

PROSPECTUS dated 16 February 2006



(a société anonyme incorporated in the Republic of France)

**Euro 250,000,000 4.25 per cent. Bonds due 2020
to be assimilated (*assimilées*) with the existing
Euro 750,000,000 4.25 per cent. Bonds due 2020 issued on 22 July 2005**

**Issue Price: 97.203 per cent. of the principal amount of the Bonds plus an amount
of Euro 1,240.07 per Bond corresponding to accrued interest with respect to the period
from, and including, 22 July 2005 to, but excluding, 20 February 2006**

This prospectus constitutes a prospectus (the "**Prospectus**") for the purposes of Article 5.3 of Directive 2003/71/EC (the "**Prospectus Directive**") and the relevant implementing measures in the Grand Duchy of Luxembourg. This Prospectus contains information relating to the issue by Bouygues S.A. (the "**Issuer**") of its Euro 250,000,000 4.25 per cent. Bonds due 2020 (the "**Bonds**") to be assimilated (*assimilées*) and be interchangeable for trading purposes with, the existing Euro 750,000,000 4.25 per cent. Bonds due 2020 issued on 22 July 2005 (the "**Existing Bonds**") immediately upon their issue.

The Bonds will be issued outside the Republic of France on 20 February 2006 and will bear interest at a rate of 4.25 per cent. per annum from, and including, 22 July 2005 to, but excluding, 22 July 2020, payable annually in arrear on 22 July in each year, commencing on 22 July 2006, as more fully described in "Terms and Conditions of the Bonds – Interest" herein. Payments of principal and interest on the Bonds will be made without deduction for or on account of French taxes as more fully described in "Terms and Conditions of the Bonds – Taxation".

Unless previously redeemed or purchased and cancelled, the Bonds will be redeemed in full at their principal amount on 22 July 2020. The Bonds may, in certain circumstances, be redeemed, in whole but not in part, at their principal amount together with accrued interest in the event that certain French taxes are imposed (See "Terms and Conditions of the Bonds – Redemption and Purchase" herein).

Application has been made for the Bonds to be admitted to the official list and traded on the Regulated Market (regulated by Directive 2004/39/EC) of the Luxembourg Stock Exchange in accordance with the Prospectus Directive. This Prospectus (together with any documents incorporated by reference therein) is available on the Luxembourg Stock Exchange website (www.bourse.lu).

The Bonds have been accepted for clearance through Euroclear France, Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and Euroclear Bank SA/N.V., as operator of the Euroclear System ("**Euroclear**"). The Bonds will on the Issue Date be inscribed (*inscription en compte*) in the books of Euroclear France which shall credit the accounts of the Account Holders (as defined in "Terms and Conditions of the Bonds - Form, Denomination and Title" below) including the depositary banks for Euroclear and Clearstream, Luxembourg.

The Bonds will be issued in dematerialised bearer form in the denomination of €50,000 each. The Bonds will at all times be represented in book entry form (*dématérialisé*) in the books of the Account Holders in compliance with Article L.211-4 of the French *Code monétaire et financier*. No physical document of title will be issued in respect of the Bonds.

The Bonds have been assigned a rating of A- by Standard & Poor's Ratings Services. A rating is not a recommendation to buy, sell or hold Bonds and may be subject to revision, suspension, reduction or withdrawal at any time by the relevant rating agency.

See "**Risk Factors**" on page 4 of this Prospectus for certain information relevant to an investment in the Bonds.

Joint Lead Managers

**ABN AMRO
HSBC**

**CALYON Corporate and Investment Bank
NATEXIS BANQUES POPULAIRES**

The Issuer accepts responsibility for the information contained in (or incorporated by reference in) this Prospectus. To the best of the knowledge and belief of the Issuer, having taken all reasonable care to ensure that such is the case, the information contained (or incorporated by reference in) in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

The delivery of this Prospectus at any time does not imply that any information contained herein or therein is correct at any time subsequent to the date hereof.

