 2024.

VII - SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

No significant events have occurred since the end of the reporting period.

VIII - OUTLOOK FOR 2024

The outlook as described below is based on currently available information.

Bouygues Construction has a number of strengths, including:

- orders at 31 December 2023 to be executed in 2024 worth €8.2 billion and a mid-term backlog (two to five years) of €6.8 billion as of that date;
- a solid balance sheet, with net surplus cash of €3.4 billion as of 31 December 2023; and
- the capacity to export its expertise abroad: with 60% of its sales generated outside France, Bouygues Construction has ambitions to extend its footprint to new high-potential developed markets.

IX - REVIEW OF THE CONSOLIDATED AND PARENT COMPANY FINANCIAL STATEMENTS

IX.1 CONSOLIDATED FINANCIAL STATEMENTS

A total of 355 companies are included in the scope of consolidation, 54% of which are located outside France, compared with 432 at the end of 2022.

These comprise:

- 200 controlled entities, which are accounted for using the full consolidation method;
- 113 entities meeting the definition of a joint operation, which are accounted for using the proportional consolidation method; and
- 42 entities meeting the definition of a joint venture or over which Bouygues Construction exercises significant influence, which are accounted for using the equity method.

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

TRANSFER OF BOUYGUES CONSTRUCTION'S ENERGIES & SERVICES ACTIVITIES TO EQUANS:

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

The transfer was carried out on the basis of the historical carrying amount of the Energies & Services operations in the books of Bouygues Construction as a business combination under common control.

In the Bouygues Construction consolidated financial statements, the Energies & Services arm was classified in the "Held-for-sale assets and operations and discontinued operations" category in the year ended 31 December 2021, in accordance with IFRS 5. On completion of the transfer of the Energies & Services activities to Equans, the net loss of €15 million arising on the transaction was recognised in "Net profit/(loss) from discontinued operations".

CHANGE IN METHOD OF CONSOLIDATION FOR RICHELMI

Richelmi, which was previously accounted for using the full consolidation method, is now (with effect from 1 January 2023) accounted for using the equity method.

The impact of that change in the consolidated financial statements for the year ended 31 December 2023 is a gain of €8 million, representing the remeasurement of the 50% retained equity interest.

Other changes in the scope of consolidation during 2023 did not have a material impact on the consolidated financial statements.

ASSETS

In aggregate, property, plant and equipment (€436 million) and intangible assets (€13 million) are €57 million lower than at the end of 2022. The main factors in this year-on-year movement are:

- capital expenditure of €125 million during the year, comprising €71 million outside France (including €23 million on the Abidjan Metro contract), and €54 million within France;
- depreciation and amortisation expense charged during the period (€155 million); and
- disposals of property, plant and equipment and intangible assets (generating a cash inflow of €43 million).

Goodwill amounts to €303 million, including €5 million for the impact of fluctuations in foreign exchange rates against the euro (because goodwill is recognised and tracked in the functional currency of the acquired entity).

Investments in joint ventures and associates, accounted for by the equity method, amount to €36 million (versus €29 million at the end of 2022). As of 31 December 2023, this line item mainly comprises a 33% equity interest in the Stade de France consortium at €9 million; a 50% equity interest in UBY (formerly Com'In) at €7 million; and a 50% equity interest in Richelmi at €6 million.

Other non-current financial assets (€193 million) comprise €39 million of investments in non-consolidated companies plus €154 million of non-current loans and receivables, advances to non-consolidated companies, and deposits and caution money. That compares with €202 million at the end of 2022.

Deferred tax assets amount to €62 million, mainly comprising unrealised tax gains related to provisions for employee benefits and provisions temporarily non-deductible for tax purposes.

Current assets (excluding cash and cash equivalents) amount to €3,214 million as of 31 December 2023.

The net cash position (cash and cash equivalents, net of overdrafts and short-term bank borrowings) is €3,755 million, €236 million lower than at the end of 2022 (€3,991 million).

LIABILITIES AND EQUITY

Total shareholders' equity, including non-controlling interests (i.e. minority interests), is €634 million lower than the end-2022 figure, at €726 million. The main factors in this year-on-year movement are:

- a reduction of €609 million relating to the transfer of Equans shares to Bouygues SA;
- the €178 million of net profit attributable to the Group for the period;
- the dividend payout of €199 million to shareholders; and
- actuarial losses (and the associated deferred taxes) of €13 million following an increase in discount rates and salary inflation assumptions used for lump-sum retirement benefits and pension obligations.

Non-current debt is €309 million, €29 million lower than at the end of 2022, due mainly to the repayment of borrowings contracted with Bouygues group cash pooling entities in connection with the transfer of the Energies & Services activities to Equans.

Provisions – which are a significant item in the Building & Civil Works sector – are split between non-current (€726 million) and current (€650 million), in accordance with international financial reporting standards.

Current taxes payable amount to €89 million, and comprise corporate income taxes payable by French and foreign subsidiaries in the short term.

Trade payables are €2,292 million at end 2023, compared with €2,282 million at end 2022.

Customer contract liabilities amount to €1,750 million at 31 December 2023, versus €1,900 million a year earlier. This line item is presented to comply with the requirements of IFRS 15, and represents the sum total of advances/down-payments received and deferred income.

Other current liabilities amount to €1,403 million. This line item mainly comprises tax and employee-related liabilities.

INCOME STATEMENT

Sales for the year are €9,755 million, a 5% increase versus 2022. Of this, 40% was generated in France, and 28% in the rest of Europe.

Current operating profit is €281 million (versus €276 million in 2022). After deducting income tax expense of €95 million and a €15 million loss from discontinued operations, net profit attributable to the Group is €178 million.

IX.2 PARENT COMPANY FINANCIAL STATEMENTS

COMMENTS

The decrease of €524 million in net non-current assets (€1,277 million at end 2023, versus €1,801 million at end 2022) is mainly due to:

- Capital increases:
  - at Bouygues UK, of €57 million; and
  - at Dragages Hong Kong, of €23 million.
- A capital redemption by the Stade de France Consortium, of €4 million.
- The transfer to Equans on 4 January 2023 by Bouygues Construction SA of the entire share capital of its Energies & Services activities (BYES SAS €510 million, Kraftanlagen Energies & Services €99 million). All of the Equans shares received by Bouygues Construction as consideration for that transfer were distributed immediately to Bouygues SA.

Shareholders' equity at end 2023 is €668 million, a decrease of €732 million. The main factors in this year-on-year movement are:

- the transfer of the Equans shares (BYES SAS and Kraftanlagen) to Bouygues SA by offset against share premium (€339 million) and retained earnings (€270 million), i.e. a total of €609 million;
- the dividend payout of €199 million; and
- the net profit for the year of €76 million.

Debt at end December 2023 is €600 million (versus €401 million a year earlier). This line item consists of cash borrowed from Bouygues group cash pooling entities to finance non-current assets.

Net debt at end December 2023 is €734 million, versus €492 million at end 2022, a year-on-year change of €242 million.

INDEBTEDNESS

Net surplus cash as of 31 December 2023 is €3,435 million, a decrease of €206 million versus the end of 2022.

There were €350 million of undrawn confirmed medium-term credit facilities as of 31 December 2023.

LOANS OF LESS THAN THREE YEARS MADE BY THE COMPANY ANCILLARY TO ITS PRINCIPAL BUSINESS

(Article L. 511-6, 3bis para.1 and Articles R. 511-2-1-1 and R. 511-2-1-2 of the French Monetary and Financial Code)

Bouygues Construction did not make any loans of less than three years ancillary to its principal business in the last financial year.

HOLDINGS IN SUBSIDIARIES AND AFFILIATES

As required by Articles L. 233-6 and L. 247-1 of the French Commercial Code, the description of the Bouygues Construction group's activities and results contained in this Financial Report includes the activities of the company's subsidiaries and of companies under its control.

A table showing information about holdings in subsidiaries and affiliates is appended to the company's balance sheet and reproduced on the following page.

BRANCHES – SECONDARY ESTABLISHMENTS

As required by Article L. 232-1 of the French Commercial Code, we inform you that the company has three secondary establishments in the form of shared resource centres, located at Rouen and St Herblain (accounting) and Lyon (payroll).

INFORMATION ABOUT SUPPLIER AND CUSTOMER PAYMENT TERMS

As required by Articles L. 441-14 and D. 441-6 of the French Commercial Code, information about payment terms is provided below:

- suppliers: invoices received and due for payment that remain unpaid at the end of the reporting period;
- customers: invoices issued and due for payment that remain unpaid at the end of the reporting period.

YEAR ENDED 31 DECEMBER 2023

Subsidiaries and affiliates	Share capital (d)	Reserves & retained earnings before appropriation of profits (d)	% interest in capital	Carrying amount of shares held		Loans and advances receivable by the parent	Guarantees given by the parent	Sales for last financial year	Net profit/(loss) for last financial year	Dividends received by the parent during the year	Comments
				Gross	Net						
A. Detailed information (a)(b)											
Subsidiaries (interest held > 50%)				**1,076**	**1,057**	**330**	**3**				
DTP	10	1	100.00%	24	24	-	-	7	9	-	
Bouygues Bâtiment International	25	105	100.00%	85	85	54	-	383	-	-	
Bouygues Bâtiment Île-de-France	14	56	92.21%	103	103	-	1	1,571	46	31	
Bouygues Travaux Publics	291	2	98.88%	343	343	87	2	2,140	106	-	
Bouygues Bâtiment Nord-Est	25	26	100.00%	35	35	-	-	476	16	10	
Bouygues Bâtiment Centre Sud-Ouest	7	17	93.04%	11	11	-	-	259	7	4	
Bouygues Bâtiment Sud-Est	3	36	100.00%	6	6	-	-	431	-8	-	
Fichallenge	2	-7	100.00%	2	-	-	-	-	-	-	
Challenger	-	-	99.99%	15	15	-	-	20	4	-	
Bouygues Bâtiment Grand Ouest	2	57	100.00%	4	4	-	-	378	19	12	
Bouygues Bâtiment Central Europe	-	17	100.00%	25	25	45	-	-	-12	-	
VSL (Switzerland)	2	9	100.00%	32	32	84	-	47	-3	2	
Losinger Holding (Switzerland)	15	16	100.00%	22	22	-	-	-	21	26	1 CHF = €1.079914
Dragages Hong Kong (Hong Kong)	250	165	100.00%	29	29	58	-	229	-20	5	1 HKD = €0.115856
Acieroid (Spain)	1	2	93.81%	18	1	-	-	22	0	-	
Bouygues UK (UK)	-	79	100.00%	318	318	2	-	375	-60	-	1 GBP = €1.150748
Detailed information: affiliates (interest held: 10%-50%)											
B. Aggregate information for subsidiaries and affiliates not included in A.											
Total	**-**	**-**	**-**	**42**	**25**	**14**	**-**	**-**	**-**	**-**	
French subsidiaries (aggregate)	-	-	-	14	13	14	-	-	-	4	
Foreign subsidiaries (aggregate) (c)	-	-	-	1	1	-	-	-	-	1	
French affiliates	-	-	-	26	10	-	-	-	-	1	
Foreign affiliates	-	-	-	-	-	-	10	-	-	-	
Grand total	**-**	**-**	**-**	**1,117**	**1,082**	**344**	**-**	**-**	**-**	**-**	

(a) Where the carrying amount exceeds a certain percentage (determined by applicable regulations) of the share capital of the reporting entity. If the reporting entity has also published a consolidated balance sheet that complies with the applicable regulations, it is only required to disclose aggregate information (item B), showing separately (a) French subsidiaries (aggregate) and (b) foreign subsidiaries (aggregate).
(b) Give the name and registered office of each subsidiary and affiliate in which the reporting entity holds an equity interest.
(c) Foreign subsidiaries and affiliates exempt from inclusion in item A are included on these lines.
(d) Amount in local currency, with the currency and exchange rate shown in the "Comments" column.

Amounts in thousands of euros	Invoices received and due for payment that remain unpaid at the end of the reporting period						Invoices issued and due for payment that remain unpaid at the end of the reporting period					
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)
A/ Ageing profile of payment arrears												
Number of invoices	323					95	297					13
Total amount (incl. VAT)	11,521	284	-	26	13	323	46,806	54	245	-	4	303
% of total purchases (incl. VAT)	8.26%	0.20%	0.0%	0.02%	0.01%	0.23%						
% of total sales (incl. VAT)							21.96%	0.03%	0.11	-	0.00%	0.14%
B/ Invoices excluded from (A) because they are disputed or not recognised in the accounts												
Number of invoices			0						0			
Total amount (incl. VAT)			0						0			
C/ Benchmark payment terms used (contractual or statutory - Article L. 441-6 or L. 443-1 of the French Commercial Code)												
Payment terms used to determine arrears	Contractual terms: other than in special cases, the contractual term generally used is 45 days from the end of the invoice month						Contractual terms: other than in special cases, the contractual term generally used is 30 days after the 15th of the following month					

Note:
- the "Trade payables" line item (€38 million) also includes accrued expenses and unpresented bills of exchange; and
- the "Trade receivables" line item (€48 million) also includes unbilled receivables.

X - HUMAN RESOURCES UPDATE

As of 31 December 2023, Bouygues Construction had a consolidated headcount of 32,470, split as follows:

• **France**	**12,154**
- Site workers	3,267
- Clerical, technical and supervisory	2,401
- Managerial staff	6,486
Includes managerial staff on secondment outside France	
• **Other countries**	**20,316**
- Expatriate staff (a)	362
- Local staff	19,954

(a) Only includes expatriates governed by French law.

The frequency rate of accidents requiring time off work in 2023 was 2.5.
The severity rate was 0.30.

XI - APPROPRIATION OF 2023 PROFITS

We propose that you approve the following appropriation of profits:

Net profit for the year	€75,957,867.25
Legal reserve (already at the maximum amount)	NONE
Retained earnings brought forward	€444,092,735.79
Giving **distributable profits** of	€520,050,603.04
Distribution of a dividend of	€194,643,066.45
Balance carried forward as retained earnings	€325,407,536.59

The dividend for the 2023 financial year has been set at €108.85 per share ranking for dividend.

As required by law, dividends paid in respect of each of the last three financial years are disclosed below:

Year	2020	2021	2022
Number of shares	1,706,230	1,706,230	1,788,177
Dividend per share	€89.00	€160.70	€111.50
Total dividend	**€151,854,470.00**	**€274,191,161.00**	**€199,381,735.50**

XII - FIVE-YEAR FINANCIAL SUMMARY

As required by Article R. 225-102 paragraph 2 of the French Commercial Code, a table showing a summary of the company's results for each of the last five financial years is appended to the present report.

XIII - ACQUISITIONS OF EQUITY INTERESTS AND CONTROL

XIII.1 ACQUISITIONS OF SIGNIFICANT EQUITY INTERESTS IN COMPANIES WITH THEIR REGISTERED OFFICE IN FRANCE

In accordance with Articles L. 233-6 and L. 247-1 of the French Commercial Code, we inform you that during the last financial year Bouygues Construction did not acquire any direct equity interest (in share capital or voting rights) representing more than 5%, 10%, 20%, 33.33% or 50% of the capital of companies with their registered office in French territory.

XIII.2 ACQUISITIONS OF CONTROL OF COMPANIES WITH THEIR REGISTERED OFFICE IN FRANCE

In accordance with Articles L. 233-6 and L. 247-1 of the French Commercial Code, we inform you that during the last financial year Bouygues Construction did not acquire direct or indirect control over any company with its registered office in French territory.

XIV - INFORMATION ABOUT THE SHARE CAPITAL

XIV.1 TRANSACTIONS ALTERING THE SHARE CAPITAL

No transaction that had the effect of altering the amount of share capital took place during the year ended 31 December 2023.

XIV.2 IDENTITY OF INDIVIDUALS OR ENTITIES OWNING MORE THAN ONE-TWENTIETH OF THE SHARE CAPITAL OR VOTING RIGHTS

In accordance with Article L. 233-13 of the French Commercial Code and in light of the information received pursuant to Article L. 233-12 of that Code, we inform you that as of 31 December 2023, 99.97% of the share capital of Bouygues Construction was held by Bouygues, a Société Anonyme with its registered office at 32, Avenue Hoche, 75008 Paris, France, registered in the Paris Register of Commerce and Companies as number 572 015 246.

XIV.3 INFORMATION ABOUT CONTROLLED ENTITIES AND OWN SHARES

As required by Article L. 233-31 of the French Commercial Code, we inform you that as of 31 December 2023 Bouygues Construction did not hold any of its own shares.

XIV.4 ASSIGNMENTS OF SHARES TO REGULARISE CROSS-SHAREHOLDINGS

Because Bouygues Construction has no cross-shareholdings with any other company, the requirement to regularise the situation by assignment of shares (as imposed by Article L. 233-39 of the French Commercial Code) does not apply.

Consequently, no assignments of shares to regularise cross-shareholdings were carried out in the year ended 31 December 2023.

XIV.5 SHARES BOUGHT AND SOLD IN CONNECTION WITH VOLUNTARY EMPLOYEE PROFIT-SHARING SCHEMES (ARTICLES L. 225-208, L. 225-209-2 AND L. 225-211 OF THE FRENCH COMMERCIAL CODE)

No shares were bought or sold in connection with voluntary employee profit-sharing schemes during the year ended 31 December 2023.

XV - NON-DEDUCTIBLE EXPENSES

As required by Articles 223 *quater* and 223 *quinquies* of the French General Tax Code, we inform you that no expenses not deductible for tax purposes (as mentioned in Article 39.4 of that Code) were incurred during the year, and no overheads mentioned in Article 39.5 of that Code were added back for tax purposes.

XVI - EMPLOYEE SHARE OWNERSHIP

As required by Article L. 225-102 of the French Commercial Code, we inform you that as of the end of the reporting period (i.e. 31 December 2023), the percentage interest in the company's share capital held by employees of the company itself (and of entities related to the company within the meaning of Article L. 225-180 of the French Commercial Code) was zero.

However, as required by Article L. 225-184 of the French Commercial Code, a special report is being presented to the Annual General Meeting on awards and exercises of stock options during the year relating to (i) corporate officers of the company and (ii) the ten company employees awarded the most options.

XVII - ECONOMIC AND SOCIAL COMMITTEE OBSERVATIONS

The Economic and Social Committee has made no observations pursuant to Article L. 2323-7-2 of the French Labour Code.

XVIII - AUTHORISATION OF GUARANTEES

As required by Articles L. 225-35 and R. 225-28 of the French Commercial Code, we inform you that the Board of Directors, at its meeting of 25 October 2023, authorised the Chairman & Chief Executive Officer to enter into guarantees up to an overall cap of €300 million.

The authorisation was granted for a period of one year.

XIX - RESOLUTIONS

The following resolutions relating to agenda items are submitted for your approval:

- Reading of the Management Report, the Board of Directors' report on corporate governance and the statutory auditors' reports.
- Approval of the parent company financial statements for the 2023 financial year.
- Approval of the consolidated financial statements for the 2023 financial year.
- Appropriation of profits for the 2023 financial year, and setting of the dividend.
- Approval of regulated agreements covered by Article L. 225-38 *et seq* of the French Commercial Code.
- Powers for filing and formalities.

We request that you cast your vote on the resolutions submitted to you.

XX - OTHER INFORMATION

Administration and audit of the company

As of 31 December 2023, Bouygues Construction is directed by a Chairman & Chief Executive Officer and a Deputy Chief Executive Officer.