In connection with the issue and sale of the Bonds, no person is authorised to give any information or to make any representation not contained (or incorporated by reference in) in this Prospectus, and neither the Issuer nor any of the Managers accepts responsibility for any information or representation so given that is not contained (or incorporated by reference in) in this Prospectus. This Prospectus does not constitute an offer of Bonds, and neither may be used for the purposes of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation and no action is being taken to permit an offering of the Bonds or the distribution of this Prospectus in any jurisdiction where any such action is required except as specified herein.

The distribution of this Prospectus and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer to inform themselves about, and to observe, and such restrictions.

The Bonds have not been and will not be registered under the United Securities Act of 1933, as amended (the “**Securities Act**”) and, subject to certain exceptions, may not be offered, sold or delivered within the United States.

A further description of certain restrictions on offers and sales of the Bonds in the United States, and in certain other jurisdictions, is set forth below under “Subscription and Sale”.

In this Prospectus, references to “euro”, “EURO”, “Euro” and “€” refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended by the Treaty on European Union and as amended by the Treaty of Amsterdam.

In connection with the issue of the Bonds, HSBC France will act as stabilising manager (the “**Stabilising Manager**”). The Stabilising Manager may over-allot Bonds (provided that the aggregate principal amount of Bonds allotted does not exceed 105 per cent. of the aggregate nominal amount of the Bonds) or effect transactions with a view to supporting the market price of the Bonds at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the Bonds is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Bonds and 60 days after the date of the allotment of the Bonds. Such stabilisation shall be made in accordance with applicable laws and regulations.

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RISK FACTORS RELATING TO THE BONDS

The following are certain risk factors of the offering of the Bonds of which prospective investors should be aware. Prior to making an investment decision, prospective investors should consider carefully all of the information set out in this Prospectus, including in particular the following risk factors detailed below. Further risk factors relating to the Issuer and its activities are contained in the Reference Document. Prospective investors should make their own independent evaluations of all investment considerations. Terms defined in "Terms and Conditions of the Bonds" below shall have the same meaning where used below.

Prior Market for the Bonds; Resale Restrictions

While there is an existing market for the Existing Bonds with which the Bonds will be assimilated (*assimilées*) and be interchangeable for trading purposes as described in this Prospectus, there can be no assurance that such market will further develop and/or be maintained for the Bonds or the Existing Bonds, or that holders of the Bonds will be able to sell their Bonds in the secondary market in which case the market or trading price and liquidity of the Bonds may be adversely affected.

Fixed Rate Interest

Subsequent changes in interest rates may adversely affect the value of the Bonds.

The Bonds may be redeemed prior to maturity

In the event that the Issuer would be obliged to pay additional amounts in respect of any Bonds due to any withholding as provided in Condition 5(b) of the Terms and Conditions of the Bonds, the Issuer may and, in certain circumstances, shall redeem all of the Bonds then outstanding in accordance with such Condition. As a consequence, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Bonds.

DOCUMENTS TO BE INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following documents all of which are incorporated by reference in the Prospectus and which the Issuer has filed with the *Commission de Surveillance du Secteur Financier*:

- (i) the reference document dated 21 July 2005, with the exception of the section entitled "Auditors' opinion on the financial review" (the "**Reference Document**");
- (ii) the section entitled "Complementary information about the Issuer", with the exception of paragraph 9.1 thereof, contained on pages 8 to 12 of the prospectus dated 21 July 2005 in relation to the issue of the Existing Bonds (the "**Existing Bonds Prospectus**");
- (iii) the unaudited consolidated financial statements of the Issuer as at, and for the six months ended, 30 June 2005 (including the notes thereto and the auditors' limited review report thereon) (the "**Semi-Annual Accounts**");
- (iv) the unaudited consolidated financial statements of the Issuer as at, and for the nine months ended, 30 September 2005 (the "**Third Quarter Accounts**").

So long as any of the Bonds are outstanding, this Prospectus and the documents incorporated by reference in this Prospectus will be available during usual business hours on any weekday (except Saturdays, Sundays and public holidays) for inspection and collection free of charge, at the specified office of the Paying Agents. The Reference Document contains, inter alia, the Annual Report of the Issuer (including the Audited Consolidated Financial Statements and related Notes and Audit Report) for the 2004 financial year ("**Bouygues 2004 Financial Review**").