We inform you that:

- the terms of office of Ernst & Young Audit as a statutory auditor and Auditex as an alternate statutory auditor will expire at the end of the Ordinary Annual General Meeting held to approve the financial statements for the year ended 31 December 2026;
- the term of office of Mazars as a statutory auditor will expire at the end of the Ordinary Annual General Meeting held to approve the financial statements for the year ended 31 December 2027.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

ASSETS (€ million)	31/12/2023 net	31/12/2022 net
Property, plant and equipment	436	494
Right of use of leased assets	103	104
Intangible assets	13	12
Goodwill	303	298
Investments in joint ventures and associates	36	29
Other non-current financial assets	193	202
Deferred tax assets	62	59
NON-CURRENT ASSETS	**1,146**	**1,198**
Inventories	217	233
Advances and down-payments made on orders	134	106
Trade receivables	1,335	1,142
Customer contract assets	614	668
Current tax assets	50	38
Other current receivables and prepaid expenses	854	865
Cash and cash equivalents	4,146	4,235
Financial instruments - Hedging of debt	-	-
Other current financial assets	10	13
CURRENT ASSETS	**7,360**	**7,300**
Held-for-sale assets and operations	-	3,532
TOTAL ASSETS	**8,506**	**12,030**

LIABILITIES AND SHAREHOLDERS' EQUITY (€ million)	31/12/2023	31/12/2022
Share capital	134	134
Share premium and reserves	395	899
Translation reserve	14	13
Treasury shares	-	-
Net profit/(loss) attributable to the Group	178	311
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP	**721**	**1,357**
Non-controlling interests	5	3
SHAREHOLDERS' EQUITY	**726**	**1,360**
Non-current debt	309	338
Non-current lease obligations	91	95
Non-current provisions	726	667
Deferred tax liabilities	25	27
NON-CURRENT LIABILITIES	**1,151**	**1,127**
Current debt	11	12
Current lease obligations	39	39
Current tax liabilities	89	70
Trade payables	2,292	2,282
Customer contract liabilities	1,750	1,900
Current provisions	650	605
Other current liabilities	1,403	1,438
Overdrafts and short-term bank borrowings	391	244
Financial instruments - Hedging of debt	-	-
Other current financial liabilities	4	7
CURRENT LIABILITIES	**6,629**	**6,597**
Liabilities related to held-for-sale operations	-	2,946
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**8,506**	**12,030**
NET SURPLUS CASH/(NET DEBT)	**3,435**	**3,641**

CONSOLIDATED INCOME STATEMENT

(€ million)	Financial year 2023	Financial year 2022
SALES[a]	9,755	9,306
Other revenues from operations	15	19
Purchases used in production	(5,712)	(5,473)
Personnel costs	(2,353)	(2,246)
External charges	(1,402)	(1,526)
Taxes other than income tax	(99)	(105)
Net charges for depreciation, amortisation and impairment losses on property, plant and equipment and intangible assets	(155)	(168)
Net charges for depreciation, amortisation and impairment losses on right of use of leased assets	(39)	(37)
Charges to provisions and other impairment losses, net of reversals due to utilisation	(176)	5
Change in production and property development inventories	(3)	19
Other income from operations[b]	580	567
Other expenses on operations	(130)	(85)
CURRENT OPERATING PROFIT/(LOSS)	281	276
Other operating income	11	-
Other operating expenses	(92)	(72)
OPERATING PROFIT/(LOSS)	200	204
Financial income	109	38
Financial expenses	(24)	(23)
INCOME FROM NET SURPLUS CASH/(COST OF NET DEBT)	85	15
Interest expense on lease obligations	(6)	(6)
Other financial income	30	53
Other financial expenses	(29)	(13)
Income tax	(95)	(83)
Share of net profits/losses of joint ventures and associates	12	(7)
NET PROFIT/(LOSS) FROM CONTINUING OPERATIONS	197	163
Net profit/(loss) from discontinued operations	(15)	148
NET PROFIT/(LOSS)	**182**	**311**
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	178	311
Net profit/(loss) attributable to non-controlling interests	4	-
BASIC EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO THE GROUP (€)	**107.95**	**94.32**
DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO THE GROUP (€)	**107.95**	**94.32**

(a) Of which sales generated abroad	5,836	5,304
(b) Of which reversals of unutilised provisions/impairment losses & other items	153	119

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE

(€ million)	Financial year 2023	Financial year 2022
NET PROFIT/(LOSS)	182	311
Items not reclassifiable to profit or loss		
Actuarial gains/(losses) on post-employment benefits	(44)	5
Remeasurement of investments in equity instruments	1	
Net tax effect of items not reclassifiable to profit or loss	2	(2)
Share of non-reclassifiable income and expense of joint ventures and associates	-	-
Non-reclassifiable items relating to discontinued operations, net of tax	-	-
Items reclassifiable to profit or loss		
Translation adjustments	(1)	4
Remeasurement of hedging assets	7	4
Net tax effect of items reclassifiable to profit or loss	(1)	-
Share of reclassifiable income and expense of joint ventures and associates	1	(1)
Reclassifiable items relating to discontinued operations, net of tax	-	15
INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	**(35)**	**25**
TOTAL RECOGNISED INCOME AND EXPENSE	147	336
Recognised income and expense attributable to the Group	**144**	**336**
Recognised income and expense attributable to non-controlling interests	**3**	**-**

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 2021	**143**	**393**	**499**	**-**	**(70)**	**965**	**6**	**971**
Movements during 2022								
Net profit/(loss)	-	-	311	-	-	311	-	311
Income and expense recognised directly in equity	-	-	-	-	25[a]	25	[a]	25
Total recognised income and expense[b]	**-**	**-**	**311**	**-**	**25**	**336**	**-**	**336**
Capital and reserves transactions, net	330	(33)	33	-	-	330	-	330
Acquisitions and disposals of treasury shares	-	-	-	-	-	-	-	-
Acquisitions and disposals with no change of control	-	-	-	-	-	-	-	-
Dividend paid	-	-	(274)	-	-	(274)	(3)	(277)
Share-based payments	-	-	-	-	-	-	-	-
Other transactions (changes in scope of consolidation, other transactions with shareholders, and miscellaneous items)	-	-	-	-	-	-	-	-
POSITION AT 31 DECEMBER 2022	**473**	**360**	**569**	**-**	**(45)**	**1,357**	**3**	**1,360**
Movements during 2023								
Net profit/(loss)	-	-	178	-	-	178	4	182
Income and expense recognised directly in equity	-	-	-	-	(34)[a]	(34)	(1)[a]	(35)
Total recognised income and expense[b]	**-**	**-**	**178**	**-**	**(34)**	**144**	**3**	**147**
Capital and reserves transactions, net		368	(368)	-	-	-	-	-
Acquisitions and disposals of treasury shares	-	-	-	-	-	-	-	-
Acquisitions and disposals with no change of control	-	-	-	-	-	-	-	-
Dividend paid	-	-	(199)	-	-	(199)	(2)	(201)
Share-based payments	-	-	-	-	-	-	-	-
Other transactions (changes in scope of consolidation, other transactions with shareholders, and miscellaneous items)	(339)	(270)	28	-	-	(581)	1	(580)
POSITION AT 31 DECEMBER 2023	**134**	**458**	**208**	**-**	**(79)**	**721**	**5**	**726**

(a) Change in translation reserve:

Attributable to:	Group	Non-controlling interests	Total
Controlled companies		(1)	(1)
Investments in joint ventures and associates	1		1
	1	(1)	

(b) See the statement of recognised income and expense.

CONSOLIDATED CASH FLOW STATEMENT

(€ million)	Financial year 2023	Financial year 2022
I - CASH FLOW FROM CONTINUING OPERATIONS		
A - NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES		
Net profit/(loss) from continuing operations	197	163
Adjustments:		
Share of profits/losses of joint ventures and associates, net of dividends received	5	20
Dividends from non-consolidated companies	(3)	(8)
Net charges to/(reversals of) depreciation, amortisation, impairment of property, plant and equipment and intangible assets, and non-current provisions	158	192
Net charges to amortisation and impairment expense and other adjustments to right of use of leased assets	41	38
Gains and losses on asset disposals	28	(22)
Income taxes, including uncertain tax positions	95	83
Income taxes paid	(95)	(92)
Other income and expenses with no effect on cash generated by operating activities	(62)	(12)
CASH FLOW AFTER INCOME FROM NET SURPLUS CASH/COST OF NET DEBT, INTEREST EXPENSE ON LEASE OBLIGATIONS AND INCOME TAXES PAID	**364**	**362**
Reclassification of income from net surplus cash/cost of net debt and interest expense on lease obligations	(79)	(9)
Changes in working capital requirements related to operating activities (including current impairment and provisions)[a]	(153)	(46)
NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES	**132**	**307**
B - NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES		
Purchase price of property, plant and equipment and intangible assets	(125)	(127)
Proceeds from disposals of property, plant and equipment and intangible assets	43	44
Net liabilities related to property, plant and equipment and intangible assets	(3)	5
Purchase price of non-consolidated companies and other investments	(2)	(1)
Proceeds from disposals of non-consolidated companies and other investments	4	12
Net liabilities related to non-consolidated companies and other investments	-	-
Purchase price of investments in consolidated activities	(4)	(39)
Proceeds from disposals of investments in consolidated activities	-	-
Net liabilities related to consolidated activities	(4)	16
Other effects of changes in scope of consolidation: cash of acquired and divested companies	(88)	1
Other cash flows related to investing activities: changes in loans, dividends received from non-consolidated companies	16	32
NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES	**(163)**	**(57)**
C - NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES		
Capital increases/(reductions) paid by shareholders and non-controlling interests and other transactions between shareholders	(1)	330
Dividends paid to shareholders of the parent company	(199)	(274)
Dividends paid by consolidated companies to non-controlling interests	(2)	(3)
Change in current and non-current debt	(28)	15
Repayment of lease obligations	(46)	(42)
Income from net surplus cash/cost of net debt and interest expense on lease obligations	79	9
Other cash flows related to financing activities	-	399
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES	**(197)**	**434**
D - EFFECT OF FOREIGN EXCHANGE FLUCTUATIONS	**(8)**	**27**
CHANGE IN NET CASH POSITION (A + B + C + D)	**(236)**	**711**
NET CASH POSITION AT START OF PERIOD	**3,991**	**4,116**
Net cash flows	(236)	711
Non-monetary flows	-	-
Held-for-sale operations	-	(836)
NET CASH POSITION AT END OF PERIOD	**3,755**	**3,991**
II - CASH FLOWS FROM DISCONTINUED OPERATIONS	**-**	**-**
NET CASH POSITION AT START OF PERIOD	**791**	**1,163**
Net cash flows	(791)	(372)
NET CASH POSITION AT END OF PERIOD	**-**	**791**

(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.

NOTES TO THE FINANCIAL STATEMENTS

(Figures in millions of euros unless otherwise indicated)

NOTE 1. SIGNIFICANT EVENTS OF 2023

1.1 SIGNIFICANT EVENTS AND CHANGES IN SCOPE OF CONSOLIDATION IN 2023

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

The transfer was carried out on the basis of the historical carrying amount of the Energies & Services operations in the books of Bouygues Construction as a business combination under common control.

In the Bouygues Construction consolidated financial statements, the Energies & Services business segment has been classified in the "Held-for-sale assets and operations and discontinued operations" category since the year ended 31 December 2021, in accordance with IFRS 5. On completion of the transfer of the Energies & Services activities to Equans, the net loss of €15 million arising on the transaction was recognised in "Net profit/(loss) from discontinued operations".

On 3 July 2019, the Singapore Appeal Court upheld the decision at first instance ordering Bouygues Construction subsidiary Dragages Singapore to meet the costs of refurbishing all the cladding on the facades of the Centennial Tower (delivered in 1997) following incidents in 2004, and again in 2011, when cladding panels fell from the tower.

On 19 April 2023, Dragages Singapore was ordered by the Singapore High Court to pay €39 million.

On 26 June 2023, under the terms of an appeal procedure and negotiations with the customer, Dragages Singapore signed an agreement in final settlement of the dispute for an amount of €37 million, which was paid during the second quarter of 2023.

On 16 February 2022, the audit commission (CRC) for the Auvergne-Rhône-Alpes region of France notified Bouygues Bâtiment Sud-Est and Linkcity Sud-Est of concerns about compliance breaches in the awarding of public contracts for the Annecy Genevois hospital complex.

On 7 July 2022, the CRC issued a definitive report which found that there had been irregularities in the awarding of contracts. The CRC sent the file to the French financial crime prosecutor's office (PNF), which opened a preliminary investigation.

On 15 May 2023, Bouygues Bâtiment Sud-Est and Linkcity Sud-Est signed a deferred prosecution agreement with the PNF. Under the terms of the agreement , Bouygues Bâtiment Sud-Est and Linkcity Sud-Est agreed to pay fines of €6.8 million and €1.2 million respectively. In parallel, a Compliance Rectification Plan overseen by the French anti-corruption agency was implemented, costing a maximum of €1.3 million.

Following tax audits on the 2018 and 2019 financial years, the Directorate of National and International Audits of France's Public Finances Directorate notified Bouygues Construction of two proposed adjustments in respect of corporate tax, the contribution on added value and withholding tax. The French tax authorities consider that the amount of royalties received by Bouygues Construction from its subsidiaries in respect of brand licences should be increased. Bouygues Construction is disputing the grounds and the quantum of this revaluation, and has referred the dispute to the National Commission for Direct Taxes and Sales Taxes. In December 2023, Bouygues Construction received a new proposed adjustment in respect of the 2020 financial year, relating to the same issue as the two proposed adjustments mentioned above. Bouygues Construction has challenged this proposed adjustment through the taxpayer representation procedure.

1.2 SIGNIFICANT EVENTS AND CHANGES IN SCOPE OF CONSOLIDATION SUBSEQUENT TO 31 DECEMBER 2023

There have been no significant events subsequent to 31 December 2023.

NOTE 2. GROUP ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The consolidated financial statements of the Bouygues Construction group for the year ended 31 December 2023 were prepared in accordance with the standards issued by the IASB as endorsed by the European Union and applicable as of that date. Those standards (collectively referred to as "IFRS") comprise International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs), and interpretations issued by the IFRS Interpretations Committee – previously the International Financial Reporting Interpretations Committee (IFRIC), itself the successor body to the Standing Interpretations Committee (SIC). The Group has not early adopted as of 31 December 2023 any standard or interpretation not endorsed by the European Union.

The financial statements are presented in millions of euros (unless otherwise indicated) and 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.

They include comparatives as of and for the year ended 31 December 2022.

The financial statements of the Bouygues Construction group include the financial statements of Bouygues Construction SA and its subsidiaries, its investments in associates and joint ventures, and its joint operations. They are presented in millions of euros, and take account of presentational recommendations 2013-03 (of 7 November 2013) and 2016-01 (of 2 December 2016) issued by the CNC, the predecessor of the *Autorité des Normes Comptables* (ANC), the French national accounting standard-setter.

The consolidated financial statements were closed off by the Board of Directors on 21 February 2024, and will be submitted for approval by the forthcoming Annual General Meeting on 24 April 2024.

The consolidated financial statements for the year ended 31 December 2023 were prepared in accordance with IFRS using the historical cost convention, except for certain assets and liabilities measured at fair value where this is a requirement under IFRS.

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

EXERCISE OF JUDGEMENT AND USE OF ESTIMATES:

In preparing consolidated financial statements to comply with IFRS standards and interpretations, the Group uses estimates and assumptions which may have affected the amounts reported for assets, liabilities and contingent liabilities at the end of the reporting period, and the amounts of income and expenses reported for the period.

These estimates and assumptions have been applied consistently on the basis of past experience and of various other factors regarded as reasonable forming the basis of assessments of the valuations of assets and liabilities for accounting purposes. Actual results may differ materially from these estimates if different assumptions or conditions apply.

The main items involved are the impairment testing of goodwill and equity investments (see Note 3.2.4.); measurement of identifiable assets and liabilities in a purchase price allocation; employee benefits such as lump-sum retirement benefits and pensions (see Note 19); fair value of unlisted financial instruments (see Note 17); recoverability of deferred tax assets (see Note 7.4), especially where there is a history of tax losses over a number of years; provisions for litigation and claims, etc. (see Note 6); leases (reasonable certainty of exercise of lease options and incremental borrowing rates, as described respectively in Notes 2.4.1.1. and 2.4.2.1); and end-of-contract margins on construction contracts (see Note 2.4.3.2).

Where no standard or interpretation applies to specific transactions, events or conditions, Group management exercises its judgement to define and apply accounting policies that will provide relevant information that gives a fair presentation and is comparable between periods, such that the consolidated financial statements:

- represent faithfully the financial position, financial performance and cash flows of the Group;
- reflect the economic substance of the underlying transactions; and
- are neutral, prudent, and complete in all material respects.

Disclosures about judgements made by management are provided in the notes to the consolidated financial statements.

In preparing the financial statements, the Group has analysed the potential impacts of climate change. That analysis did not materially call into question the useful lives and the residual or recoverable amounts of non-financial assets such as property, plant and equipment, intangible assets, goodwill, or right of use assets.

HELD-FOR-SALE ASSETS AND OPERATIONS AND DISCONTINUED OPERATIONS

A non-current asset, or a group of directly-associated assets and liabilities, is regarded as being held for sale if its carrying amount will be recovered primarily through a sale rather than through continuing use. For this to be the case, the asset must be available for immediate sale, and its sale must be highly probable. Such held-for-sale assets or asset groups are measured at the lower of the carrying amount or the estimated selling price less costs to sell.

A discontinued operation is one that is material to the Group (having been treated as a cash generating unit) and that has either been disposed of or classified as a held-for-sale asset. Discontinued operations are presented in the financial statements as follows:

- The assets and liabilities related to the held-for-sale operations are presented as a total amount in specific line items within the balance sheet; receivables and payables between those operations and other Group entities continue to be eliminated on consolidation. The comparative balance sheet is not restated.
- The net after-tax profit of discontinued operations is presented in a specific line item within the income statement, which includes (i) the net after-tax profits generated by such operations until the date of their disposal and (ii) any after-tax gain arising on the disposal itself. The prior-year income statement presented for comparative purposes is restated in the same way.

- Cash flows from discontinued operations are also presented in a specific line item within the cash flow statement, which includes (i) the cash generated by such operations until the date of their disposal and (ii) any cash proceeds (net of taxes) from the actual disposal. The prior-year cash flow statement presented for comparative purposes is restated in the same way.

2.2 NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

The Bouygues Construction group applied the same standards, interpretations and accounting policies in the year ended 31 December 2023 as were applied in its consolidated financial statements for the year ended 31 December 2022, except for changes required to meet new IFRS requirements applicable from 1 January 2023 as mentioned below.

- Principal amendments effective within the European Union and mandatorily applicable in 2023
  - Amendment to IAS 12
    On 7 May 2021, the IASB issued an amendment to IAS 12 on the initial recognition of deferred taxation related to assets and liabilities arising from a single transaction. The amendment applies to transactions in which an entity recognises both an asset and a liability, such as when accounting for a lease or a decommissioning obligation, and was endorsed by the European Union on 11 August 2022. An impact analysis concluded that the amendment has no impact on the Group, and consequently there has been no restatement of opening shareholders' equity.
  - Global Minimum Tax (Pillar 2)
    The Group is affected by the Global Minimum Tax, and has initiated a project to compile the data needed to quantify the impact. However, it is unlikely to be material at the level of the taxes actually paid by the Group (€95 million in 2023, €92 million in 2022). The non-recognition exception for deferred taxes arising under Pillar 2, as permitted under the amendment to IAS 12 ("Income Taxes") approved by the IASB in May 2023, is applied by Bouygues.
  - IFRS 17 - Insurance Contracts
    On 18 May 2017, the IASB issued a new standard on the recognition, measurement and presentation of insurance contracts, intended to replace IFRS 4. The new standard, which was endorsed by the European Union on 8 September 2022, has an immaterial impact on the Group.
  - Disclosure of Accounting Policies – Amendment to IAS 1
    On 1 August 2019 the IASB issued an amendment to IAS 1, requiring entities to disclose material accounting policy information rather than significant accounting policies. The amendment was endorsed by the European Union on 2 March 2022, and has an immaterial impact on the Group.
  - Definition of Accounting Estimates – Amendment to IAS 8
    On 12 February 2021 the IASB issued an amendment to IAS 8 which clarified the definition of accounting estimates, but without altering the concept. The amendment was endorsed by the European Union on 2 March 2022, and has an immaterial impact on the Group.

The Group has not early adopted the IFRS amendments applicable in 2024 as mentioned below.

- Principal amendments effective within the European Union and mandatorily applicable from 1 January 2024
  - Lease Liability in a Sale and Leaseback – Amendment to IFRS 16
    On 22 September 2022 the IASB issued an amendment to IFRS 16 on the initial recognition and subsequent measurement of the right-to-use asset and lease liability in a sale and leaseback. This amendment was endorsed by the European Union on 20 November 2023.
- IFRS standards, amendments and interpretations not yet endorsed by the European Union and mandatorily applicable with effect from 1 January 2024
  - Classification of Liabilities as Current or Non-Current – Amendments to IAS 1
    Between January 2020 and October 2022 the IASB issued amendments to IAS 1 relating to classification of liabilities as current or non-current, in cases where the liability is subject to covenants or is a convertible debt instrument.
  - Supplier Finance Arrangements – Amendment to IAS 7 and IFRS 7
    On 25 May 2023 the IASB issued amendments to IAS 7 and IFRS 7 relating to disclosures on the effects of supplier finance arrangements (such as reverse factoring) on an entity's financial position, cash flows and exposure to liquidity risk.
    Applying this amendment has no impact on the Group.
  - Pension reform in France
    On 15 April 2023, pension reforms that raised the statutory retirement age in France to 64 were published in the Official Journal. The impact of the reforms is estimated at €13 million, and was recognised within "Other operating income and expenses" in the consolidated income statement in the second quarter of 2023 (see Note 13.2).

2.3 CONSOLIDATION METHODS

2.3.1 CONSOLIDATION METHODS AND SCOPE OF CONSOLIDATION

Companies over which Bouygues Construction exercises exclusive control are consolidated by the full consolidation method.

In the case of jointly controlled operations (which give each party direct rights over the assets and obligations for the liabilities), the income, expenses, assets and liabilities of the joint operation are accounted for in accordance with the interests held in the joint operation.

Companies over which Bouygues Construction exercises significant influence, and joint ventures (which give the parties rights over the net assets), are accounted for using the equity method.

- **Changes in scope of consolidation**

	31/12/2023	31/12/2022
Companies controlled by the Group	200	264
Joint operations	113	125
Joint ventures and associates	42	43
Total	**355**	**432**

2.3.2 TRANSLATION OF THE FINANCIAL STATEMENTS OF FOREIGN ENTITIES

The financial statements of consolidated subsidiaries with a functional currency other than the euro are translated at the exchange rate prevailing at the end of the reporting period (in the case of the balance sheet) and at the average exchange rate for the year (in the case of the income statement and cash flow statement). The resulting translation differences are taken to equity under "Translation reserve".

Translation differences arising on foreign-currency liabilities accounted for as hedges of a net investment in a foreign operation are recognised in equity.

2.3.3 TRANSLATION OF TRANSACTIONS DENOMINATED IN FOREIGN CURRENCIES

Transactions denominated in foreign currencies are translated into euros at the average exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated at the closing exchange rate. Translation differences are recognised in profit or loss for the period. Non-monetary assets and liabilities denominated in foreign currencies and accounted for at historical cost are translated using the exchange rate on the date of the transaction.

2.3.4 DEFERRED TAXATION

Deferred taxation is recognised on all differences between the carrying amount and the tax base of assets or liabilities (balance sheet liability method). These differences arise from:
- temporary differences between the carrying amount and tax base of assets or liabilities, which may be:
  - items generating a tax liability in the future (deferred tax liabilities), arising mainly from income that is liable to tax in future periods; or
  - items deductible from taxable profits in the future (deferred tax assets), mainly provisions that are temporarily non-deductible for tax purposes. Deferred tax assets are reviewed at the end of each reporting period, and recognised where it is probable there will be sufficient taxable profits to enable the temporary differences to be offset.
- tax losses available for carry-forward (deferred tax assets), where it is probable that these losses will be recovered in future periods.

Deferred taxes are measured using national tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted in the relevant country by the end of the reporting period. As of 31 December 2023, the temporary differences and tax losses available for carry-forward of French entities were measured at the enacted rate of 25.83%.

Deferred taxes are not discounted, and are reported in non-current assets and liabilities.

2.3.5 CONCESSION CONTRACTS AND PUBLIC-PRIVATE PARTNERSHIPS (PPP)

The Bouygues Construction group has equity interests in associates that have been awarded concession/PPP contracts; these are accounted for in accordance with IFRIC 12.

2.4 ACCOUNTING POLICIES AND VALUATION METHODS

2.4.1 ASSETS

2.4.1.1 Non-current assets

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is initially measured at acquisition cost.

In accordance with IAS 16, where an item of property, plant and equipment consists of significant components with different useful lives or depreciation methods, each component is accounted for as a separate item of property, plant and equipment (component-based approach).

The cost of an item of property, plant and equipment comprises the purchase price after deducting any commercial discounts and rebates, and including import duties and non-refundable taxes and any costs directly attributable to bringing the asset to the condition necessary for it to be capable of operating as intended by management.

Subsequent costs are recognised as an expense unless they improve the performance of the asset as originally specified, extend its useful life, or reduce the cost of operating the asset as previously established.

Following initial recognition as an asset, items of property, plant and equipment are carried at cost less accumulated depreciation and impairment. The Bouygues Construction group accounts for property, plant and equipment using the historical cost model.

Depreciation is calculated over the expected useful life of the asset. The useful life of an asset is the period over which the Group expects the asset to be available for use.

The depreciable amount of an asset is cost less any estimated residual value net of costs of disposal. The residual value of an item of property, plant and equipment is the amount the Group would receive currently for the asset if the asset were already of the age and in the condition expected at the end of its useful life (excluding the effects of inflation).

The principal useful lives applied are:
- buildings: 10 to 40 years;
- plant, equipment and tooling: 3 to 15 years; and
- other property, plant and equipment: 3 to 10 years, depending on the type of asset (vehicles, office equipment and furniture, etc).

Depreciation periods are reviewed annually, and may be adjusted if expectations differ from previous estimates. Any such changes in estimates are accounted for prospectively. Gains and losses on disposal represent the difference between the sale proceeds and the carrying amount, and are recognised in the income statement under "Other income from operations" unless they meet the criteria for classification within "Other operating income and expenses" (see Note 2.4.3.5).

RIGHT OF USE OF LEASED ASSETS

IFRS 16 defines the right of use under a lease as an asset that represents a lessee's right to use an underlying asset for the lease term.

This right of use is recognised by the Group on the commencement date of the lease (the date on which the asset is made available). It is measured at cost, which includes:
- the initial amount of the lease obligation (see Note 10.1);
- lease payments made in advance to the lessor, less any lease incentives received from the lessor;
- material initial direct costs incurred by the lessee to obtain the lease, i.e. costs that would not have been incurred if the lease had not been obtained; and
- an estimate of the costs of dismantling the leased asset, or restoring it to the condition required by the terms of the lease.

The right of use asset is amortised on a straight line basis over the lease term. It is written down by means of an impairment allowance if there is an indication that it may have become impaired.

The lease term is the non-cancellable period for which the lessee has the right to use the underlying asset, including any extension or termination options the lessee is reasonably certain to exercise.

Where the Group enters into a sale-and-leaseback transaction, under which an asset is sold to a third party within the meaning of IFRS 15 and then taken back by the Group as lessee, the right of use asset is determined based on the proportion of the previous carrying amount of the transferred asset, and represents the right of use retained by the Group. That proportion is determined by reference to the ratio of the lease obligations to the selling price of the asset. Similarly, any gain or loss on disposal is only recognised to the extent of the rights effectively transferred to the acquirer/lessor.

Within the Bouygues Construction group, rights of use relate mainly to property leases, which generally have a lease term of nine years in France.

INTANGIBLE ASSETS

IAS 38 defines an intangible asset as an identifiable non-monetary asset without physical substance which is controlled by the entity. An asset is identifiable:
- if it is separable, i.e. capable of being independently sold, transferred, licensed, rented or exchanged; or
- if it is derived from contractual or other legal rights, whether separable or not.

Intangible assets with finite useful lives are depreciable. Intangible assets with indefinite useful lives are not depreciable, but are subject to annual impairment testing and are reviewed at the end of each reporting period to ensure that their useful lives are still indefinite.

Development expenses are capitalised if the IAS 38 criteria are met, i.e. if they are expected to generate future economic benefits and their cost can be reliably measured.

In accordance with IFRS, incorporation and research expenses are expensed as incurred.

BUSINESS COMBINATIONS

With effect from 1 January 2010, business combinations have been accounted for in accordance with the revised IFRS 3 and IAS 27, which use the concept of "obtaining control" in determining the accounting treatment to be applied to acquisitions or disposals of equity interests; depending on the circumstances, the impacts of such acquisitions and disposals are recognised either in consolidated profit or loss or in equity.

In a business combination, the fair value of the consideration transferred is allocated to the identifiable assets and liabilities of the acquiree, which are measured at fair value at the acquisition date and presented in the balance sheet using the full fair value method in accordance with the revised IFRS 3. This method involves remeasuring the assets and liabilities acquired at fair value in full (including non-controlling interests), rather than remeasuring just the percentage interest acquired.

The revised IFRS 3 allows entities to elect one of two methods of accounting for non-controlling interests in each business combination:
- at fair value (full goodwill method), i.e. the non-controlling interests are allocated their share of goodwill; or
- at the non-controlling interests' proportionate share of the fair value of the acquired entity's identifiable assets and liabilities (partial goodwill method), i.e. no share of goodwill is allocated to the non-controlling interests.

Goodwill recognised prior to 1 January 2004 continues to be measured using the partial goodwill method. This method involves restricting the fair value remeasurement of identifiable items to the percentage interest acquired. Non-controlling interests in these items are measured on the basis of the carrying amount of the items as shown in the balance sheet of the acquired entity. The revised standards allow the acquirer to elect to account for each new business combination on either a full goodwill basis or a partial goodwill basis.

Fair value is the price that would be received for an asset or paid to settle a liability in an arm's length transaction between market participants at the date of measurement.

Goodwill is the excess of the acquisition cost over the acquirer's interest in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities that can be reliably measured at the acquisition date.

It represents the payment made by the acquirer in anticipation of the future economic benefits arising from assets that cannot be individually identified and separately recognised, and is reported separately as an asset in the balance sheet.

If the cost of a business combination is less than the acquirer's interest in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities, then the difference is referred to as "negative goodwill" or "gain on a bargain purchase" and is recognised in profit or loss in the period in which the combination occurred.

The purchase price allocation period is limited to the time required to identify and measure the acquired entity's assets and liabilities, the non-controlling interests, the consideration transferred and the fair value of any previously-held equity interest, subject to a maximum period of 12 months.

Amortisation of intangible assets and depreciation of property, plant and equipment recognised in a purchase price allocation is charged against current operating profit.

Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses in accordance with IAS 36, and is tested for impairment annually. Impairment losses are charged to the income statement as an operating item.

In accordance with the revised IFRS 3, the previously-held equity interest in a step acquisition is remeasured at fair value through profit or loss on the date when control is obtained. In the event of loss of control with a retained equity interest, that retained interest is remeasured at fair value; the gain or loss on remeasurement is recognised in profit or loss, along with the gain or loss arising on the disposal.

In the event of a change in percentage interest with no effect on control, the difference between the consideration transferred and the carrying amount of the non-controlling interest is recognised directly in equity attributable to the Group. Consequently, no additional goodwill is recognised.

In the event of a partial divestment of the component operations of a group of cash generating units (CGUs), the Group usually allocates the goodwill in proportion to the value of the divested operation relative to the value of the group of CGUs as measured at the date of divestment, unless it can be demonstrated that another method better reflects the goodwill of the divested operation; this policy complies with paragraph 86 of IAS 36.

Goodwill is allocated to the CGU benefiting from the business combination or to the group of CGUs at the level of which return on investment is measured.

Following the transfer of the Energies & Services activities to Equans on 4 January 2023, the group decided not to make any changes to its CGUs. Consequently, the Group continues to test for impairment at the level of the Building & Civil Works group of CGUs, due to the cross-cutting nature of the shared projects housed within that group of CGUs.

The value in use of the group of CGUs is determined using the discounted cash flow (DCF) method, applying the following principles:
- the discount rate is determined by reference to the weighted average cost of capital;
- the cash flows used are derived from the medium-term business plan prepared by the management of the group of CGUs; and
- the terminal value is calculated by aggregating the discounted cash flows to infinity, based on normative cash flows (after lease expenses) and a perpetual growth rate that is consistent with the growth potential of the markets in which the group of CGUs operates and with its competitive position in those markets.

The recoverable amount of the assets of the group of CGUs as determined above is then compared with their carrying amount in the consolidated balance sheet, after including right of use assets and deducting lease obligations.

The method used to take account of IFRS 16 in impairment testing (as described above) is an accepted simplification method.

The business plan used was prepared within the context of the Group's management cycle.

The assumptions applied include no changes in scope, and the continuation of operations as a going concern over the three-year period covered by the business plan.

The Group has set a year-by-year profitability target.

This target is incorporated into the assumptions used in the business plan, which also takes into account past experience and external sources of information.

Assumptions:
- Discount rate applied: 7.50%/7.10%, depending on the assumptions used.
- Growth rate applied: 2%.

NON-CURRENT FINANCIAL ASSETS

The accounting treatment of financial assets depends on the management model and the characteristics of the contractual cash flows. Based on those criteria, they are accounted for in one of three ways (see Note 3.2.5):
- at amortised cost;
- at fair value through other comprehensive income; or
- at fair value through profit or loss.

- **Investments in non-consolidated companies and other long-term investment securities:**
  Equity instruments (other than investments in consolidated companies) are accounted for at fair value. Changes in fair value are recognised either (i) through profit or loss, in "Other financial income" or "Other financial expenses", or (ii) through equity, in "Other comprehensive income not reclassifiable through profit or loss"; the choice between those two methods is made on initial recognition for each instrument individually, and cannot be subsequently changed.

- **Loans and receivables**
  Loans and receivables are accounted for at amortised cost. In accordance with IFRS 9, an impairment allowance is booked on initial recognition to reflect the expected risk of loss during the next twelve months, and charged to profit or loss.

2.4.1.2 Current assets

INVENTORIES

Inventories are stated at the lower of cost or market price. Where the realisable value of inventory is lower than cost, an impairment loss is recognised.

TRADE AND OTHER DEBTORS

Trade receivables are carried at face value (given their short maturity), net of impairment allowances to reflect the probability of recovery. These receivables are usually short-term and non interest-bearing. They are measured at the original invoice amount, unless application of an implied interest rate would have a material effect.

For contracts accounted for using the percentage of completion method, trade receivables include invoices and statements issued as works are executed or services provided, and accepted by the project owner.

The Group has implemented a number of receivables assignment programmes. An analysis of the risks and rewards as defined in IFRS 9 (mainly where the risk of debtor insolvency, late payment and dilution are substantively transferred to a third party) has led the Group to derecognise virtually all of the receivables assigned under those programmes. In the absence of any transfer, a financial liability is recognised. In the cash flow statement, these programmes are presented within "Changes in working capital requirements related to operating activities".

CUSTOMER CONTRACT ASSETS

Customer contract assets (see Note 4.4) represent the Group's contingent right to receive consideration for goods and services already transferred to a customer, when that right is conditioned on something other than the passage of time. They comprise sales recognised on a percentage of completion basis where billing is contingent on the supply of other goods and services and/or on the attainment of contractually agreed milestones.

CASH AND CASH EQUIVALENTS

Cash equivalents (short-term investments) are measured at fair value and classified as available-for-sale financial assets. Because of their short-term nature, the carrying amounts shown in the consolidated financial statements for cash, short-term deposits and bank overdrafts are a reasonable approximation of their market value.

2.4.2 LIABILITIES

2.4.2.1 Non-current liabilities

NON-CURRENT DEBT

With the exception of derivative instruments accounted for as liabilities measured at fair value (including a counterparty risk component, which is immaterial), all other borrowings and financial liabilities are accounted for at amortised cost using the effective interest method.

The portion of long-term debt due within less than one year is included in current liabilities.

NON-CURRENT LEASE OBLIGATIONS

In accordance with IFRS 16, on commencement of a lease the lessee recognises a lease obligation in the balance sheet, equivalent to the present value of the lease payments over the lease term.

The following amounts are included in the lease payments used to measure the obligation:
- fixed payments (including in-substance fixed payments, i.e. payments that may in form contain variability, but in substance are unavoidable);
- variable lease payments that depend on an index or a rate at the commencement date of the lease;
- payments due by the lessee under residual value guarantees;
- the exercise price of a purchase option, if that option is reasonably certain to be exercised; and
- payments of penalties for terminating or not extending the lease.

During the term of the lease, the carrying amount of the lease obligation is:
- increased to reflect interest on the lease obligation, which is recognised as an expense in the income statement and calculated using the discount rate used on initial measurement; and
- reduced to reflect lease payments made.

The discount rate used to calculate the lease obligation is determined for each asset on the basis of the incremental borrowing rate at the inception date of the lease. That rate is obtained by aggregating a market rate that reflects the location, currency and lease term, and a sector-specific spread that reflects the nature of the lease.

The Group has elected to apply the practical expedients permitted by IFRS 16 to exclude leases where the as-new value of the underlying asset is less than €5,000, and assets where the lease term is reasonably certain to be less than 12 months. Such leases are recognised in profit or loss as and when lease payments are made. The Group has also elected to account for each lease component separately, distinguishing lease components from non-lease (service) components.

As permitted by IFRS 16, Bouygues has not elected to apply the standard to leases of intangible assets.

The portion of long-term lease obligations due within less than one year is included in current liabilities.

NON-CURRENT PROVISIONS

In accordance with IAS 37, a provision is recorded where the Group has a present obligation to a third party at the end of the reporting period resulting from a past event, the settlement of which is expected to result in a probable outflow from the Group of resources embodying economic benefits that can be measured reliably.

These mainly comprise:

• Employee benefits

- Provisions for lump-sum retirement benefit obligations:

The Group records a provision for its obligations to pay lump-sum benefits to its employees on retirement, to the extent that those obligations are not covered by insurance policies.

These provisions are calculated using the projected unit credit method based on final salary, and on the basis of the collective agreement for each business segment. Benefit entitlement is recognised on a straight line basis only over the final years of service over which an employee's capped benefit rights accrue.

The amount of the provision is determined on the basis of the relevant collective agreement, and taking account of the following factors:
- employees classified in groups with similar characteristics in terms of grade, age and length of service;
- monthly salary, uplifted by a coefficient to reflect the applicable percentage of employer's social security charges;
- final salary inflation rate;
- discount rate applied to the obligation over the projected period to the retirement date;
- employee turnover rate, determined by age bracket and socio-professional category; and
- life expectancy, determined using the INSEE 2017-2019 mortality table.

- Pension provisions (defined-benefit plans):

The Group calculates and recognises defined-benefit obligations (see Note 20) in accordance with the revised IAS 19.

The actuarial assumptions used to measure the present value of the pension obligation and the service cost for the period in respect of defined-benefit plans represent the best estimate of the variables that will determine the final cost of the benefits. These assumptions are internally consistent. The discount rate and the rate of return on plan assets are determined by reference to the expected market rate, taking into account the estimated timing of benefit payments; the discount rate applied to the obligation is determined by reference to the market rate for high-quality corporate bonds at the end of the reporting period.

In accordance with the revised IAS 19, all actuarial gains and losses on defined-benefit post-employment benefit plans are recognised in non-current provisions, with the matching entry recognised in equity.

- Provision for long-service awards:

The Group records a provision for its obligations in respect of long-service awards (10, 20, 30 and 40 years) using the projected unit credit method, projected over the period to the date of the award.

The Group recognises the effect of changes in actuarial assumptions on the pension obligation in profit or loss.

• Provisions for litigation, claims and foreseeable risk exposures

• Customer warranty provisions

These provisions are intended to cover risks for which the company is liable during the warranty period (essentially the ten-year warranty in France). Provisions established to cover the self-insured portion of risks under two-year and ten-year construction contract guarantees are recognised in line with recognition of contract revenues, based on statistical data reflecting actual experience over the long term.

• Site rehabilitation costs:

Rehabilitation costs arising from the gradual deterioration of a site are covered by provisions recognised on the liabilities side of the balance sheet.

2.4.2.2 Current liabilities

TRADE AND OTHER CREDITORS

Because of their short-term nature, these liabilities are carried at face value in the consolidated financial statements, given that is considered to be a reasonable estimate of market value.

CURRENT PROVISIONS

Current provisions, which relate to the normal operating cycle, mainly comprise:
- provisions for project risks and project completion;
- provisions for expected losses to completion on customer contracts. These relate to construction contracts in progress, and take account of claims accepted by the customer. They are measured on a contract by contract basis, with no netting between them.

CUSTOMER CONTRACT LIABILITIES

Customer contract liabilities represent the Group's obligation to transfer goods and services for which payment has already been received from a customer, or where the Group has an unconditional right to receive payment. They include advances and down-payments received on orders, and differences arising from the percentage of completion on a contract (see Note 11.1 to the consolidated financial statements).

2.4.3 INCOME STATEMENT

2.4.3.1 Consolidated sales

Consolidated sales represent the aggregate amount of contract revenues, sales of products and sales of services where control of the asset produced has transferred to the customer, including sales generated by entities controlled by Bouygues Construction and by joint operations (after eliminating intercompany transactions).

The Group recognises revenue when:
- a customer contract, and the performance obligations within that contract, have been identified;
- a transaction price has been determined, and allocated between the performance obligations;
- the distinct performance obligations under the contract have been satisfied;
- it is probable that the future economic benefits of the transaction will flow to the Group;
- the amount of revenue can be reliably measured; and
- at the transaction date, it is probable that the amount of the sale will be recovered.

Most contracts entered into by the Group contain a single performance obligation.

2.4.3.2 Accounting for construction contracts

Revenue from construction activities corresponds to the latest estimate of the total selling price, and takes account of claims that have been accepted by the customer or are highly probable.

Such revenue is recognised at the end of each reporting period by the percentage of completion method, using a completion rate determined by reference to progress of the works (output method) or to the cost of completed works (input method).

As soon as a loss on a contract is known and can be reliably measured, it is covered by a provision for expected losses to completion within "Current provisions" in the balance sheet. The loss is provided for in full, irrespective of the completion rate.

2.4.3.3 Profits/losses from joint operations

These represent the Group's share of profits or losses from non-consolidated partnerships and non-consolidated joint ventures; as such, they are a component of operating profit and are reported on the lines "Other income from operations" and "Other expenses on operations".

2.4.3.4 Operating profit

Operating profit represents the net amount of all income and expenses not generated by financing activities, by associates or by discontinued or held-for-sale operations, and excluding income taxes.

Any impairment of goodwill is recognised as a charge against operating profit.

2.4.3.5 Other operating income and expenses

These line items contain a very limited number of income and expense items, which are unusual and occur infrequently but are of particularly large amounts. The Group reports these items separately in its income statement to give users of the financial statements a better understanding of ongoing operational performance. For a description of these items, refer to Note 13.2.

2.4.3.6 Income from net surplus cash

Income from net surplus cash comprises all gains, losses, income and expenses generated by components of net surplus cash during the period (see Note 9, "Main components of change in net surplus cash"), including gains and losses on related interest rate and currency hedges.

2.4.3.7 Other financial income and expenses

This comprises financial income and expenses that are of a non-operating nature and do not relate to components of "Income from net surplus cash".

2.4.4 FINANCIAL INSTRUMENTS

Some Group entities use hedging instruments to limit the impact on the income statement of fluctuations in exchange rates and interest rates. The Group's policy on the use of financial instruments is described below.

The only instruments used are:
- forward currency purchases and sales, currency swaps and currency options for currency risk hedging purposes;
- interest rate swaps and purchases of caps and collars for interest rate risk hedging purposes; and
- commodity swaps and options for commodity risk hedging purposes.

These instruments have the following characteristics:
- are used solely for hedging purposes;
- are contracted solely with high-quality French and foreign banks;
- they carry no liquidity risk in the event of reversal.