For the purposes of the Prospectus Directive, information can be found in such documents incorporated by reference or this Prospectus in accordance with the following cross-reference table (in which the numbering refers to the relevant Sections of Annex IX of Regulation EC 809/2004):

1.	PERSONS RESPONSIBLE
1.1.	<i>See page 164 of the Bouygues 2004 Financial Review.</i>
2.	STATUTORY AUDITORS
2.1.	<i>See page 75 of the Bouygues 2004 Financial Review.</i>
3.	RISK FACTORS
3.1.	<i>See pages 56 to 64 of the Bouygues 2004 Financial Review.</i>
4.	INFORMATION ABOUT THE ISSUER
4.1.	<i>See page 92 of the Bouygues 2004 Financial Review.</i>
4.1.1.	<i>See page 92 of the Bouygues 2004 Financial Review.</i>
4.1.2.	<i>See page 92 of the Bouygues 2004 Financial Review.</i>

4.1.3.	<i>See page 92 of the Bouygues 2004 Financial Review.</i>
4.1.4.	<i>See page 92 and the last page of the Bouygues 2004 Financial Review.</i>
5.	BUSINESS OVERVIEW
5.1.	Principal activities:
5.1.1.	<i>See pages 13 to 34 of the Bouygues 2004 Financial Review.</i>
5.1.2.	<i>See "Complementary Information about the Issuer", on page 8 of the Existing Bonds Prospectus.</i>
6.	ORGANISATIONAL STRUCTURE
6.1.	<i>See page 5 of the Bouygues 2004 Financial Review.</i>
9.	ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES
9.1.	<i>See pages 66 to 68 of the Bouygues 2004 Financial Review.</i>
9.2.	<i>See "Complementary Information about the Issuer", on page 12 of the Existing Bonds Prospectus.</i>
10.	MAJOR SHAREHOLDERS
10.1.	<i>See page 80 of the Bouygues 2004 Financial Review.</i>
11.	FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES
11.1.	Historical Financial Information
	<p><i>For the year 2003:</i></p> <ul style="list-style-type: none"> <i>(v) consolidated balance sheet: see page 2 in the Appendix A of the Reference Document</i> <i>(vi) consolidated income statement: see page 3 in the Appendix A of the Reference Document</i> <i>(vii) accounting policies and explanatory notes: see page 5 in the Appendix A of the Reference Document</i> <i>(viii) audit report: see Appendix page 31 in the Appendix A of the Reference Document</i>
	<p><i>For the year 2004:</i></p> <ul style="list-style-type: none"> <i>(i) consolidated balance sheet: see page 94 of the Bouygues 2004 Financial Review</i> <i>(ii) consolidated income statement: see page 95 of the Bouygues 2004 Financial Review</i> <i>(iii) accounting policies and explanatory notes: see pages 97 to 122 of the Bouygues</i>