Specific reports are prepared on a regular basis for those responsible for the management and supervision of the relevant Group companies, describing the use of hedging instruments; the selection of counterparties with whom they are contracted; and more generally, the management of exposure to currency risk and interest rate risk.

• Financial risks to which the Group is exposed, and principles applied to the management of those risks

FOREIGN EXCHANGE RISK

In general, the Group has little exposure to currency risk in routine commercial transactions. Where possible, expenses relating to a contract are incurred in the same currency as that in which the contract is billed. This applies to most projects executed outside France, on which local-currency expenses (sub-contracting and supplies) represent a much higher proportion than euro-denominated expenses. The Group also pays particular attention to risks relating to assets denominated in non-convertible currencies, and to country risk generally.

Group policy is to hedge systematically all residual exposure to currency risk on commercial transactions relative to the functional currency of a project or entity. If the future cash flow is certain, the currency risk is hedged by buying or selling currency forward, or by means of currency swaps. For some large contracts, options may be taken out for hedging purposes before the contract award has been confirmed.

Equity investments in foreign companies are usually hedged by a liability of a similar amount in the same currency in the books of the entity that holds the investment.

INTEREST RATE RISK

The principal interest rate risk to which Group companies are exposed is an adverse trend in European interest rates. Because substantial amounts of surplus euro-denominated cash are carried in the consolidated balance sheet, the income statement could be adversely affected by a sudden sharp fall in euro zone interest rates. Interest rate swaps may be contracted to lock in the income streams from the Group's surplus cash.

COMMODITIES RISK

In general, the Group has little exposure to commodities risk. The main exposure arises from the sensitivity of some specific projects to fluctuations in commodity prices, especially petroleum-based products and certain metals. Hedging instruments may be contracted in the financial markets for such projects.

• Hedge accounting policies and rules

In general, the financial instruments used by the Group qualify for hedge accounting, which means that the hedging relationship is documented as required by IFRS 9.

Three types of accounting treatment are used:

CASH FLOW HEDGES

A cash flow hedge is a hedge of the exposure to variability in the future cash flows from a hedged item or a future transaction.

In the case of a cash flow hedge, changes in the fair value of the hedging instrument are recognised in the income statement for the ineffective portion of the hedging relationship, and in shareholders' equity (until the hedge is closed out) for the effective portion.

FAIR VALUE HEDGES

The purpose of a fair value hedge is to limit the variability of the fair value of an asset or a liability recognised in the balance sheet.

In the case of a fair value hedge, changes in the fair value of the hedging instrument and changes in the fair value of the hedged item are recognised symmetrically in the income statement.

HEDGE OF A NET INVESTMENT IN A FOREIGN OPERATION

A hedge of a net investment in a foreign operation is a hedge of the currency risk exposure on the parent company's interest in the net assets of that operation.

Where a liability denominated in a foreign currency is used to hedge a net investment in a foreign operation, translation differences arising between that currency and the euro are recognised directly in equity. If the hedging instrument is a derivative instrument, the change in the fair value of the portion of the hedging instrument that is determined to be an effective hedge is recognised directly in equity; the change in fair value of the ineffective portion is recognised immediately in profit or loss.

As required by IFRS 9, the fair value measurement of derivative financial instruments takes account of credit risk (for derivative assets) and of own credit risk (for derivative liabilities). Those components have no material impact on the consolidated financial statements.

2.4.5 CASH FLOW STATEMENT

The consolidated cash flow statement is presented in accordance with the amended IAS 7 and with ANC Recommendations 2013-03 of 7 November 2013 (using the indirect method) and 2016-01 of 2 December 2016.

Consolidated net profit is adjusted to eliminate the impact of transactions with no cash effect, and of income and expenses related to investing or financing activities.

The cash flow statement explains changes in the Group's net cash position, which is defined as the net total of the following balance sheet items:
- cash and cash equivalents;
- overdrafts and short-term bank borrowings.

2.4.6 OFF BALANCE SHEET COMMITMENTS

A summary of off balance sheet commitments is provided in Note 18.

2.4.7 CURRENT OPERATING PROFIT FROM ACTIVITIES

Current operating profit from activities (COPA) represents current operating profit before amortisation and impairment of intangible assets recognised in acquisitions.

"Other income from operations" and "Other expenses from operations", which are a component of current operating profit, mainly comprise:
- reversals of unutilised provisions and impairment;
- net foreign exchange differences on commercial transactions;
- gains and losses on disposals of non-current assets;
- profits and losses from joint operations, representing the Group's share of profits or losses from translucent companies such as Sociétés en Participation (SEPs); and
- royalties from the licensing of patents.

2.4.8 EBITDA AFTER LEASES

"EBITDA after Leases" equates to current operating profit after taking account of interest expense on lease obligations, before (i) net charges for depreciation and amortisation of property, plant and equipment and intangible assets, (ii) net charges to provisions and impairment losses, and (iii) effects of losses of control. Those effects relate to the impact of remeasuring retained equity interests.

2.4.9 NET DEBT/NET SURPLUS CASH

Net debt (or net surplus cash) is obtained by aggregating the following items:
- cash and cash equivalents;
- overdrafts and short-term bank borrowings;
- non-current and current debt, mainly comprising bond issues, other borrowings, and any financial liabilities relating to securitised receivables where the Group does not transfer the risks and rewards of ownership; and
- financial instruments (used to hedge financial liabilities measured at fair value).

Net debt/net surplus cash does not include non-current and current lease obligations.

A positive figure represents net surplus cash; a negative figure represents net debt.

2.4.10 FREE CASH FLOW

Free cash flow is defined as 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 related to operating activities.

2.4.11 CHANGES IN WORKING CAPITAL REQUIREMENTS RELATED TO OPERATING ACTIVITIES

"Changes in working capital requirements related to operating activities" as presented in the cash flow statement is obtained by aggregating movements in the following items:
- inventories and work in progress;
- advances and down-payments made on orders;
- trade receivables;
- customer contract assets;
- trade payables;
- customer contract liabilities;
- current provisions; and
- other current asset and liability items, excluding (i) income taxes; (ii) net cash and cash equivalents and current debt; (iii) hedging instruments; (iv) current lease obligations; and (v) receivables/liabilities related to property, plant and equipment and intangible assets.

2.5 OTHER INFORMATION

Under the revised IAS 1, "Presentation of Financial Statements", the Group has elected to present the components of comprehensive income in two detailed statements, as permitted by the IASB:

a) an income statement; and

b) a statement of recognised income and expense that reports other comprehensive income, including income and expenses recognised directly in equity.

Bouygues Construction is included in the scope of consolidation of Bouygues SA for the purposes of the presentation of the Bouygues SA consolidated financial statements.

NOTE 3. NON-CURRENT ASSETS

3.1 ACQUISITIONS OF NON-CURRENT ASSETS DURING THE YEAR, NET OF DISPOSALS

	2023	2022
Acquisitions of property, plant & equipment	120	123
Acquisitions of intangible assets	5	4
Capital expenditure	**125[a]**	**127**
Acquisitions of non-current financial assets (investments in consolidated and non-consolidated companies and other long-term investments)	6[b]	40
Acquisitions of non-current assets	**131**	**167**
Disposals of non-current assets	(47)[c]	(56)
Acquisitions of non-current assets, net of disposals	**84**	**111**

(a) Corresponds to the total of the "Purchase price of property, plant and equipment and intangible assets" line in the consolidated cash flow statement.
(b) Corresponds to the total of the "Purchase price of non-consolidated companies and other investments" and "Purchase price of investments in consolidated activities" lines in the consolidated cash flow statement.
(c) Corresponds to the total of the "Proceeds from disposals of property, plant and equipment and intangible assets", "Proceeds from disposals of non-consolidated companies and other investments" and "Proceeds from disposals of investments in consolidated activities" lines in the consolidated cash flow statement.

3.2 NON-CURRENT ASSETS: MOVEMENTS DURING THE PERIOD

3.2.1 PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Plant, equipment and tooling	Other property, plant and equipment	PP&E under construction and advance payments	Total
Gross value					
31/12/2021	**409**	**846**	**250**	**70**	**1,575**
Movements during 2022					
Translation adjustments	5	6	4	5	20
Changes in scope of consolidation	(3)	(6)	–	–	(9)
Acquisitions during the period	1	88	33	19	141
Disposals, transfers and other movements	(10)	(94)	(31)	(83)	(218)
Held-for-sale operations	1	9	(2)	(5)	3
31/12/2022	**403**	**849**	**254**	**6**	**1,512**
Movements during 2023					
Translation adjustments	(5)	(9)	(2)	–	(16)
Changes in scope of consolidation	–	–	–	–	–
Acquisitions during the period	2	65	25	27	119
Disposals, transfers and other movements	1	(88)	(34)	(8)	(129)
31/12/2023	**401**	**817**	**243**	25	**1,486**

	Land and buildings	Plant, equipment and tooling	Other property, plant and equipment	PP&E under construction and advance payments	Total
Depreciation and impairment					
31/12/2021	**(205)**	**(642)**	**(176)**	**–**	**(1,023)**
Movements during 2022					
Translation adjustments	(4)	(5)	(3)	–	(12)
Changes in scope of consolidation	3	6	1	–	10
Net depreciation and impairment expense [a]	(14)	(121)	(29)	–	(164)
Disposals, transfers and other movements	9	155	29	–	193
Held-for-sale operations	(2)	(14)	(6)	–	(22)
31/12/2022	**(213)**	**(621)**	**(184)**	**–**	**(1,018)**
Movements during 2023					
Translation adjustments	5	6	2	–	13
Changes in scope of consolidation	–	–	–	–	–
Net depreciation and impairment expense [a]	(12)	(114)	(25)	–	(151)
Disposals, transfers and other movements	2	82	22	–	106
31/12/2023	**(218)**	**(647)**	**(185)**	**–**	**(1,050)**

	Land and buildings	Plant, equipment and tooling	Other property, plant and equipment	PP&E under construction and advance payments	Total
Carrying amount					
31/12/2022	**190**	**228**	**70**	**6**	**494**
31/12/2023	**183**	**170**	**58**	**25**	**436**

(a) Of which impairment losses in 2022: zero.
Of which impairment losses in 2023: zero.

3.2.2 RIGHT OF USE OF LEASED ASSETS

	Land and buildings	Plant, equipment and tooling	Other property, plant and equipment	Total
Gross value				
31/12/2021	**209**	**10**	**14**	**233**
Movements during 2022				
Translation adjustments	5	–	–	5
Changes in scope of consolidation	1	–	–	1
New leases, lease modifications, and other lease-related movements	(1)	–	(4)	(5)
Held-for-sale operations	(2)	(1)	2	(1)
31/12/2022	**212**	**9**	**12**	**233**
Movements during 2023				
Translation adjustments	2	–	–	2
Changes in scope of consolidation	(1)	–	–	(1)
New leases, lease modifications, and other lease-related movements [(a)]	11	(1)	1	11
31/12/2023	**224**	**8**	**13**	**245**

	Land and buildings	Plant, equipment and tooling	Other property, plant and equipment	Total
Depreciation and impairment				
31/12/2021	**(112)**	**(5)**	**(8)**	**(125)**
Movements during 2022				
Translation adjustments	(2)	–	–	(2)
Changes in scope of consolidation	-	–	–	-
Depreciation and impairment, net	(30)	(4)	(4)	(38)
New leases, lease modifications, and other lease-related movements	39	4	10	53
Held-for-sale operations	(13)	–	(4)	(17)
31/12/2022	**(118)**	**(5)**	**(6)**	**(129)**
Movements during 2023				
Translation adjustments	(1)	–	–	(1)
Changes in scope of consolidation	1	–	–	1
Depreciation and impairment, net	(31)	(4)	(4)	(39)
New leases, lease modifications, and other lease-related movements	19	4	3	26
31/12/2023	**(130)**	**(5)**	**(7)**	**(142)**

	Land and buildings	Plant, equipment and tooling	Other property, plant and equipment	Total
Carrying amount				
31/12/2022	**94**	**4**	**6**	**104**
31/12/2023	**94**	**3**	**6**	**103**

(a) Includes €43 million of right-of-use assets related to new leases.

3.2.3 INTANGIBLE ASSETS

	Development expenses	Concessions, patents and similar rights	Other intangible assets	Total
Gross value				
31/12/2021	**–**	**104**	**6**	**110**
Movements during 2022				
Translation adjustments	–	–	–	–
Changes in scope of consolidation	–	–	1	1
Acquisitions during the period	–	3	2	5
Disposals, transfers and other movements	–	(3)	–	(3)
Held-for-sale operations	–	1	(1)	–
31/12/2022	**–**	**105**	**8**	**113**
Movements during 2023				
Translation adjustments	–	–	–	–
Changes in scope of consolidation	–	–	–	–
Acquisitions during the period	–	1	4	5
Disposals, transfers and other movements	–	(1)	–	(1)
31/12/2023	**–**	**105**	**12**	**117**

	Development expenses	Concessions, patents and similar rights	Other intangible assets	Total
Amortisation and impairment				
31/12/2021	**–**	**(93)**	**(6)**	**(99)**
Movements during 2022				
Translation adjustments	–	–	–	–
Changes in scope of consolidation	–	–	–	–
Net amortisation and impairment expense [(a)]	–	(4)	–	(4)
Disposals, transfers and other movements	–	1	1	2
Held-for-sale operations	–	–	–	–
31/12/2022	**–**	**(96)**	**(5)**	**(101)**
Movements during 2023				
Translation adjustments	–	–	–	–
Changes in scope of consolidation	–	–	–	–
Net amortisation and impairment expense [(a)]	–	(4)	–	(4)
Disposals, transfers and other movements	–	1	–	1
31/12/2023	**–**	**(99)**	**(5)**	**(104)**

	Development expenses	Concessions, patents and similar rights	Other intangible assets	Total
Carrying amount				
31/12/2022	**–**	**9**	**3**	**12**
31/12/2023	**–**	**6**	**7**	**13**

(a) Of which impairment losses in 2022: zero.
Of which impairment losses in 2023: zero.

3.2.4 GOODWILL

	Gross value	Impairment losses	Carrying amount	Building & civil works	Energies & Services
31/12/2021	**283**	**–**	**283**	**283**	**–**
Movements during 2022					
Changes in scope of consolidation	8	–	8	17	(9)
Impairment losses	–	–	–	–	–
Other movements (including translation adjustments)	23	–	23	(2)	25
Held-for-sale operations	(16)	–	(16)	–	(16)
31/12/2022	**298**	**–**	**298**	**298**	**–**
Movements during 2023					
Changes in scope of consolidation	–	–	–	–	–
Impairment losses	–	–	–	–	–
Other movements (including translation adjustments)	5	–	5	5	–
31/12/2023	**303**	**–**	**303**	**303**	**–**

3.2.5 NON-CURRENT FINANCIAL ASSETS

	Investments in joint ventures and associates[c]	Investments in non-consolidated companies[a]	Other non-current financial assets[a]	Total	Amortisation & impairment	Carrying amount	Deferred tax assets[b]
31/12/2022	**50**	**37**	**177**	**264**	**(33)**	**231**	**59**
Movements during 2023							
Translation adjustments	1	(1)	(2)	(2)	–	(2)	–
Changes in scope of consolidation	6	–	–	6	–	6	–
Acquisitions and other increases	4	2	21	27	–	27	1
Amortisation and impairment, net	–	–	–	–	1	1	–
Disposals and other reductions	(5)	(3)	(31)	(39)	–	(39)	–
Transfers and other movements	1	4	–	5	–	5	2
31/12/2023	**57**	**39**	**165**	**261**	**(32)**	**229**	**62**
Amortisation and impairment	**(21)**	**–**	**(11)**	**(32)**	**–**	**–**	**–**
Carrying amount at 31/12/2023	**36**	**39**	**154**	**229**	**–**	**–**	**62**

(a) Items presented within "Other non-current financial assets" in the consolidated balance sheet.
(b) See Note 7.
(c) Includes goodwill on joint ventures and associates: €8 million at 31 December 2023.

	Investments in joint ventures and associates	Investments in non-consolidated companies[a]	Other non-current financial assets[a]	Total	Amortisation & impairment	Carrying amount	Deferred tax assets
31/12/2022	**44**	**32**	**198**	**274**	**(31)**	**243**	**57**
Movements during 2022							
Translation adjustments	(1)	–	4	3	–	3	–
Changes in scope of consolidation	2	–	–	2	–	2	–
Acquisitions and other increases	10	1	23	34	–	34	–
Amortisation and impairment, net	–	–	–	–	(3)	(3)	–
Disposals and other reductions	(3)	(12)	(50)	(65)	–	(65)	(8)
Transfers and other movements	4	16	(1)	19	1	20	(3)
Held-for-sale operations	(6)	–	3	(3)	–	(3)	13
31/12/2022	**50**	**37**	**177**	**264**	**(33)**	**231**	**59**
Amortisation and impairment	**(31)**	**–**	**(12)**	**(43)**	**–**	**–**	**–**
Held-for-sale operations	10	–	–	10	–	–	–
Carrying amount at 31/12/2022	**29**	**37**	**165**	**231**	**–**	**–**	**59**

(a) Items presented within "Other non-current financial assets" in the consolidated balance sheet.

3.2.6 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

	Share of net assets held	Goodwill on joint ventures and associates	Carrying amount
31/12/2021	**26**	**–**	**26**
Movements during 2022			
Net profit/(loss) for the period	5	–	5
Translation adjustments	(1)	–	(1)
Other income and expense recognised directly in equity	–	–	–
Total recognised income and expense	**4**	**–**	**4**
Acquisitions and share issues	10	–	10
Appropriation of prior-year profit, dividends distributed, disposals, transfers and other movements	(5)	–	(5)
Held-for-sale operations	(6)	–	(6)
31/12/2022	**29**	**–**	**29**
Movements during 2023			
Net profit/(loss) for the period	12	–	12
Translation adjustments	1	–	1
Other income and expense recognised directly in equity	–	–	–
Total recognised income and expense	**13**	–	**13**
Acquisitions and share issues	4	–	4
Appropriation of prior-year profit, dividends distributed, disposals, transfers and other movements	(18)	8	(10)
31/12/2023	**28**	**8**	**36**

Principal joint ventures and associates	31/12/2022	Net movements in 2023	31/12/2023	Of which: share of profit/(loss) and impairment losses
Associates				
STADE DE FRANCE	8	1	9	6
VSL JAPON	2	(1)	1	–
ULIVING@ESSEX3 LLP	–	4	4	–
OTHER ASSOCIATES	1	–	1	–
Joint ventures				
UBY	9	(2)	7	(3)
Sté AMÉNAGEMENT ANSE DU PORTIER	3	(1)	2	2
HSU JV LLP	–	–	–	–
VSL CHILI	2	–	2	–
MDBI	–	–	–	5
QUAI 22 PANORAMA	1	1	2	1
RICHELMI	–	6	6	(11)
OTHER JOINT VENTURES	3	(1)	2	12
Total	**29**	**7**	**36**	**12**

Accumulated unrecognised losses on joint ventures and associates: €15 million.

Summary information about the assets, liabilities, income and expense of the principal joint ventures and associates is provided in the table below:

Figures are for 100% of the investee	31/12/2023 STADE DE FRANCE	31/12/2022 STADE DE FRANCE
Non-current assets [a]	19	29
Current assets	72	121
Total assets	**91**	**150**
Shareholders' equity	41	48
Non-current liabilities	5	7
Current liabilities	45	95
Total liabilities & equity	**91**	**150**
Sales	74	80
Operating profit/(loss)	8	18
Net profit/(loss)	**7**	**13**

(a) Net of grants received

3.2.7 INVESTMENTS IN NON-CONSOLIDATED COMPANIES AND OTHER NON-CURRENT FINANCIAL ASSETS

3.2.7.1 Investments in non-consolidated companies

Investments in non-consolidated companies [a]	31/12/2023		31/12/2022	
	Fair value	% interest	Fair value	% interest
French companies				
BOUYGUES CONSTRUCTION AIRPORT CONCESSIONS EUROPE SAS	6	51%	4	51%
OPALE DEFENSE SAS	1	16%	1	16%
WOOLY	1	100%	–	–
Other investments in French companies	5	–	5	–
Sub-total	**13**	**–**	**10**	**–**
Foreign companies				
CROSS YARRA PARTNERSHIP (AUSTRALIA)	16	10%	16	10%
JAMAICAN INFRASTRUCTURE OPERATORS LTD	7	49%	7	49%
HOSPITALITY CAPITAL PARTNERS SA	1	3%	1	4%
Other investments in foreign companies	2	–	3	–
Sub-total	**26**	**–**	**27**	**–**
Total	**39**	**–**	**37**	**–**

(a) Not consolidated because:
- the Group does not exercise control or significant influence over the entity;
- the potential contribution of the entity to the consolidated financial statements is immaterial.

3.2.7.2 Other non-current financial assets

The main items included in "Other non-current financial assets" are:

	31/12/2023	31/12/2022
Loans and advances to subsidiaries and affiliates	51	47
Non-current loans and receivables	88	99
Other long-term investments	15	19
- Deposits and caution money	13	17
- Other financial assets at fair value through profit or loss	2	2

3.2.7.3 Analysis of investments in non-consolidated companies and other non-current financial assets (excluding joint ventures and associates) by category

	Equity instruments		Other financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
	at fair value through OCI[a]	at fair value through profit or loss			
31/12/2022	**5**	**32**	**-**	**165**	**202**
Movements during 2023	2	-	2	(13)	(9)
31/12/2023	**7**	**32**	**2**	**152**	**193**
Due within less than 1 year	-	-	-	14	**14**
Due within 1 to 5 years	-	-	-	54	**54**
Due after more than 5 years	7	32	2	84	**125**

(a) Movements recognised in "Other Comprehensive Income" (consolidated statement of recognised income and expense).

3.2.7.4 Analysis of financial assets and liabilities by fair value hierarchy level

Under IFRS 13, the fair value hierarchy that reflects the significance of the inputs used in making fair value measurements has three levels:

- level 1 (unadjusted quoted prices): price accessible to the entity on the date of measurement in active markets, for identical assets or liabilities;
- level 2 (observable inputs): inputs relating to the asset or liability, other than quoted market prices classified as level 1 inputs, that are observable either directly (such as a price) or indirectly (i.e. derived from observable prices);
- level 3 (unobservable inputs): inputs that are not observable on markets, including observable inputs that require significant adjustment (for example, extrapolation of yield curves over long, unobservable periods). Within the Bouygues Construction group, this applies mainly to certain investments in non-consolidated companies.

	Level 1 Quoted market prices	Level 2 Observable inputs	Level 3 Unobservable inputs	31/12/2023
Financial assets at fair value through OCI[a]	-	-	7	**7**
Financial assets at fair value through profit or loss	-	-	34	**34**
Net cash	3,755	-	-	**3,755**
Financial instruments: assets & liabilities (short-term)	6	-	-	**6**

(a) Movements recognised in "Other Comprehensive Income" (consolidated statement of recognised income and expense).

NOTE 4. CURRENT ASSETS

4.1 INVENTORIES

	31/12/2023			31/12/2022		
	Gross value	Impairment	Carrying amount	Gross value	Impairment	Carrying amount
Raw materials and finished goods	186	(15)	171	200	(16)	184
Property development inventories	49	(3)	46	52	(3)	49
Total	**235**	**(18)**	**217**	**252**	**(19)**	**233**

	Charges during the period		Reversals during the period	
	2023	2022	2023	2022
Impairment of raw materials and finished goods	(3)	(2)	2	3
Impairment of property development inventories	(1)	(1)	1	1
Total	**(4)**	**(3)**	**3**	**4**

4.2 ADVANCES AND DOWN-PAYMENTS MADE ON ORDERS

	31/12/2023			31/12/2022		
	Gross value	Impairment	Carrying amount	Gross value	Impairment	Carrying amount
Advances and down-payments made on orders	134	-	134	106	-	106
Total	**134**	**-**	**134**	**106**	**-**	**106**

4.3 TRADE RECEIVABLES, TAX ASSETS AND OTHER CURRENT RECEIVABLES

	31/12/2023			31/12/2022		
	Gross value	Impairment	Carrying amount	Gross value	Impairment	Carrying amount
Trade receivables	1,543	(208)	1,335	1,349	(207)	1,142
Customer contract assets	614	-	614	668	-	668
Current tax assets (receivables)	55	(5)	50	39	(1)	38
Other current receivables and prepaid expenses	902	(48)	854	915	(50)	865
- Other current receivables (employees, social security, government & other)	420	(4)	416	360	(6)	354
- Sundry receivables (including current accounts)	420	(44)	376	480	(45)	435
- Prepaid expenses	62	-	62	75	-	75
Total	**3,114**	**(261)**	**2,853**	**2,971**	**(258)**	**2,713**

4.4 CUSTOMER CONTRACT ASSETS

	31/12/2022	Movements during 2023			31/12/2023
		Translation adjustments	Changes in scope of consolidation & other movements	Movements arising from operating activities	
Customer contract origination costs	-	-	-	-	-
Customer contract execution costs	-	-	-	-	-
Differences relating to percentage of completion on contracts	668	-	-	(54)	614
Total customer contract assets	**668**	**-**	**-**	**(54)**	**614**

4.5 SPLIT OF CARRYING AMOUNT OF TRADE RECEIVABLES BETWEEN NON PAST DUE AND PAST DUE BALANCES

	Non past due balances	Past due by:			31/12/2023	31/12/2022
		0-6 months	6-12 months	>12 months		
Trade receivables	916	281	45	301	1,543	1,349
Impairment of trade receivables	1	(4)	(5)	(200)	(208)	(207)
Total trade receivables	**917**	**277**	**40**	**101**	**1,335**	**-**
Total trade receivables at 31/12/2022	**757**	**262**	**23**	**100**	**-**	**1,142**

4.6 CASH AND CASH EQUIVALENTS

	31/12/2023			31/12/2022		
	Gross value	Impairment	Carrying amount	Gross value	Impairment	Carrying amount
Bouygues Relais	2,146	-	2,146	2,294	-	2,294
Uniservice	1,205	-	1,205	1,247	-	1,247
By Construction Relais	1	-	1	-	-	-
Other cash items	791	-	791	689	-	689
Cash equivalents	3	-	3	5	-	5
Total	**4,146**	**-**	**4,146**	**4,235**	**-**	**4,235**

"Cash and cash equivalents" as reported in the balance sheet as of 31 December 2022 included €35 million that the Energies & Services business segment had deposited with cash pooling subsidiaries within the Bouygues Construction group.

Cash equivalents are measured at fair value and are readily convertible into cash.

	Europe											
	Euro	Pound sterling	Swiss franc	Other European currencies	Hong Kong dollar	Australian dollar	US dollar	Canadian dollar	Singapore dollar	Other curren-cies [(a)]	Total 31/12/2023	Total 31/12/2022
Cash	2,384	335	421	51	274	147	217	4	24	286	4,143	4,230
Cash equivalents	-	-	-	-	-	-	-	-	-	3	3	5
Total 31/12/2023	**2,384**	**335**	**421**	**51**	**274**	**147**	**217**	**4**	**24**	**289**	**4,146**	**-**
Total 31/12/2022	**2,500**	**296**	**407**	**21**	**306**	**241**	**230**	**3**	**76**	**155**	**-**	**4,235**

(a) Other currencies mainly relate to Africa (€183 million in 2023, €34 million in 2022).

The net cash position shown in the cash flow statement breaks down as follows:

	31/12/2023	31/12/2022
Cash	4,143	4,230
Cash equivalents	3	5
Total cash and cash equivalents	4,146	4,235
Overdrafts and short-term bank borrowings	(391)	(244)
Net cash position	3,755	3,991

The net cash position reported in the balance sheet at 31 December 2022 included €32 million that the Energies & Services business segment had deposited with cash pooling subsidiaries of the Bouygues Construction group.

NOTE 5. SHAREHOLDERS' EQUITY

5.1 SHARE CAPITAL OF BOUYGUES CONSTRUCTION SA

As of 31 December 2023, the share capital of Bouygues Construction SA consisted of 1,788,177 shares with a €75 par value.

Movements during 2023 were as follows:

		Movements during 2023		
	31/12/2022	Increases	Reductions	31/12/2023
Shares	1,788,177	-	-	1,788,177
Number of shares	**1,788,177**	**-**	**-**	**1,788,177**
Par value (in euros)	75	-	-	75
Share capital in euros	**134,113,275**	**-**	**-**	**134,113,275**

5.2 ITEMS RECOGNISED DIRECTLY IN EQUITY

5.2.1 ANALYSIS OF "INCOME AND EXPENSES RECOGNISED DIRECTLY IN EQUITY"

	31/12/2022	Movements during 2023	31/12/2023
Reserve for actuarial gains/(losses), net of tax	(52)	(41)	(93)
Fair value remeasurement reserve (equity instruments), net of tax	(4)	-	(4)
Translation reserve of controlled entities	9	-	9
Fair value remeasurement reserve (hedging instruments), net of tax	(1)	6	5
Share of remeasurements of joint ventures and associates	3	1	4
Total attributable to the Group	**(45)**	**(34)**	**(79)**
Other income and expenses attributable to non-controlling interests	1	(1)	-
Total	**(44)**	**(35)**	**(79)**

5.2.2 TRANSLATION RESERVE (ATTRIBUTABLE TO THE GROUP)

The translation reserve represents translation differences arising since 1 January 2004, when the reserve was deemed to be zero in accordance with IFRS 1.

It includes cumulative translation differences arising on subsidiaries, joint ventures and associates.

Principal translation adjustments in the year ended 31 December 2023 arising on the consolidated financial statements of foreign entities reporting in the following currencies:

Currency	31/12/2022	Movements during 2023	31/12/2023
Australian dollar	11	4	15
Pound sterling	10	(2)	8
Swiss franc	4	3	7
Hong Kong dollar	3	(3)	-
Singapore dollar	2	-	2
Canadian dollar	(1)	-	(1)
US dollar	(8)	(1)	(9)
Other currencies	(8)	-	(8)
Total	**13**	**1**	**14**

NOTE 6. NON-CURRENT AND CURRENT PROVISIONS

6.1 NON-CURRENT PROVISIONS

	Employee benefits	Litigation and claims	After-sales guarantees	Risks on subsidiaries & affiliates	Miscellaneous foreign risks	Other non-current provisions	Total
31/12/2021	**176**	**73**	**267**	**41**	**39**	**33**	**629**
Movements during 2022							
Translation adjustments	-	-	(2)	-	2	-	-
Transfers and other movements	-	-	-	15	-	-	15
Changes in scope of consolidation	-	-	-	-	-	-	-
Actuarial gains and losses	(17)	-	-	-	-	-	(17)
Charges to provisions	36	25	119	-	3	15	198
Reversals (provisions used)	(69)	(10)	(71)	-	(1)	(5)	(156)
Reversals (provisions not used)	(1)	(11)	(23)	-	(3)	(5)	(43)
Held-for-sale operations	26	7	6	1	-	1	41
31/12/2022	**151**	**84**	**296**	**57**	**40**	**39**	**667**
Movements during 2023							
Translation adjustments	-	-	2	-	(1)	(1)	-
Transfers and other movements	-	-	-	6	-	-	6
Changes in scope of consolidation	(2)	(2)	(1)	-	-	-	(5)
Actuarial gains and losses	16	-	-	-	-	-	16
Charges to provisions	23	20	151	-	2	9	205
Reversals (provisions used)	(25)	(10)	(53)	-	(1)	(13)	(102)
Reversals (provisions not used)	(13)	(8)	(23)	-	(11)	(6)	(61)
31/12/2023	**150**	**84**	**372**	**63**	**29**	**28**	**726**

6.2 CURRENT PROVISIONS

	Risks on completed projects	Project completion expenses	Expected losses to completion	Other current provisions	Total
31/12/2021	**73**	**189**	**313**	**107**	**682**
Movements during 2022					
Translation adjustments	1	3	4	1	9
Transfers and other movements	(19)	26	(7)	-	-
Changes in scope of consolidation	-	-	-	-	-
Charges to provisions	19	96	93	39	247
Reversals (provisions used)	(15)	(85)	(109)	(41)	(250)
Reversals (provisions not used)	(9)	(37)	(31)	(12)	(89)
Held-for-sale operations	2	(8)	11	1	6
31/12/2021	**52**	**184**	**274**	**95**	**605**
Movements during 2023					
Translation adjustments	1	(3)	(6)	(5)	(13)
Transfers and other movements	2	-	-	(2)	-
Changes in scope of consolidation	-	-	(2)	-	(2)
Charges to provisions	24	85	97	88	294
Reversals (provisions used)	(5)	(53)	(69)	(21)	(148)
Reversals (provisions not used)	(6)	(31)	(42)	(7)	(86)
31/12/2023	**68**	**182**	**252**	**148**	**650**

NOTE 7. DEFERRED TAX ASSETS AND LIABILITIES

7.1 DEFERRED TAX ASSETS

		Movements during 2023			
Movement in deferred taxes in the consolidated balance sheet	31/12/2022	Net gain/ (expense)	Net profit/ (loss) from discontinued operations	Other movements	31/12/2023
Deferred tax assets	59	3	-	-	62

7.2 DEFERRED TAX LIABILITIES

		Movements during 2023			
Movement in deferred taxes in the consolidated balance sheet	31/12/2022	Net (gain)/ expense	Net profit/ (loss) from discontinued operations	Other movements	31/12/2023
Deferred tax liabilities	27	3	(6)	1	25

7.3 NET DEFERRED TAX ASSETS BY BUSINESS SEGMENT AND TYPE

		Movements during 2023						
	Net deferred tax asset/(liability)	Changes in scope of consolidation	Translation adjustments	Income/(expense) recognised in profit or loss	Income/(expense) recognised in net profit/(loss) from discontinued operations	Income/(expense) recognised directly in equity	Other movements	Net deferred tax asset/(liability)
	31/12/2022							31/12/2023
A. TAX LOSSES								
BUILDING & CIVIL WORKS	1	-	-	2	-	-	-	**3**
ENERGIES & SERVICES		-	-		-	-	-	**-**
Sub-total	**1**	**-**	**-**	**2**	**-**	**-**	**-**	**3**
B. TEMPORARY DIFFERENCES[a]								
BUILDING & CIVIL WORKS	31	-	-	(4)	6	2	(1)	**34**
ENERGIES & SERVICES	-	-	-	-	-	-	-	**-**
Sub-total	**31**	**-**	**-**	**(4)**	**6**	**2**	**(1)**	**34**
Total	32	-	-	(2)	6	2	(1)	37

(a) Arising on differences between tax and accounting treatments, and on consolidation adjustments.

Principal sources of deferred taxation

	31/12/2023	31/12/2022
Employee benefits	33	33
Provisions temporarily non-deductible for tax purposes	29	28
Right of use of leased assets	(16)	(16)
Lease obligations	18	17
Tax losses	3	1
Other sources of deferred tax	(30)	(31)
Total	37	32

7.4 ESTIMATED PERIOD TO RECOVERY OF DEFERRED TAX ASSETS

31/12/2023	Less than 2 years	2 to 5 years	More than 5 years	Total
Deferred tax assets	33	12	17[a]	62

(a) Relates mainly to lump-sum retirement benefits and pensions.

7.5 UNRECOGNISED DEFERRED TAX ASSETS

Some deferred tax assets were not recognised as of 31 December 2023 due to the low probability of recovery (mainly tax losses generated abroad or in France).

	31/12/2023	31/12/2022
Bouygues group tax election	55	71
Other assets	374	337
Total	429	408

NOTE 8. NON-CURRENT AND CURRENT DEBT

8.1 INTEREST-BEARING DEBT BY MATURITY

	Current debt		Non-current debt							
	Total maturing in < 1 year 2023	Total maturing in < 1 year 2022	1-2 years	2-3 years	3-4 years	4-5 years	5-6 years	6 years & beyond	Total maturing after >1 year 2023	Total maturing after >1 year 2022
Bond issues	**-**	-	-	-	-	-	-	-	**-**	-
Bank borrowings	**2**	2	2	-	-	-	-	-	**2**	6
Other borrowings	**9**	10	1	5	6	7	5	3	**27**	31
Uniservice borrowings	**-**	-	-	-	280	-	-	-	**280**	301
Total debt	11	-	3	5	286	7	5	3	309	-
Total 31/12/2022	**-**	**12**	**9**	**2**	**3**	**324**	**-**	**-**	**-**	**338**

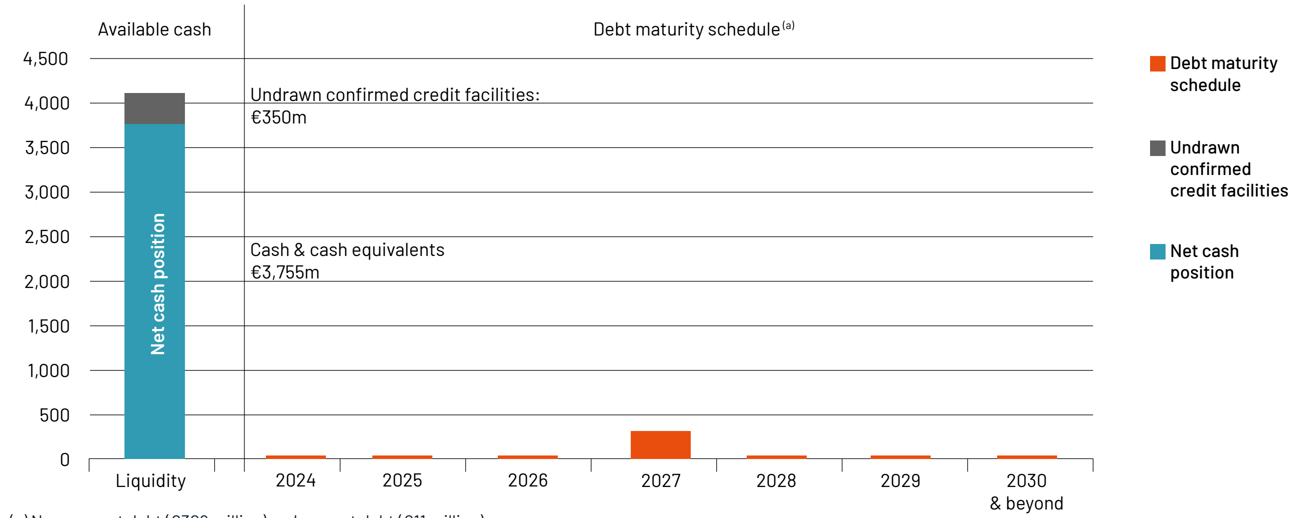
8.2 CONFIRMED CREDIT FACILITIES AND DRAWDOWNS

	Confirmed facilities – Maturity				Drawdowns – Maturity			
	Less than 1 year	1 to 5 years	> 5 years	Total	Less than 1 year	1 to 5 years	> 5 years	Total
Bond issues	-	-	-	-	-	-	-	-
Bank borrowings	2	2	-	4	2	2	-	4
Other borrowings	9	19	8	36	9	19	8	36
Uniservice borrowings[a]	-	630	-	630	-	280	-	280
Total	11	651	8	670	11	301	8	320

(a) Confirmed undrawn credit facilities: €350 million.

8.3 LIQUIDITY AT 31 DECEMBER 2023

As of 31 December 2023, available cash stood at €3,755 million. The Group also had €350 million of undrawn confirmed credit facilities at the same date.



(a) Non-current debt (€309 million) and current debt (€11 million).

Consequently, the Group is not exposed to liquidity risk.
The bank credit facilities contracted by the Bouygues Construction group contain no financial covenants or trigger event clauses.

8.4 FIXED/FLOATING RATE SPLIT OF CURRENT AND NON-CURRENT DEBT

Split of current and non-current debt, including the effect of all open interest rate hedges at the end of the reporting period:

(%)	31/12/2023	31/12/2022
Fixed rate debt [a]	3.3%	-
Floating rate debt	96.7%	100%

(a) Rates fixed for more than one year.

8.5 SPLIT OF DEBT BY CURRENCY

	Europe										
	Euro	Pound sterling	Swiss franc	Other European currencies	Canadian dollar	US dollar	Australian dollar	Hong Kong dollar	Singapore dollar	Other currencies [a]	Total
Non-current 31/12/2023	**1**	**13**	**83**	**21**	**-**	**74**	**63**	**31**	**-**	**23**	**309**
Current 31/12/2023	**1**	**-**	**-**	**-**	**-**	**7**	**-**	**-**	**-**	**3**	**11**
Non-current 31/12/2022	45	12	77	27	-	107	62	8	-		**338**
Current 31/12/2022	1		1	-	-	7	-	-	-	3	**12**

(a) "Other currencies" mainly relate to Africa (€23 million in 2023, zero in 2022).

8.6 RECEIVABLES ASSIGNMENT PROGRAMMES

The Group has implemented a number of receivables assignment programmes. An analysis of the risks and benefits as defined in IFRS 9 has led the Group to derecognise the receivables assigned under those programmes. The amount of receivables derecognised was €235 million as of 31 December 2023, versus €323 million as of 31 December 2022. In the cash flow statement, these programmes are presented within "Changes in working capital requirements related to operating activities".

Assigned receivables relating to Energies & Services activities, amounting to €156 million, were presented within "Cash flows from discontinued operations" in the income statement for the year ended 31 December 2022.

NOTE 9. MAIN COMPONENTS OF CHANGE IN NET DEBT

9.1 CHANGE IN NET SURPLUS CASH

	31/12/2022	Cash flows	Cash flows from discontinued operations	Changes in scope of consolidation	Translation adjustments	Fair value adjustments	Other movements	31/12/2023
• Cash and cash equivalents	4,235	(87)	(1,026)	(1)	(1)	-	1,026	**4,146**
• Overdrafts and short-term bank borrowings	(244)	(53)	235	(87)	(7)	-	(235)	**(391)**
Net cash position (A)	**3,991**	**(140) [a]**	**(791) [c]**	**(88) [a]**	**(8) [a]**	**- [a]**	**791 [c]**	**3,755**
• Non-current debt	(338)	27 [b]	583		2	-	(583)	**(309)**
• Current debt	(12)	1 [b]	-	-	-	-	-	**(11)**
• Financial instruments – Hedging of debt	-	-	-	-	-	-	-	**-**
Total debt (B)	**(350)**	**28**	**583**	**-**	**2**	**-**	**(583)**	**(320)**
Net surplus cash (A) + (B)	**3,641**	**(112)**	**(208) [c]**	**(88)**	**(6)**	**-**	**208 [c]**	**3,435**

(a) Net cash outflow of €236 million in 2023, as reported in the cash flow statement.
(b) Net cash outflow related to current and non-current debt of €28 million in 2023 as reported in the cash flow statement, comprising an increase of €30 million in total debt and a decrease of €58 million.
(c) Movements related to the deconsolidation of Energies & Services entities.