	<p><i>2004 Financial Review</i></p> <p>(iv) <i>audit report: see page 143 of the Bouygues 2004 Financial Review</i></p>
	<p><i>For the six months ended 30 June 2005:</i></p> <p>(v) <i>consolidated balance sheet: see page 4 of the Semi-Annual Accounts</i></p> <p>(vi) <i>consolidated income statement: see page 5 of the Semi-Annual Accounts</i></p> <p>(vii) <i>accounting policies and explanatory notes: see pages 8 to 47 of the Semi-Annual Accounts</i></p> <p>(viii) <i>limited review report: see pages 48 and 49 of the Semi-Annual Accounts</i></p>
	<p><i>For the nine months ended 30 September 2005:</i></p> <p>(ix) <i>consolidated balance sheet: see page 4 of the Third Quarter Accounts</i></p> <p>(x) <i>consolidated income statement: see page 5 of the Third Quarter Accounts</i></p> <p>(xi) <i>accounting policies and explanatory notes: see pages 8 to 47 of the Third Quarter Accounts</i></p>
11.2.	Individual Financial statements
	<p><i>For the year 2004:</i></p> <p>(i) <i>balance sheet: see page 123 of the Bouygues 2004 Financial Review</i></p> <p>(ii) <i>income statement: see page 124 of the Bouygues 2004 Financial Review</i></p> <p>(iii) <i>accounting policies and explanatory notes: see pages 125 to 132 of the Bouygues 2004 Financial Review</i></p> <p>(iv) <i>audit report: see pages 142 of the Bouygues 2004 Financial Review</i></p>
11.3.	Auditing of historical annual financial information
11.3.1.	<p>See “Complementary Information about the Issuer”, on page 12 of the Existing Bonds Prospectus.</p> <p>See page 142 and 143 of the Bouygues 2004 Financial Review.</p> <p>See Appendix A of the Reference Document.</p>
11.3.2.	See “Complementary Information about the Issuer”, on page 12 of the Existing Bonds Prospectus.
11.5.	See page 61 of the Bouygues 2004 Financial Review.
13.	THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST
13.2.	<p>Third party information</p> <p>See “Complementary Information about the Issuer”, on page 12 of the Existing Bonds Prospectus.</p>

The information incorporated by reference in this Prospectus but not listed in the cross-reference table above is given for information purposes only.

COMPLEMENTARY INFORMATION ABOUT THE ISSUER

(Numbering refers to the relevant Sections of Annex IX of Regulation EC 809/2004)

9. Administrative, Management, and Supervisory Bodies

9.1.

Name, address, position	Principal activities performed outside the Issuer
Martin Bouygues 1 avenue Eugène Freyssinet 78280 Guyancourt Chairman & CEO, Director	Chairman, SCDM Director, TF1, Sodeci, CIE and HSBC France Standing Representative, of SCDM on the board of Actiby and on the chairmanship of SCDM PARTICIPATIONS
Olivier Poupart-Lafarge 1 avenue Eugène Freyssinet 78280 Guyancourt Deputy CEO, Director	Managing Director, SCDM Director, Bouygues Telecom, Colas, TF1 and Bic Standing Representative of Bouygues SA on the board of Bouygues Construction and on the board of Bouygues Immobilier
Olivier Bouygues 1 avenue Eugène Freyssinet 78280 Guyancourt Deputy CEO Standing Representative of SCDM	Managing Director, SCDM Chairman, Board of Directors of Finagestion Director, Finagestion Chairman & CEO, Director, Seci, Director TF1, Bouygues Telecom, Colas, Bouygues Construction, Eurosport, Cefina, Novasaur, Sodeci, CIE and Sénégalaise des Eaux Standing Representative of SCDM on the board of SCDM Energie Non-shareholder manager, SIR and SIB
SCDM 1 avenue Eugène Freyssinet 78280 Guyancourt Director	Chairman, Actiby, SCDM Energie and SCDM PARTICIPATIONS
Pierre Barberis 71/73 rue des Hautes Pâtures 92726 Nanterre Cedex Director	Deputy CEO and Director, Oberthur Card Systems Chairman and Director, Wilson Gestion Manager, Amrom
Patricia Barbizet 12 rue François 1er 75008 Paris Director	Managing Director and Director, Artemis Board Vice-Chairman of the Board and Director, PPR Managing Director and Director, Palazzo Grassi Chairman & Director, Théâtre Marigny Chairman & CEO and Director, Piasa Chairman and Director, Christies Intern. Plc Director, FNAC, TF1 and Air France Supervisory Board Member, Gucci, Yves Saint Laurent, Standing Representative of Artemis on the boards of Sebdo Le Point, Agefi Management Board Member, SC Vignoble de Château Latour Managing Director and Supervisory Board Member, Financière Pinault
Mrs Francis Bouygues 50 rue Fabert 75007 Paris Director	
Georges Chodron de Courcel 3 rue d'Antin	Deputy CEO, BNP Paribas Director, Alstom, Nexans and FFP (Société Foncière Financière et de