Net surplus cash of continuing operations as of 31 December 2022 (€3,641 million), as reported under IFRS 5, included €32 million of net surplus cash from Energies & Services business segment.

9.2 PRINCIPAL CHANGES IN NET SURPLUS CASH DURING 2023

Net surplus cash at 31/12/2022	**3,641**
Net cash generated by/(used in) operating activities	132
Net cash generated by/(used in) investing activities	(163)
Transactions involving share capital	-
Dividends paid	(201)
Income from net surplus cash and interest expense on lease obligations	79
Effect of changes in scope of consolidation on total debt	-
Effect of exchange rates on net cash position and total debt	(6)
Repayment of lease obligations	(46)
Acquisitions of non-controlling interests	(1)
Other items	-
Net surplus cash at 31/12/2023	**3,435**

NOTE 10. NON-CURRENT LEASE AND CURRENT LEASE OBLIGATIONS

10.1 ANALYSIS OF CURRENT AND NON-CURRENT LEASE OBLIGATIONS BY MATURITY

	Current lease obligations	Non-current lease obligations						
	Total maturing in less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5-6 years	6 years & beyond	Total maturing after >1 year
Total 31/12/2023	39	29	21	12	10	7	12	91
Total 31/12/2022	39	29	22	18	10	7	9	95

The table below provides a maturity analysis of lease obligations, based on undiscounted contractual cash flows.

			Current and non-current lease obligations						
	Carrying amount	Total undiscounted contractual cash flows	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5-6 years	6 years & beyond
Total 31/12/2023	130	144	44	31	23	14	11	9	12
Total 31/12/2022	134	146	44	30	24	19	11	7	11

10.2 CHANGE IN NON-CURRENT AND CURRENT LEASE OBLIGATIONS

	31/12/2022	Translation adjustments	Changes in scope of consolidation	Lease payments made	New leases, lease modifications, and other lease-related movements	31/12/2023
Non-current lease obligations	95	1	-	-	(5)	91
Current lease obligations	39	-	-	(46)	46	39
Total lease obligations	134	1	-	(46)	41	130

NOTE 11. OTHER CURRENT LIABILITIES

	31/12/2023	31/12/2022
Current tax liabilities	89	70
Trade payables	2,292	2,282
Customer contract liabilities	1,750	1,900
Other current liabilities	1,403	1,438
- Employee-related and social security liabilities	398	428
- Amounts due to government and local authoriities	523	490
- Other current payables	482	520
Overdrafts and short-term bank borrowings	391	244

Overdrafts and short-term bank borrowings reported in the balance sheet as of 31 December 2022 included €3 million loaned to Energies & Services business segment by the cash pooling subsidiaries of the Bouygues Construction group.

11.1 CUSTOMER CONTRACT LIABILITIES

		Movements during 2023				
	31/12/2022	Translation adjustments	Changes in scope of consolidation & other movements	Movements arising from operating activities	31/12/2023
Advances and down-payments received on orders	518	(5)	12	92	617
Differences relating to percentage of completion on contracts	1,382	(6)	(47)	(196)	1,133
Customer contract liabilities	1,900	(11)	(35)	(104)	1,750

11.2 OVERDRAFTS AND SHORT-TERM BANK BORROWINGS

	Europe										
	Euro	Pound sterling	Swiss franc	Other curren-cies	Hong Kong dollar	Canadian dollar	Singapore dollar	US dollar	Australian dollar	Other currencies [(a)]	Total
Split by currency at 31/12/2023	211	19	30	1	83	1	3	-	18	25	391
Split by currency at 31/12/2022	72	12	26	1	86	-	-	7	7	33	244

(a) "Other currencies" mainly relate to Africa (€12 million in 2023, €13 million in 2022).

NOTE 12. SALES

12.1 ANALYSIS OF SALES – FRANCE/INTERNATIONAL

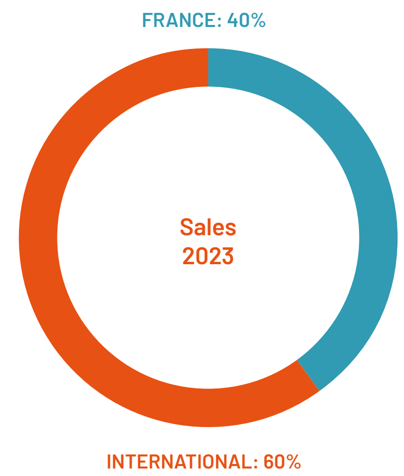
Sales by geographical area are allocated to the territory in which the sale is generated.

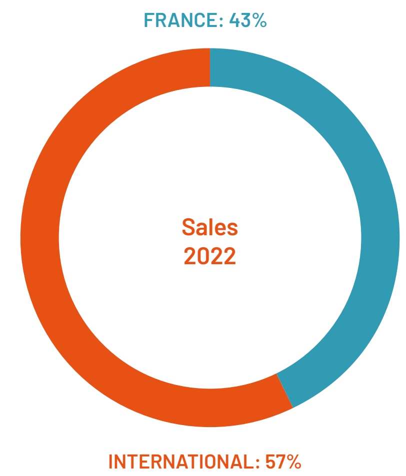
	FY 2023		
	France	International	Total
Sales	3,919	5,836	9,755

	FY 2022		
	France	International	Total
Sales	4,002	5,304	9,306
% change 2023/2022	-2%	10%	5%

There were no material exchanges of goods or services the years ended 31 December 2023 and 2022, and there is no material revenue that is contingent on a performance obligation that pre-dates the reporting period.

BY GEOGRAPHICAL REGION





12.2 ANALYSIS OF SALES BY GEOGRAPHICAL AREA

	2023 sales		2022 sales	
	Total	%	Total	%
France	3,919	40.2%	4,002	43.0%
European Union (27 members)	450	4.7%	357	3.9%
Rest of Europe	2,275	23.3%	2,217	23.8%
Africa	557	5.7%	561	6.0%
Middle East	206	2.1%	41	0.4%
Americas	462	4.7%	455	4.9%
Asia/Pacific/Oceania	1,886	19.3%	1,673	18.0%
Total	**9,755**	**100.0%**	**9,306**	**100.0%**

The UK accounted for 69% of 2023 sales from continuing operations in the "Rest of Europe" region. These operations are carried out locally within the United Kingdom, and have no material exposure to uncertainties relating to imports and exports.

12.3 ANALYSIS OF SALES BY TYPE OF CONTRACT

	2023			2022		
(%)	France	International	Total	France	International	Total
Public-sector contracts[a]	36%	42%	40%	37%	41%	39%
Private-sector contracts	64%	58%	60%	63%	59%	61%

(a) Sales billed directly to government departments, local authorities or public enterprises in France and abroad.

12.4 ORDER BACKLOG

		Movements during 2023				
	31/12/2022	Translation adjustments	Changes in scope of consolidation and other movements	Order intake	Sales recognised	31/12/2023
Total order backlog	**20,588**	**(178)**	**(6,256)[a]**	**10,608**	**(9,755)**	**15,007**
maturing within less than 1 year	10,308	-	-	-	-	8,175
maturing within 1 to 5 years	8,340	-	-	-	-	6,832
maturing after more than 5 years	1,940	-	-	-	-	-

(a) Includes €6,458 million for the Energies & Services business segment order backlog transferred to Equans.

The order backlog represents 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 suspensive conditions lifted).

NOTE 13. OPERATING PROFIT AND EBITDA AFTER LEASES

13.1 OTHER INCOME AND EXPENSES FROM OPERATIONS

"Other income and expenses from operations", which are a component of current operating profit, comprise the following items:

	2023	2022
Foreign exchange differences	3	(13)
Net gains on disposals of property, plant & equipment and intangible assets	21	23
Net gains on disposals of securities	-	(1)
Impact of financial instruments on operating profit	2	(1)
Reversals of unused provisions	145	119
Royalties from the licensing of patents	(2)	(1)
Research tax credits	4	3
Impact of lease renegotiations	(2)	(1)
Other income and expenses from operations[a]	279	354
Total other income and expenses from operations	**450**	**482**

(a) Mainly comprises (i) the non-Group portion of recharges to translucent industrial entities such as Sociétés en Participation (SEPs) and economic interest groupings (GIEs), including but not limited to staff secondment and other services; (ii) investment grants; (iii) royalties and onward payments to rights-holders; and (iv) bad debt write-offs.

13.2 OPERATING PROFIT

	2023	2022
Current operating profit	**281**	**276**
Other operating income	11	-
Other operating expenses	(92)	(72)
Operating profit	**200**	**204**
Current operating margin (as % of sales)	**2.9%**	**3.0%**

Current operating profit for 2023 incorporates lease expenses of €218 million relating to contracts exempt from IFRS 16 (see Note 2.4.2.1), compared with €242 million in 2022. These figures relate mainly to short-term leases or to leases of assets with a low as-new value. The non-lease (service) component of lease contracts is recognised in "External charges".

The main components of "Other operating income" and "Other operating expenses" are:
- costs of €60 million relating to a change in regulation in a country where Bouygues Construction operates;
- costs of €25 million incurred on settlement of the Centennial litigation in Singapore (see Note 1.1);
- costs of €7 million arising from the signature in May 2023 of a deferred prosecution agreement with the French financial crime prosecutor's office relating to the awarding of public contracts for work on the Annecy Genevois hospital complex (see Note 1.1); and
- a gain of €11 million on net reversals of provisions for lump-sum retirement benefits and long service awards.

13.3 EBITDA AFTER LEASES

	2023	2022
Current operating profit	**281**	**276**
Interest expense on lease obligations	(6)	(6)
Elimination of net depreciation and amortisation expense and net charges to provisions and impairment losses:		
Net depreciation and amortisation expense on property, plant and equipment and intangible assets	(155)	(168)
Charges to provisions and impairment losses, net of reversals due to utilisation	(176)	5
Elimination of items included in "Other income from operations":		
Reversals of unutilised provisions and impairment and other items	153	119
EBITDA after Leases	**453**	**314**

NOTE 14. INCOME FROM NET SURPLUS CASH AND OTHER FINANCIAL INCOME AND EXPENSES

14.1 ANALYSIS OF INCOME FROM NET SURPLUS CASH

	2023	2022
Cost of total debt	**(10)**	**(16)**
- Interest expense on debt	(10)	(16)
- Impact of financial instruments on debt	-	-
Income from cash and cash equivalents	**95**	**31**
- Net interest income from cash and cash equivalents	95	31
- Impact of financial instruments on cash and cash equivalents	-	-
Income from net surplus cash	**85**	**15**

14.2 ANALYSIS OF OTHER FINANCIAL INCOME AND EXPENSES

	2023	2022
Dividends from non-consolidated entities	3	8
Net decrease/(increase) in financial provisions	(4)	-
Net discounting expense	-	-
Change in fair value of other financial assets and liabilities	2	17
Current account waivers, gains and losses on disposals of investments in non-consolidated companies and of other financial assets, net interest other than on debt, and other items	-	15
Total other financial income/(expenses)	**1**	**40**

NOTE 15. INCOME TAXES

15.1 ANALYSIS OF INCOME TAX EXPENSE

	2023			2022		
	France	Other countries	Total	France	Other countries	Total
Tax payable to the tax authorities	(43)	(45)	(88)	(41)	(39)	(80)
Change in deferred tax liabilities[a]	(3)	-	(3)	(3)	1	(2)
Change in deferred tax assets[a]	2	(1)	1	4	(1)	3
Taxes on dividends	-	(5)	(5)	-	(4)	(4)
Total	**(44)**	**(51)**	**(95)**	**(40)**	**(43)**	**(83)**

	2023	2022
(a) Deferred tax arising from temporary differences	(4)	1
Deferred tax arising from tax losses	2	-
Deferred tax arising from changes in tax rates	-	-

15.2 TAX PROOF (RECONCILIATION BETWEEN STANDARD TAX RATE AND EFFECTIVE TAX RATE)

Differences between the standard corporate income tax rate applicable in France and the effective tax rate based on the consolidated financial statements are explained as follows:

	2023	2022
Net profit for the period (100%)	**182**	**311**
Eliminations		
Income tax	95	83
Net (profit)/loss from discontinued operations	15	(148)
Share of net (profits)/losses of joint ventures and associates	(12)	7
Net pre-tax profit from continuing operations	**280**	**253**
Standard annual tax rate in France for the year	25.83%	25.83%
Effect of non-recognition of tax loss carry-forwards and other temporary differences: created/(utilised)	7.99%	7.74%
Effect of permanent differences	(2.93%)	1.07%
Flat-rate taxes, dividend taxes and tax credits	2.95%	1.23%
Differential tax rates applied to gains on disposals	(0.08%)	(1.23%)
Differential income tax rates, foreign taxes, impact of future enacted tax rates	0.29%	(1.84%)
Effective tax rate	**34.06%**	**32.79%**

NOTE 16. NET PROFIT FROM CONTINUING OPERATIONS AND BASIC/DILUTED EARNINGS PER SHARE

Basic earnings per share from continuing operations is calculated by dividing net profit from continuing operations attributable to the Group by the weighted average number of shares outstanding during 2023, excluding the average number of ordinary shares bought and held as treasury shares, i.e. 1,788,177 shares.

	2023	2022
Net profit from continuing operations attributable to the Group	€193m	€163m
Weighted average number of shares outstanding	1,788,177	1,726,436
Basic earnings per share from continuing operations	**€107.95**	**€94.32**

Diluted earnings per share from continuing operations is calculated by reference to the weighted average number of shares outstanding, adjusted for the conversion of all potentially dilutive shares. There are no dilutive instruments, so the two figures are the same.

	2023	2022
Net profit from continuing operations attributable to the Group	€193m	€163m
Weighted average number of shares used to calculate diluted earnings per share from continuing operations	1,788,177	1,726,436
Diluted earnings per share from continuing operations	**€107.95**	**€94.32**

NOTE 17. FINANCIAL INSTRUMENTS

The tables below show aggregate notional amounts for each type of financial instrument used as of 31 December 2023, split by residual maturity and by currency.

17.1 INTEREST RATE AND CURRENCY HEDGES

17.1.1 Analysis by type

	31/12/2023	31/12/2022
Forward purchases	451	416
Forward sales	220	278
Currency swaps	6	8
Interest rate swaps [(a)]	900	-
Interest rate options (caps, floors)	9	-
Commodities derivatives	-	3
Total	**1,586**	**705**

(a) Relates to fixed rate received.

17.1.2 Analysis by maturity and original currency

	31/12/2023												
	Maturity			Total	Original currency								
	< 1 year	1 to 5 years	> 5 years		EUR	AUD	USD	GBP	CHF	HKD	SAR	CZK	Other
Forward purchases	413	38	-	451	181	167	59	15	13	6	-	2	8
Forward sales	211	9	-	220	3	22	44	71	34	24	8	3	11
Currency swaps	6	-	-	6	-	-	-	-	-	-	-	-	6
Interest rate swaps	800	100	-	900	900	-	-	-	-	-	-	-	-
Interest rate options (caps, floors)	-	9	-	9	9	-	-	-	-	-	-	-	-
Commodities derivatives	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**1,430**	**156**	**-**	**1,586**	**1,093**	**189**	**103**	**86**	**47**	**30**	**8**	**5**	**25**

17.2 MARKET VALUE OF HEDGING INSTRUMENTS

	31/12/2023										
	Original currency							Total	Fair value hedge	Cash flow hedge	Hedge of net investment in a foreign operation
Derivatives recognised as assets	EUR	AUD	USD	GBP	CHF	HKD	Other				
Forward purchases	1	3	-	-	-	-	-	4	-	4	-
Forward sales	-	-	1	1	-	-	-	2	-	2	-
Currency swaps	-	-	-	-	-	-	-	-	-	-	-
Interest rate swaps	4	-	-	-	-	-	-	4	-	4	-
Interest rate options (caps, floors)	-	-	-	-	-	-	-	-	-	-	-
Commodities derivatives	-	-	-	-	-	-	-	-	-	-	-
Total assets	**5**	**3**	**1**	**1**	**-**	**-**	**-**	**10**	**-**	**10**	**-**

	31/12/2023										
	Original currency							Total	Fair value hedge	Cash flow hedge	Hedge of net investment in a foreign operation
Derivatives recognised as liabilities	EUR	AUD	USD	GBP	CHF	HKD	Other				
Forward purchases	(1)	-	-	-	-	-	-	(1)	-	(1)	-
Forward sales	-	-	-	(1)	(1)	-	(1)	(3)	-	(3)	-
Currency swaps	-	-	-	-	-	-	-	-	-	-	-
Interest rate swaps	-	-	-	-	-	-	-	-	-	-	-
Interest rate options (caps, floors)	-	-	-	-	-	-	-	-	-	-	-
Commodities derivatives	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	**(1)**	**-**	**-**	**(1)**	**(1)**	**-**	**(1)**	**(4)**	**-**	**(4)**	**-**
Total net	**4**	**3**	**1**	**-**	**(1)**	**-**	**(1)**	**6**	**-**	**6**	**-**

In the event of a +1.00% movement in the yield curve, the hedging instruments portfolio would have a positive market value of €1.2 million; in the event of a -1.00% movement, it would have a positive market value of €12.7 million.

In the event of a +1.00% movement in the exchange rate of the euro against the other currencies, the hedging instruments portfolio would have a positive market value of €8.7 million; in the event of a -1.00% movement, it would have a positive market value of €5.0 million.

These calculations were prepared by the Group, or obtained from the banks with which the instruments were contracted.

NOTE 18. OFF BALANCE SHEET COMMITMENTS AS OF 31 DECEMBER 2023

18.1 GUARANTEE COMMITMENTS

Guarantee commitments include held-for-sale operations.

	31/12/2023	Less than 1 year	1 to 5 years	More than 5 years
Pledges, mortgages and collateral	4	-	4	-
Guarantees and endorsements given [a]	21	1	20	-
Total guarantee commitments given	**25**	**1**	**24**	**-**
Guarantees and endorsements received	-	-	-	-
Total guarantee commitments received	**-**	**-**	**-**	**-**
Net balance	**25**	**1**	**24**	**-**

(a) In connection with its ordinary activities, the Group grants multi-year guarantees (such as ten-year building guarantees), which are usually covered by statistically-based provisions on the liabilities side of the balance sheet. Contract guarantees provided by banks to Group customers represent off balance sheet commitments for those banks. Where such guarantees are liable to result in payments being made, a provision is recognised in the consolidated balance sheet.

18.2 MISCELLANEOUS CONTRACTUAL COMMITMENTS

	31/12/2023	Less than 1 year	1 to 5 years	More than 5 years
Lump-sum retirement benefit obligations	-	-	-	-
Unmatured bills	-	-	-	-
Other items	-	-	-	-
Total sundry contractual commitments given	-	-	-	**-**
Lump-sum retirement benefit obligations	-	-	-	-
Unmatured bills	-	-	-	-
Other items	-	-	-	-
Total sundry contractual commitments received	**-**	**-**	**-**	**-**
Net balance	**-**	**-**	**-**	**-**

No material off balance sheet commitments have been omitted from this disclosure, in accordance with applicable accounting standards.

NOTE 19. AVERAGE HEADCOUNT AND EMPLOYEE BENEFIT OBLIGATIONS

19.1 AVERAGE HEADCOUNT

	2023	2022
Managerial staff	6,413	10,114
Technical, supervisory & clerical staff	2,393	6,559
Site workers	3,292	5,078
Sub-total: headcount France	**12,098**	**21,751**
Expatriate staff and local employment contracts	20,144	30,868
Total average headcount	**32,242**	**52,619 [a]**

(a) Includes 20,488 relating to held-for-sale operations.

19.2 EMPLOYEE BENEFIT OBLIGATIONS

19.2.1 EMPLOYEE BENEFIT OBLIGATIONS

	31/12/2022	Movements during 2023	31/12/2023
Lump-sum retirement benefits	124	(11)	113
Long service awards and other benefits	22	11	33
Other post-employment benefits (pensions)	5	(1)	4
Total	**151**	**(1)**	**150**

These obligations are covered by non-current provisions.

19.2.2 EMPLOYEE BENEFIT OBLIGATIONS AND PENSION OBLIGATIONS (POST-EMPLOYMENT BENEFITS) EXCLUDING LONG-SERVICE AWARDS

19.2.2.1 Defined-contribution plans

	2023	2022
Amount recognised as an expense	151	148

The figures disclosed above are the contributions paid to pension funds for compulsory and top-up schemes.

19.2.2.2 Defined-benefit plans (retirement benefit obligations)

a. Amounts recognised in the balance sheet

	Lump-sum retirement benefits		Pensions		Total	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Present value of obligation	113	124	310	269	423	393
Fair value of plan assets (dedicated funds)	-	-	(408)	(363)	(408)	(363)
Asset ceiling	-	-	102	99	102	99
Net liability recognised	**113**	**124**	**4**	**5**	**117**	**129**
of which: deficit recognised as a provision	113	124	4	5	117	129
of which: overfunded plans recognised as an asset	-	-	-	-	-	-
Ratio of plan assets to present value of obligation	-	-	132%	135%	-	-

The table below shows the split of the fair value of plan assets by investment category:

	2023		2022	
Equity instruments	99	24%	65	18%
Debt instruments	62	15%	55	15%
Property	146	36%	130	36%
Investment funds	-	0%	-	0%
Cash	10	2%	8	2%
Other items	91	23%	105	29%
Total	**408**	**100%**	**363**	**100%**

b. Movement in balance sheet items (non-current provisions)

	Lump-sum retirement benefits		Pensions	
	2023	2022	2023	2022
Start of period	**124**	**143**	**5**	**7**
Current and past service cost	(8)	10	3	15
Interest cost	3	2	-	-
Total expense recognised	**(5)**	**12**	**3**	**15**
Reversals of provisions (benefits and contributions paid)	(15)	(20)	(9)	(37)
Translation adjustments	-	-	-	-
Changes in scope of consolidation	(2)	-	-	-
Actuarial gains and losses recognised in equity	11	(19)	5	-
Transfers and other movements	-	-	-	-
Held-for-sale operations	-	8	-	20
End of period	**113**	**124**	**4**	**5**
of which: deficit recognised as a provision	113	124	4	5
of which: overfunded plans recognised as an asset	-	-	-	-

Actuarial gains and losses comprise the following:

	Lump-sum retirement benefits		Pensions	
	2023	2022	2023	2022
Analysis of actuarial gains and losses recognised in equity				
Effect of changes in demographic assumptions	(4)	(6)	-	1
Effect of changes in financial assumptions	3	(33)	5	(185)
Effect of experience adjustments	12	20	(5)	17
Return on plan assets (excluding financial income)	-	-	14	184
Effect of asset ceiling	-	-	(9)	(17)
Total	**11**	**(19)**	**5**	**-**

c. Analysis by geographical area as of 31 December 2023

	France & overseas departments	European Union	Rest of Europe	Total
Non-current provisions (balance sheet):				
- lump-sum retirement benefits	113	-	-	113
- pensions	-	4	-	4
Provisions recognised as liabilities	**113**	**4**	**-**	**117**
Overfunded plans recognised as an asset	-	-	-	-
Total	**113**	**4**	**-**	**117**

d. Main actuarial assumptions used to measure post-employment benefit obligations

	2023	2022
Discount rate:		
Lump-sum retirement benefits	3.88% (iboxx € corporate A10+)	3.56% (iboxx € corporate A10+)
Pensions	1.95 to 4.40%	2.30 to 3.48%
Salary inflation rate:		
Lump-sum retirement benefits	2.17% to 4.40%	1.65% to 4.13%
Pensions	1.5% to 4.5%	1.5% to 4.5%

Other economic and demographic assumptions have been applied locally to reflect the specific characteristics of individual countries.

The impact of an additional increase or decrease in discount rates in France and internationally on these obligations is presented below:

	Assumption	Increase	Decrease
Lump-sum retirement benefits (France)	70 basis points	(7)	8
Pensions (outside France)	50 basis points	-	-

An increase of 50 basis points in the salary inflation rate in France would require the provision to be increased by €5 million.

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

NOTE 20. RELATED PARTY DISCLOSURES

Transactions with related parties mainly comprise:
- remuneration and benefits awarded to directors and senior executives;
- commercial and financial transactions with Bouygues group companies, and with entities over which Bouygues Construction exercises joint control or significant influence.

Identity of related parties:
- Parties with an ownership interest: Bouygues SA, and other companies owned by Bouygues SA.
- Joint operations: mainly construction project companies.
- Joint ventures and associates.
- Other related parties: mainly transactions with non-consolidated companies in which Bouygues Construction has an interest.

20.1 RELATED PARTY INFORMATION

Related party information includes held-for-sale operations.

	Expenses		Income		Receivables		Payables	
	2023	2022	2023	2022	2023	2022	2023	2022
Parties with an ownership interest	(161)	(132)	217	116	3,398 [(a)]	4,454	483 [(b)]	1,267
Joint operations	(34)	(29)	325	342	212	248	237	354
Joint ventures and associates	(3)	(56)	226	131	95	67	59	60
Other related parties	(7)	4	155	144	97	43	117	21
Total	**(205)**	**(213)**	**923**	**733**	**3,802**	**4,812**	**896**	**1,702**
Due within less than 1 year	-	-	-	-	3,734	4,733	616	821
Due within 1 to 5 years	-	-	-	-	40	31	280	881
Due after more than 5 years	-	-	-	-	28	47	-	-
of which impairment of receivables	-	-	-	-	50	59	-	-

(a) Includes Bouygues Relais €2,146 million, Uniservice €1,205 million.
(b) Includes Uniservice €431 million.

The off balance sheet commitments reported in Note 18 do not include any commitments to related parties.

20.2 DISCLOSURES ABOUT REMUNERATION AND BENEFITS AWARDED TO DIRECTORS AND SENIOR EXECUTIVES

Disclosures about senior executives cover members of the General Management Committee, which had 11 members in post on 31 December 2023.

Direct remuneration amounts to €9,962 thousand, comprising €6,141 thousand of basic remuneration and €3,821 thousand of variable remuneration.

Short-term benefits: none.

Post-employment benefits: Members of the Group Management Committee belong to a top-up retirement scheme, management of which is contracted out to an insurance company. Contributions paid into the fund managed by the insurance company amounted to €1,279 thousand in 2023.

Long-term benefits: none.

Termination benefits: these amount to €2,994 thousand as of 31 December 2023, including lump-sum retirement benefits.

Share-based payment: 183,500 stock options were awarded on 1 June 2023, at an exercise price of €31.081 each.

The earliest exercise date is 2 June 2025.

NOTE 21. ADDITIONAL CASH FLOW STATEMENT INFORMATION

21.1 CASH FLOWS FROM ACQUIRED OR DIVESTED COMPANIES

Analysis of net cash flows resulting from acquisitions and divestments of consolidated companies.

	2023
Non-current assets	(2)
Current assets	16
Non-current liabilities	(2)
Current liabilities	(104)
Net cash position	88
Purchase price of consolidated activities net of disposals	**(4)**
Cash of acquired or divested companies	(88)
Net liabilities related to consolidated activities	(4)
Net cash inflow/(outflow) from acquisitions and divestments of subsidiaries	**(96)**

Acquisitions and divestments in the period generate a net cash outflow of €96 million, mainly comprising an outflow of €56 million following a change in the method of consolidation (to equity method) for Richelmi with effect from January 1, 2023.

	2022
Non-current assets	(26)
Current assets	-
Non-current liabilities	-
Current liabilities	1
Net cash position	-
Purchase price of consolidated activities net of disposals	**(25)**
Cash of acquired or divested companies	-
Net liabilities related to consolidated activities	15
Net cash inflow/(outflow) from acquisitions and divestments of subsidiaries	**(10)**

21.2 DETERMINATION OF CHANGES IN WORKING CAPITAL REQUIREMENTS RELATED TO OPERATING ACTIVITIES

	2023	2022
Assets		
Inventories	11	(21)
Advances and down-payments made on orders	(31)	(14)
Trade receivables	(172)	32
Customer contract assets	53	(23)
Other current receivables and current financial assets	60	76
Sub-total[(a)]	**(79)**	**50**
Liabilities		
Trade payables	13	125
Customer contract liabilities	(104)	(132)
Current provisions	59	(84)
Other current payables and current financial liabilities	(42)	(5)
Sub-total[(b)]	**(74)**	**(96)**
Changes in working capital requirements related to operating activities	**(153)**	**(46)**

(a) Assets: decrease / (increase)
(b) Liabilities: (decrease) / increase

NOTE 22. AUDITORS' FEES

The table below shows fees paid to the auditors (and member firms of their networks) responsible for the audit of the consolidated financial statements of Bouygues Construction and consolidated companies, as expensed through the income statement in 2023 (in € '000).

	Mazars network			Ernst & Young network			Other firms			Total fee expense	
	2023	%	2022	2023	%	2022	2023	%	2022	2023	2022
A. Audit											
Audit of consolidated and individual company financial statements	2,129	93%	2,697	2,800	89%	3,725	159	6%	281	5,088	6,703
Related engagements	82	4%	106	53	2%	13	-	-	280	135	399
SUB-TOTAL	**2,211**	**97%**	**2,803**	**2,853**	**91%**	**3,738**	**159**	**6%**	**561**	**5,223**	**7,102**
B. Other services											
Legal, tax, employment law	62	3%	111	277	9%	152	1,865	72%	1,667	2,204	1,930
Other items	-	-	-	-	-	-	584	22%	569	584	569
SUB-TOTAL	**62**	**3%**	**111**	**277**	**9%**	**152**	**2,449**	**94%**	**2,236**	**2,788**	**2,499**
Total auditors' fees	**2,273**	**100%**	**2,914**	**3,130**	**100%**	**3,890**	**2,608**	**100%**	**2,797**	**8,011**	**9,601**

NOTE 23. LIST OF PRINCIPAL CONSOLIDATED ENTITIES AT 31 DECEMBER 2023

Company	City	Country	% interest		% control	
			2023	2022	2023	2022
COMPANIES CONTROLLED BY BOUYGUES CONSTRUCTION						
1- BOUYGUES CONSTRUCTION						
BOUYGUES CONSTRUCTION	GUYANCOURT	FRANCE	100.00%	100.00%	100.00%	100.00%
FRANCE						
BOUYGUES CONSTRUCTION RELAIS SNC	GUYANCOURT	FRANCE	99.50%	99.50%	99.50%	99.50%
CHALLENGER INVESTISSEMENT	GUYANCOURT	FRANCE	100.00%	100.00%	100.00%	100.00%
CHALLENGER SNC	GUYANCOURT	FRANCE	100.00%	100.00%	100.00%	100.00%
BOUYGUES CONSTRUCTION MATERIEL	TOURVILLE-LA-RIVIÈRE	FRANCE	99.93%	99.93%	100.00%	100.00%
GIE BOUYGUES CONSTRUCTION PURCHASING	GUYANCOURT	FRANCE	100.00%	100.00%	100.00%	100.00%
BOUYGUES CONSTRUCTION IT	GUYANCOURT	FRANCE	98.98%	98.98%	99.00%	99.00%
BOUYGUES CONSTRUCTION MIDDLE EAST	GUYANCOURT	FRANCE	99.99%	99.99%	100.00%	100.00%
OTHER COUNTRIES						
BYPAR SARL	LUXEMBOURG	LUXEMBOURG	100.00%	100.00%	100.00%	100.00%
2 - BOUYGUES BÂTIMENT FRANCE						
BOUYGUES BÂTIMENT ILE DE FRANCE	GUYANCOURT	FRANCE	100.00%	100.00%	100.00%	100.00%
FRANCE						
BOUYGUES BÂTIMENT ILE DE FRANCE PPP	GUYANCOURT	FRANCE	100.00%	100.00%	100.00%	100.00%
BREZILLON	MARGNY-LÈS-COMPIÈGNE	FRANCE	100.00%	100.00%	100.00%	100.00%
ELAN SARL	GUYANCOURT	FRANCE	100.00%	100.00%	100.00%	100.00%
LINKCITY ILE-DE-FRANCE	GUYANCOURT	FRANCE	100.00%	100.00%	100.00%	100.00%
LINKCITY CENTRE SUD-OUEST	LORMONT	FRANCE	100.00%	100.00%	100.00%	100.00%
LINKCITY NORD-EST	NANCY	FRANCE	100.00%	100.00%	100.00%	100.00%
LINKCITY SUD-EST	LYON	FRANCE	100.00%	100.00%	100.00%	100.00%
LINKCITY GRAND OUEST	ROUEN	FRANCE	100.00%	100.00%	100.00%	100.00%
BOUYGUES BÂTIMENT CENTRE SUD-OUEST	LORMONT	FRANCE	100.00%	100.00%	100.00%	100.00%
BOUYGUES BÂTIMENT SUD-EST	LYON	FRANCE	100.00%	100.00%	100.00%	100.00%
BOUYGUES BÂTIMENT GRAND OUEST	NANTES	FRANCE	100.00%	100.00%	100.00%	100.00%
BOUYGUES BÂTIMENT NORD-EST	MARCQ-EN-BARŒUL	FRANCE	100.00%	100.00%	100.00%	100.00%
OTHER COUNTRIES						
ACIEROID	BARCELONA	SPAIN	100.00%	100.00%	100.00%	100.00%
BOUYGUES BELGIUM	BRUSSELS	BELGIUM	100.00%	100.00%	100.00%	100.00%
RJ RICHELMI	MONACO	MONACO	0.00%	50.00%	0.00%	50.00%
3 - BOUYGUES BÂTIMENT INTERNATIONAL						
BOUYGUES BÂTIMENT INTERNATIONAL	GUYANCOURT	FRANCE	100.00%	100.00%	100.00%	100.00%
FRANCE						
BOUYGUES CONSTRUCTION CENTRAL EUROPE	GUYANCOURT	FRANCE	100.00%	100.00%	100.00%	100.00%
OTHER COUNTRIES						
AMERICARIBE LLC	MIAMI	UNITED STATES	100.00%	100.00%	100.00%	100.00%
BOUYGUES CONSTRUCTION INDIA BUILDING PROJECTS LLP	MUMBAI	INDIA	100.00%	100.00%	100.00%	100.00%
BOUYGUES CONSTRUCCION CUBA	MARIEL	CUBA	100.00%	100.00%	100.00%	100.00%
BOUYGUES BÂTIMENT GUINEE EQUATORIALE	MALABO	EQUATORIAL GUINEA	99.96%	99.96%	99.96%	99.96%
BOUYGUES BÂTIMENT TRINIDAD & TOBAGO	PORT OF SPAIN	TRINIDAD & TOBAGO	100.00%	100.00%	100.00%	100.00%

Company	City	Country	% interest		% control	
			2023	2022	2023	2022
BOUYGUES CONSTRUCAO BRASIL	SAO PAULO	BRAZIL	100.00%	100.00%	100.00%	100.00%
BOUYGUES CONSTRUCTION NIGERIA LTD	ABUJA	NIGERIA	86.30%	87.69%	86.30%	87.69%
BOUYGUES THAI LTD	NONTHABURI	THAILAND	49.00%	49.00%	49.00%	49.00%
BOUYGUES BUILDING CANADA	VANCOUVER	CANADA	100.00%	100.00%	100.00%	100.00%
BY BÂTIMENT INTERNATIONAL UK LIMITED	LONDON	UNITED KINGDOM	100.00%	100.00%	100.00%	100.00%
BY THAI/VSL AUSTRALIA LTD	NONTHABURI	THAILAND	92.32%	92.32%	99.97%	99.97%
BYMARO	CASABLANCA	MOROCCO	99.99%	99.99%	99.99%	99.99%
BYME SINGAPORE PRIVATE COMPANY LTD	SINGAPORE	SINGAPORE	100.00%	100.00%	100.00%	100.00%
BYME USA LLC	MIAMI	UNITED STATES	100.00%	100.00%	100.00%	100.00%
DRAGAGES ET TRAVAUX PUBLICS SINGAPORE PTE LTD	SINGAPORE	SINGAPORE	100.00%	100.00%	100.00%	100.00%
DRAGAGES ENGINEERING AND CONSTRUCTION NIGERIA LTD	ABUJA	NIGERIA	100.00%	100.00%	100.00%	100.00%
AW EDWARDS PTY AND ITS SUBSIDIARIES	NORTHBRIDGE, NSW	AUSTRALIA	100.00%	100.00%	100.00%	100.00%
SOCIETE D'ETUDES ET DE TRAVAUX POUR L'AFRIQUE DE L'OUEST - SETAO	ABIDJAN	COTE D'IVOIRE	78.61%	78.61%	78.61%	78.61%
BOUYGUES UK LTD	LONDON	UNITED KINGDOM	100.00%	100.00%	100.00%	100.00%
BY DEVELOPMENT LTD	LONDON	UNITED KINGDOM	100.00%	100.00%	100.00%	100.00%
KARMAR	WARSAW	POLAND	100.00%	100.00%	100.00%	100.00%
LINKCITY POLAND	WARSAW	POLAND	100.00%	100.00%	100.00%	100.00%
LOSINGER MARAZZI AG	BERN	SWITZERLAND	100.00%	100.00%	100.00%	100.00%
VCES HOLDING COMPANY SRO AND ITS SUBSIDIARIES	PRAGUE	CZECH REPUBLIC	100.00%	100.00%	100.00%	100.00%
4- OTHER BI SUBSIDIARIES						
OTHER COUNTRIES						
BYME ENGINEERING HONG KONG LIMITED	HONG KONG	CHINA	100.00%	90.00%	100.00%	90.00%
DRAGAGES HONG KONG LIMITED	HONG KONG	CHINA	100.00%	100.00%	100.00%	100.00%
DRAGAGES CONSTRUCTION MACAU LTD	MACAO	CHINA	100.00%	100.00%	100.00%	100.00%
5- BOUYGUES TRAVAUX PUBLICS						
BOUYGUES TP	GUYANCOURT	FRANCE	100.00%	100.00%	100.00%	100.00%
FRANCE						
DTP	GUYANCOURT	FRANCE	100.00%	100.00%	100.00%	100.00%
BOUYGUES CONSTRUCTION EXPERTISES NUCLEAIRES	GUYANCOURT	FRANCE	100.00%	100.00%	100.00%	100.00%
BYTP REGIONS FRANCE	BALMA	FRANCE	100.00%	100.00%	100.00%	100.00%
EUROPE FONDATIONS	GUYANCOURT	FRANCE	100.00%	100.00%	100.00%	100.00%
OTHER COUNTRIES						
BOUYGUES CONSTRUCTION AUSTRALIA PTY LTD	SYDNEY	AUSTRALIA	100.00%	100.00%	100.00%	100.00%
BOUYGUES TRAVAUX PUBLICS MC (MONACO)	MONACO	MONACO	100.00%	100.00%	100.00%	100.00%
BOUYGUES TRAVAUX PUBLICS PHILIPPINES	MAKATI	PHILIPPINES	100.00%	100.00%	100.00%	100.00%
CIVIL & BUILDING NORTH AMERICA INC	MIAMI	UNITED STATES	100.00%	100.00%	100.00%	100.00%
DCW	HONG KONG	CHINA	100.00%	100.00%	100.00%	100.00%
DTP COTE D'IVOIRE SASU	BOUAKE	COTE D'IVOIRE	100.00%	100.00%	100.00%	100.00%
DTP MINING GUINEE	KALOUM-CONAKRY	GUINEA	100.00%	100.00%	100.00%	100.00%
GOUNKOTO MINING SERVICES	BAMAKO	MALI	100.00%	100.00%	100.00%	100.00%
KIBALI MINIG SERVICES (KMS) SPRL	WATSA PROVINCE ORIENTALE	DR CONGO	100.00%	100.00%	100.00%	100.00%

Company	City	Country	% interest		% control	
			2023	2022	2023	2022
MINING AND REHANDLING SERVICES (MARS)	BAMAKO	MALI	100.00%	100.00%	100.00%	100.00%
PRADER LOSINGER	SION	SWITZERLAND	99.67%	99.67%	99.67%	99.67%
SOCIETE ANONYME DE CONSTRUCTION DU PONT RIVIERA MARCORY (SACPRM)	ABIDJAN	COTE D'IVOIRE	100.00%	100.00%	100.00%	100.00%
TONGONAISE DES MINES (TOMI)	KORHOGO	COTE D'IVOIRE	100.00%	100.00%	100.00%	100.00%
SOCIETE IVOIRIENNE DE CONSTRUCTION DU METRO D'ABIDJAN (SICMA)	ABIDJAN	COTE D'IVOIRE	99.79%	99.79%	100.00%	100.00%
KRAFTANLAGEN HEIDELBERG GMBH	HEIDELBERG	GERMANY	100.00%	100.00%	100.00%	100.00%
6 - VSL						
VSL INTERNATIONAL LTD	BERN	SWITZERLAND	100.00%	100.00%	100.00%	100.00%
OTHER COUNTRIES						
FT LABORATORIES LIMITED	HONG KONG	CHINA	100.00%	100.00%	100.00%	100.00%
INTRAFOR HONG KONG LIMITED	HONG KONG	CHINA	100.00%	100.00%	100.00%	100.00%
VSL CONSTRUCTION SYSTEMS	MADRID	SPAIN	100.00%	100.00%	100.00%	100.00%
VSL CIVIL WORKS LTD	SUBINGEN	SWITZERLAND	100.00%	100.00%	100.00%	100.00%
VSL ENGINEERING (CHINA)	HEFEI	CHINA	60.00%	60.00%	60.00%	60.00%
VSL AUSTRALIA PTY LTD	SYDNEY	AUSTRALIA	100.00%	100.00%	100.00%	100.00%
VSL ANNAHUTTE SYSTEM AG	RAPPERSWIL-JONA	SWITZERLAND	70.00%	70.00%	70.00%	70.00%
VSL CANADA	TORONTO	CANADA	100.00%	100.00%	100.00%	100.00%
VSL EGYPT LLC	CAIRO	EGYPT	99.00%	99.00%	99.00%	99.00%
VSL HONG KONG	HONG KONG	CHINA	100.00%	100.00%	100.00%	100.00%
VSL INDIA	CHENNAI	INDIA	100.00%	100.00%	100.00%	100.00%
VSL INDONESIA	JAKARTA	INDONESIA	60.00%	60.00%	60.00%	60.00%
VSL MALAYSIA	KUALA LUMPUR	MALAYSIA	100.00%	100.00%	100.00%	100.00%
VSL MEXICO	MEXICO D.F	MEXICO	100.00%	100.00%	100.00%	100.00%
VSL MIDDLE EAST LLC	DUBAI	UNITED ARAB EMIRATES	99.00%	99.00%	100.00%	100.00%
VSL MIDDLE EAST QATAR	DOHA	QATAR	98.00%	98.00%	98.00%	98.00%
VSL PHILIPPINES	MANDALUYONG	PHILIPPINES	80.00%	80.00%	80.00%	80.00%
VSL POLSKA	WARSAW	POLAND	100.00%	100.00%	100.00%	100.00%
VSL PORTUGAL	PACO DE ARCOS	PORTUGAL	99.33%	99.33%	99.33%	99.33%
VSL SAUDI ARABIA LLC	RIYADH	SAUDI ARABIA	100.00%	100.00%	100.00%	100.00%
VSL SINGAPOUR	SINGAPORE	SINGAPORE	100.00%	100.00%	100.00%	100.00%
VSL SWITZERLAND	BERN	SWITZERLAND	100.00%	100.00%	100.00%	100.00%
VSL SYSTEMS UK LIMITED	LONDON	UNITED KINGDOM	100.00%	100.00%	100.00%	100.00%
VSL SYSTEMS MANUFACTURER (SPAIN)	LES FRANQUESES DEL VALLES	SPAIN	100.00%	100.00%	100.00%	100.00%
VSL TCHEQUECZ	PRAGUE	CZECH REPUBLIC	100.00%	100.00%	100.00%	100.00%
VSL THAILAND	BANGKOK	THAILAND	82.15%	82.15%	88.00%	88.00%
VSL VIETNAM LTD	HO CHI MINH CITY	VIETNAM	100.00%	100.00%	100.00%	100.00%
7 - BOUYGUES ENERGIES & SERVICES						
BOUYGUES ENERGIES & SERVICES	GUYANCOURT	FRANCE	0.00%	100.00%	0.00%	100.00%
FRANCE						
BOUYGUES E&S FONDATIONS	GUYANCOURT	FRANCE	0.00%	100.00%	0.00%	100.00%
BOUYGUES E&S FM FRANCE	GUYANCOURT	FRANCE	0.00%	100.00%	0.00%	100.00%