Name, address, position	Principal activities performed outside the Issuer
75002 Paris Director	Participation) Supervisory Board Member, Lagardère SCA Non-voting Director, Scor SA, Scor Vie and Safran
Charles de Croisset 4 rue Barye 75017 Paris Director	Vice Chairman for Europe, Goldman Sachs Chairman, Fondation du Patrimoine Director, Renault, Thales Supervisory Board Member, Euler & Hermes Non-voting Director, SA des Galeries Lafayette
Michel Derbesse Villa Montmorency 19/21 avenue des Tilleuls 75016 Paris Director	Director, FNTP Director, Société Fermière du Casino Municipal de Cannes
Lucien Douroux 20 rue de la Baume 75008 Paris Director	Chairman and Director, Banque de Gestion Privée Indosuez Director, Euris
Alain Dupont 7 place René Clair 92653 Boulogne Billancourt Director	Chairman & CEO, Colas SA Chairman & CEO, Colasie Chairman and Director, Boards of Colas Inc Director Colas Ile de France Normandie, Colas Rhône Alpes, Smac, Spac, Société Parisienne d'Etudes d'Informatique et de Gestion, Colas Suisse Holding, Colascanada, Colas Ltd, Colas Danmark, Hindustant Colas Ltd and Syndicat Professionnel des Entrepreneurs des Travaux Publics de France et d'Outre-Mer Director, Tasco Standing Representative of Colas on the board of Colas Centre Ouest, Colas Midi Méditerranée, Colas Sud Ouest, Cofiroute and Somaro Standing Representative of Colas on the Supervisory Board of Grand Travaux Routiers et Colas Emulsion Standing Representative of Spare on the board of Colas Est Standing Representative of SPRI on the board of Colas Nord Picardie Supervisory Board Member, Route Marocaine et Société Moghrébienne d'Entreprises et de Travaux Vice Chairman, FNTP
Yves Gabriel 1 avenue Eugène Freyssinet 78280 Guyancourt Director	Chairman & CEO, Bouygues Construction Director, ETDE and FNTP Standing Representative of Bouygues Construction on the board of Bouygues Bâtiment International, Bouygues Bâtiment Ile de France and Bouygues Travaux Publics
Jean-Michel Gras 3-5 Avenue Morane Saulnier 78944 Velizy Cedex Director Representative of employee shareholders	
Thierry Jourdain 1 avenue Eugène Freyssinet 78280 Guyancourt Director Representative of employee shareholders	
Patrick Le Lay 1 quai du Point du Jour 92656 Boulogne-Billancourt Director	Chairman & CEO, TF1 Director, Colas and Prima TV Chairman, Incunables & Cie Standing Representative of TF1 on the board of Téléma Standing Representative of TPS Sport on the board of TPS Motivation Standing Representative of TF1 Développement on the board of Télévision par Satellite Gestion

Name, address, position	Principal activities performed outside the Issuer
	Supervisory Board Member of Chaîne Française d'Information Internationale (CFII) Chairman & CEO, TV Breizh Standing Representative of TV Breizh on the board of TVB Nantes
Jean Peyrelevade 23-27 rue Cambon 75001 Paris Director	Vice Chairman, Quadrature Director, Suez and Société Monégasque d'Electricité et de Gaz Supervisory Board Member of CMA-CGM
François-Henri Pinault 10 avenue Hoche 75008 Paris Director	Chairman & CEO, PPR Manager, Financière Pinault Chairman of the Board of Directors, Artemis Supervisory Board Vice Chairman, Boucheron Holding Director, FNAC, Soft Computing, Simetra Obligations Supervisory Board Member, Gucci Group NV and Yves Saint Laurent SAS Management Board Member, Château Latour
Alain Pouyat 1 avenue Eugène Freyssinet 78280 Guyancourt Director	Director, Bouygues Telecom, C2S, TF1, Speig and ETDE
Michel Rouger 30 rue Claude Lorrain 75016 Paris Director	Supervisory Board Member of Centuria Director, Compagnie Financière M.I. 29 Supervisory Board Chairman of Sharing Knowledge Manager, Michel Rouger Conseil
Philippe Montagner 1 avenue Eugène Freyssinet 78280 Guyancourt Non-voting Director	Chairman & CEO, Director, Bouygues Telecom Vice Chairman and Supervisory Board Member, Ginger Groupe Ingenierie Europe Director, TF1, ETDE, Bouygues Immobilier and TPS Gestion