Company	City	Country	% interest		% control	
			2023	2022	2023	2022
BOUYGUES E&S SPV MANAGEMENT	GUYANCOURT	FRANCE	0.00%	100.00%	0.00%	100.00%
BOUYGUES E&S MAINTENANCE INDUSTRIELLE	FEYZIN	FRANCE	0.00%	100.00%	0.00%	100.00%
S.M.I INFORMATION AUTOMATISMES	CARCARES SAINTE CROIX	FRANCE	0.00%	100.00%	0.00%	100.00%
THIAIS LUMIERE	GUYANCOURT	FRANCE	0.00%	100.00%	0.00%	100.00%
OTHER COUNTRIES						
BYHOME LIMITED	LONDON	UNITED KINGDOM	0.00%	100.00%	0.00%	100.00%
BOUYGUES E&S INFRASTRUCTURE UK	LONDON	UNITED KINGDOM	0.00%	100.00%	0.00%	100.00%
BOUYGUES E&S SOLUTIONS	LONDON	UNITED KINGDOM	0.00%	100.00%	0.00%	100.00%
BOUYGUES E&S CONTRACTING UK	HOLYTOWN	SCOTLAND	0.00%	100.00%	0.00%	100.00%
BOUYGUES E&S AFRIQUE DE L'OUEST	ABIDJAN	COTE D'IVOIRE	0.00%	98.71%	0.00%	93.89%
BOUYGUES ENERGIES AND SERVICES CANADA	VANCOUVER BC	CANADA	0.00%	100.00%	0.00%	100.00%
BOUYGUES E&S UK	LONDON	UNITED KINGDOM	0.00%	100.00%	0.00%	100.00%
BOUYGUES E&S IRELAND	DUBLIN	IRELAND	0.00%	100.00%	0.00%	100.00%
EUROPLAND LIMITED	LONDON	UNITED KINGDOM	0.00%	100.00%	0.00%	100.00%
GASTIER M.P. INC AND ITS SUBSIDIARIES	MONTREAL	CANADA	0.00%	100.00%	0.00%	100.00%
ICEL GROUP LIMITED AND ITS SUBSIDIARIES	LONDON	UNITED KINGDOM	0.00%	100.00%	0.00%	100.00%
PLAN GROUP INC. AND ITS SUBSIDIARIES	VAUGHAN	CANADA	0.00%	100.00%	0.00%	100.00%
BYES SOLAR UK LIMITED	LONDON	UNITED KINGDOM	0.00%	100.00%	0.00%	100.00%
BOUYGUES E&S JAPAN	TOKYO	JAPAN	0.00%	100.00%	0.00%	100.00%
8 - KRAFTANLAGEN MÜNCHEN						
KRAFTANLAGEN ENERGIES & SERVICES AND ITS SUBSIDIARIES	MUNICH	GERMANY	0.00%	100.00%	0.00%	100.00%
9 - BYES INTEC						
BOUYGUES E&S INTEC AG AND ITS SUBSIDIARIES	OLTEN	SWITZERLAND	0.00%	100.00%	0.00%	100.00%
BOUYGUES ENERGIES & SERVICES SCHWEIZ	ZURICH	SWITZERLAND	0.00%	100.00%	0.00%	100.00%
JOINT OPERATIONS						
1 - BOUYGUES BÂTIMENT FRANCE						
XXL MARSEILLE SNC	MARSEILLE	FRANCE	50.00%	50.00%	50.00%	50.00%
2 - BOUYGUES BÂTIMENT INTERNATIONAL						
BYMA PTE	SINGAPORE	SINGAPORE	60.00%	60.00%	60.00%	60.00%
BYMA MYANMAR LTD	YANGON	MYANMAR	60.00%	60.00%	60.00%	60.00%
CMBI SNC	ANTANANARIVO	MADAGASGAR	50.00%	50.00%	50.00%	50.00%
3 - BOUYGUES TRAVAUX PUBLICS						
SOCIETE POUR LA REALISATION DU PORT DE TANGER MEDITERRANEE	TANGIERS	MOROCCO	66.67%	66.67%	66.67%	66.67%
TMBYS	GUYANCOURT	FRANCE	66.67%	66.67%	66.67%	66.67%
OC'VIA MAINTENANCE	GUYANCOURT	FRANCE	49.00%	49.00%	49.00%	49.00%
GIE OC'VIA CONSTRUCTION	GUYANCOURT	FRANCE	49.00%	49.00%	49.00%	49.00%
GIE L2 CONSTRUCTION	GUYANCOURT	FRANCE	50.00%	56.50%	50.00%	56.50%
GIE COMPAGNIE MARITIME DU LITTORAL	RUEIL MALMAISON	FRANCE	33.00%	33.00%	33.00%	33.00%
GIE PREFA REUNION	LE PORT	LA REUNION	33.00%	33.00%	33.00%	33.00%
GIE VIADUC DU LITTORAL	LE PORT	LA REUNION	33.00%	33.00%	33.00%	33.00%

Company	City	Country	% interest		% control	
			2023	2022	2023	2022
KAS 1 LIMITED	SAINT HELIER	JERSEY	49.90%	49.90%	49.90%	49.90%
PAWTUCKET EQUIPMENT LLC	PROVIDENCE	UNITED STATES	65.00%	65.00%	65.00%	65.00%
4 - BOUYGUES ENERGIES & SERVICES						
THEMIS FM	BOULOGNE BILLANCOURT	FRANCE	0.00%	50.00%	0.00%	50.00%
EVESA	PARIS	FRANCE	0.00%	33.00%	0.00%	33.00%
JOINT VENTURES AND ASSOCIATES						
1 - BOUYGUES CONSTRUCTION						
CONSORTIUM STADE DE FRANCE	SAINT DENIS	FRANCE	33.33%	33.33%	33.33%	33.33%
2 - BOUYGUES BÂTIMENT FRANCE						
RJ RICHELMI	MONACO	MONACO	50.00%	0.00%	50.00%	0.00%
3 - BOUYGUES BÂTIMENT INTERNATIONAL						
ANFA3B2I	CASABLANCA	MOROCCO	15.00%	15.00%	15.00%	15.00%
BOUYGUES CONSTRUCTION QATAR LLC	DOHA	QATAR	49.00%	49.00%	49.00%	49.00%
BEDFORD RIVERSIDE REGENERATION	LONDON	UNITED KINGDOM	50.00%	50.00%	50.00%	50.00%
4 - BOUYGUES TRAVAUX PUBLICS						
BINA ISTRA	ZAGREB	CROATIA	16.00%	16.00%	16.00%	16.00%
BINA FINCOM	ZAGREB	CROATIA	50.70%	50.70%	50.70%	50.70%
5 - VSL						
GPN2	RUEIL MALMAISON	FRANCE	48.00%	48.00%	48.00%	48.00%
VSL JAPON	TOKYO	JAPAN	25.00%	25.00%	25.00%	25.00%
VSL SISTEMAS ESPECIALES DE CONSTRUCTION	SANTIAGO	CHILE	50.00%	50.00%	50.00%	50.00%
6 - BOUYGUES ENERGIES & SERVICES						
AXIONE	MALAKOFF	FRANCE	0.00%	51.00%	0.00%	51.00%

A full list of companies included in the consolidation is available from the Investor Relations Department at Bouygues SA.

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2023

To the Annual General Meeting of Bouygues Construction

OPINION

In accordance with the assignment entrusted to us by your Annual General Meetings, we have conducted our audit of the accompanying consolidated financial statements of Bouygues Construction for the year ended 31 December 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2023, and of the results of its operations for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union.

BASIS FOR OUR OPINION

AUDITING STANDARDS

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibilities under those standards are described in the section "Auditors' responsibilities for the audit of the consolidated financial statements" below.

INDEPENDENCE

We conducted our audit engagement in compliance with the rules on independence contained in the French Commercial Code and in the code of ethics of the auditing profession during the period from 1 January 2023 to the date of issuance of this report.

EMPHASIS OF MATTER

Without modifying the opinion expressed above, we draw your attention to Note 1.1 to the consolidated financial statements, which explains the impact of the transfer to Equans (effective 4 January 2023) of the Energies & Services business, which in 2022 was classified within "Held-for-sale assets and operations and discontinued operations" in accordance with IFRS 5.

JUSTIFICATION OF OUR ASSESSMENTS

Pursuant to Articles L. 821-53 and R. 821-180 of the French Commercial Code regarding the justification of our assessments, we draw your attention to the following assessments that in our professional judgment were of the most significance in the audit of the consolidated financial statements for the year.

Our assessments should be seen in the context of the audit of the consolidated financial statements taken as a whole, and of the formation of our opinion as expressed above. We do not express an opinion on elements of the consolidated financial statements taken in isolation.

- The Bouygues Construction group accounts for profits and losses on long-term contracts using the policies described in Note 2.4.3.2 ("Accounting for construction contracts") to the consolidated financial statements. Such profits and losses are dependent on estimates made by the Group of profits or losses to completion on contracts and on metrics used by the Group to determine the percentage of completion. Based on the information supplied to us, our procedures included assessing the data and assumptions underlying the estimates of profits or losses to completion on contracts, and evaluating the key controls used by the Group to measure profits or losses to completion. Our assessment also included reasonableness tests on the estimates used, and on the resulting measurement of profits or losses on a percentage of completion basis.
- The Bouygues Construction group records provisions for litigation and claims, as presented in Notes 2.4.2, 6.1 and 6.2 to the consolidated financial statements; those provisions are intended to cover litigation, claims and foreseeable uncertainties relating to the Group's operations. Based on the information currently available, our assessment of those provisions included an examination of the situation and of the assumptions underlying the measurement of the provisions.

SPECIFIC VERIFICATIONS

As required by law and regulations we also carried out, in accordance with professional standards applicable in France, the specific verifications relating to information about the Group presented in the Board of Directors' management report.

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

RESPONSIBILITIES OF MANAGEMENT, AND OF THOSE CHARGED WITH GOVERNANCE, FOR THE CONSOLIDATED FINANCIAL STATEMENTS

It is the responsibility of management to prepare consolidated financial statements that give a true and fair view in accordance with IFRS as endorsed by the European Union, and to implement such internal control as it determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, it is the responsibility of management to assess the company's ability to continue as a going concern; to disclose in those financial statements any matters relating to going concern; and to apply the going concern basis of accounting unless it is intended to liquidate the company or cease trading.

The consolidated financial statements have been closed off by the Board of Directors.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

It is our responsibility to prepare a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error, and are considered material if, individually or in the aggregate, they could be reasonably expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.821-55 of the French Commercial Code, our audit does not involve guaranteeing the viability of the company or the quality of how it is managed.

As part of an audit in accordance with professional standards applicable in France, the auditor exercises professional judgment throughout the audit.

In addition, the auditor:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and designs and performs audit procedures responsive to those risks, to obtain audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- concludes on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. Those conclusions are based on the audit evidence obtained up to the date of the auditor's report, with the caveat that future events or conditions may cause a company to cease to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or disclaimer;
- evaluates the overall presentation of the consolidated financial statements, and whether the consolidated financial statements represent the underlying transactions and events in a manner that gives a true and fair view of them;
- obtains what the auditor considers sufficient appropriate audit evidence regarding the financial information of the entities within the group to express an opinion on the consolidated financial statements. The auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements, and for the opinion expressed on those financial statements.

Paris-La Défense, 29 March 2024

The Statutory Auditors

Mazars		ERNST & YOUNG Audit	
Jean-Marc Deslandes	Mathieu Delafoy	Nicolas Pfeuty	Serge Pottiez

PARENT COMPANY FINANCIAL STATEMENTS

BOUYGUES CONSTRUCTION SA: BALANCE SHEET AT 31 DECEMBER 2023

	31/12/2023			31/12/2022
ASSETS (€ million)	Gross value	Amortisation, depreciation & impairment	Net	Carrying amount
Intangible assets	76	74	2	3
Property, plant and equipment	46	30	16	18
Long-term investments	1,295	36	1,260	1,780
- Holdings in subsidiaries and affiliates	1,117	36	1,082	1,608
- Other	178	-	178	172
NON-CURRENT ASSETS	**1,418**	**140**	**1,277**	**1,801**
Inventories and work in progress	-	-	-	-
Advances and down-payments made on orders	-	-	-	1
Trade receivables	48	-	48	33
Other receivables	202	11	191	203
Short-term investments	-	-	-	-
Cash	2,161	-	2,161	2,310
CURRENT ASSETS	**2,411**	**11**	**2,400**	**2,547**
Other assets	40	-	40	38
TOTAL ASSETS	**3,869**	**151**	**3,718**	**4,385**

LIABILITIES AND SHAREHOLDERS' EQUITY (€ million)	31/12/2023	31/12/2022
Share capital	134	134
Share premium	-	339
Revaluation reserves	-	-
Other reserves	13	13
Retained earnings	444	347
Net profit/(loss) for the period	76	567
Investment grants	-	-
Restricted provisions	-	-
SHAREHOLDERS' EQUITY	**668**	**1,400**
Other forms of equity	**-**	**-**
Provisions	**23**	**8**
Debt	**600**	**401**
Advances and down-payments received on orders	**-**	**-**
Trade payables	38	43
Other payables	87	122
Non-financial liabilities	**125**	**165**
Overdrafts and short-term bank borrowings	2,295	2,401
Accruals and deferred income	8	11
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**3,718**	**4,385**

BOUYGUES CONSTRUCTION SA: INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

(€ million)	31/12/2023	31/12/2022
SALES	**179**	**215**
Other operating revenue	-	1
Purchases and changes in inventory	-	-
Taxes other than income tax	(3)	(4)
Personnel costs	(57)	(77)
Other operating expenses	(117)	(140)
Depreciation, amortisation, impairment & provisions, net	(20)	(5)
Profits/(losses) from shared operations	4	5
OPERATING PROFIT/(LOSS)	**(15)**	**(5)**
Financial income and expenses	91	573
PRE-TAX PROFIT/(LOSS) ON ORDINARY ACTIVITIES	**76**	**568**
Exceptional items	-	-
Employee profit-sharing	-	-
Income tax expense	-	(2)
NET PROFIT/(LOSS) FOR THE YEAR	**76**	**567**

BOUYGUES CONSTRUCTION SA: CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

(€ million)	31/12/2023	31/12/2022
A - OPERATING ACTIVITIES		
Operating cash flow		
Net profit/(loss) for the period	76	567
Depreciation and amortisation	4	5
Net change in impairment and provisions[a]	8	(1)
Net gains on asset disposals and other items[b]	-	-
Sub-total	**89**	**571**
Change in working capital needs		
Current assets, other assets, accruals and deferred income	(5)	34
Net advances and down-payments received, non-financial liabilities & other items	(36)	(52)
NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES	**47**	**553**
B - INVESTING ACTIVITIES		
Increases in non-current assets:		
Acquisitions of intangible assets and property, plant & equipment	(2)	(5)
Acquisitions of holdings in subsidiaries and affiliates	(76)	(65)
Sub-total	**(77)**	**(70)**
Disposals of non-current assets:		
Disposals of intangible assets and property, plant & equipment	-	-
Disposals of holdings in subsidiaries and affiliates	-	-
Other financial investments, net	(11)	579
Amounts receivable in respect of non-current assets, net	(6)	5
NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES	**(95)**	**514**
C - FINANCING ACTIVITIES		
Increase in shareholders' equity	-	330
Dividends paid during the year	(199)	(274)
Change in net debt	204	(867)
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES	**5**	**(811)**
CHANGE IN NET CASH POSITION (A + B + C)	**(43)**	**256**
Net cash position at 1 January[c]	(91)	(346)
Net cash flows during the year, excluding inter-account transfers	(43)	256
Impact of inter-account transfers	-	-
Net cash position at end of period[c]	(134)	(91)

(a) Excluding impairment of current assets.
(b) Net of corporate income tax.
(c) Cash + Short-term investments - Overdrafts and short-term bank borrowings.

LIST OF SUBSIDIARIES AND AFFILIATES
YEAR ENDED 31 DECEMBER 2023

Subsidiaries and affiliates	Share capital [d]	Reserves & retained earnings before appropriation of profits [d]	% interest in capital	Carrying amount of shares held		Loans and advances receivable by the parent	Guarantees given by the parent	Sales for last financial year	Net profit/(loss) for last financial year	Dividends received by the parent during the year	Comments
				Gross	Net						
A. Detailed information [a][b]											
Subsidiaries (interest held >50%)				**1,076**	**1,057**	**330**	**3**				
DTP	10	1	100.00%	24	24	-	-	7	9	-	
Bouygues Bâtiment International	25	105	100.00%	85	85	54	-	383	-	-	
Bouygues Bâtiment Île-de-France	14	56	92.21%	103	103	-	1	1,571	46	31	
Bouygues Travaux Publics	291	2	98.88%	343	343	87	2	2,140	106	-	
Bouygues Bâtiment Nord-Est	25	26	100.00%	35	35	-	-	476	16	10	
Bouygues Bâtiment Centre Sud-Ouest	7	17	93.04%	11	11	-	-	259	7	4	
Bouygues Bâtiment Sud-Est	3	36	100.00%	6	6	-	-	431	-8	-	
Fichallenge	2	-7	100.00%	2	-	-	-	-	-	-	
Challenger	-	-	99.99%	15	15	-	-	20	4	-	
Bouygues Bâtiment Grand Ouest	2	57	100.00%	4	4	-	-	378	19	12	
Bouygues Bâtiment Central Europe	-	17	100.00%	25	25	45	-	-	-12	-	
VSL (Switzerland)	2	9	100.00%	32	32	84	-	47	-3	2	
Losinger Holding (Switzerland)	15	16	100.00%	22	22	-	-	-	21	26	CHF 1 = €1.079914
Dragages Hong Kong (Hong Kong)	250	165	100.00%	29	29	58	-	229	-20	5	HKD 1 = €0.115856
Acieroid (Spain)	1	2	93.81%	18	1	-	-	22	0	-	
Bouygues UK (UK)	-	79	100.00%	318	318	2	-	375	-60	-	GBP 1 = €1.150748
Detailed information: affiliates (interest held: 10%-50%)											
B. Aggregate information for subsidiaries and affiliates not included in A.											
Total	**-**	**-**	**-**	**42**	**25**	**14**					
French subsidiaries (aggregate)	-	-	-	14	13	14	-	-	-	4	
Foreign subsidiaries (aggregate) [c]	-	-	-	1	1	-	-	-	-	1	
French affiliates	-	-	-	26	10	-	-	-	-	1	
Foreign affiliates	-	-	-	-	-		10	-	-	-	
Grand total	**-**	**-**	**-**	**1,117**	**1,082**	**344**	**-**	**-**	**-**	**-**	

(a) Where the carrying amount exceeds a certain percentage (determined by applicable regulations) of the share capital of the reporting entity.
If the reporting entity has also published a consolidated balance sheet that complies with the applicable regulations, it is only required to disclose aggregate information (item B), showing separately (a) French subsidiaries (aggregate) and (b) foreign subsidiaries (aggregate).
(b) Give the name and registered office of each subsidiary and affiliate in which the reporting entity holds an equity interest.
(c) Foreign subsidiaries and affiliates exempt from inclusion in item A are included on these lines.
(d) Amount in local currency, with the currency and exchange rate shown in the "Comments" column.

TERRE DE SIENNE