TERMS AND CONDITIONS OF THE BONDS

The issue outside the Republic of France of the €250,000,000 4.25 per cent. Bonds due 2020 (the "**Bonds**") to be assimilated (*assimilées*) and form a single series with the existing €750,000,000 4.25 per cent. Bonds due 2020 of the Issuer issued on 22 July 2005 (the "**Existing Bonds**") of Bouygues S.A. (the "**Issuer**") has been authorised pursuant to a decision of the chairman of the Board of Directors (*Président du Conseil d'administration*) of the Issuer dated 7 February 2006 acting pursuant to a resolution of the Board of Directors (*Conseil d'administration*) of the Issuer dated 1 March 2005. The Bonds are issued with the benefit of a fiscal agency agreement dated 22 July 2005, as supplemented by a first supplemental fiscal agency agreement dated 16 February 2006 (together with the fiscal agency agreement, the "**Fiscal Agency Agreement**") between the Issuer, Fortis Banque Luxembourg S.A. as fiscal agent and principal paying agent (the "**Fiscal Agent**", which expression shall, where the context so admits, include any successor for the time being as Fiscal Agent) and the other paying agents named therein (together, the "**Paying Agents**", which expression shall, where the context so admits, include the Fiscal Agent and any successors for the time being of the Paying Agents or any additional paying agents appointed thereunder from time to time). Reference below to the "**Agents**" shall be to the Fiscal Agent and/or the Paying Agents, as the case may be. Copies of the Fiscal Agency Agreement are available for inspection at the specified offices of the Paying Agents. References below to "**Conditions**" are, unless the context otherwise requires, to the numbered paragraphs below.

The Bonds will, upon issue, be assimilated (*assimilées*) and interchangeable for trading purposes with the existing €750,000,000 4.25 per cent. Bonds due 2020 of the Issuer issued on 22 July 2005.

1. Form, Denomination and Title

The Bonds are issued in bearer form in the denomination of €50,000 each. Title to the Bonds will be evidenced in accordance with Article L. 211-4 of the Code monétaire et financier by book-entries ("*dématérialisation*"). No physical document of title (including *certificats représentatifs* pursuant to Article R. 211-7 of the Code monétaire et financier) will be issued in respect of the Bonds.

The Bonds will, upon issue, be inscribed in the books of Euroclear France which shall credit the accounts of the Account Holders. For the purpose of these Conditions, "**Account Holders**" shall mean any authorised financial intermediary institution entitled to hold accounts, directly or indirectly, on behalf of its customers with Euroclear France, and includes Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**") and the depositary bank for Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**").

Title to the Bonds shall be evidenced by entries in the books of Account Holders and will pass upon, and transfer of Bonds may only be effected through, registration of the transfer in such books.

2. Status of the Bonds

The Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank and will rank *pari passu* without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.

3. Negative Pledge

So long as any of the Bonds remains outstanding (as defined in the Fiscal Agency Agreement), the Issuer undertakes that it will not create or permit to subsist or to become effective any mortgage, lien, charge, pledge or other form of security interest (*sûreté réelle*) upon the whole or any part of its undertaking and any of its assets or revenues, present or future, to secure any Relevant Debt (as defined below) of the Issuer or a guarantee (including by way of joint liability) in respect of any Relevant Debt of others unless, at the same time or prior

thereto, the Issuer's obligations under the Bonds are equally and rateably secured thereby or by such security interest as may be approved by the general assembly of the Masse (as defined below).

For the purposes of these Conditions, "**Relevant Debt**" means any present or future indebtedness for borrowed money in the form of, or represented by, debt securities (*titres de créance* within the meaning of Articles L.211-1 2° of the French *Code monétaire et financier*, including *titres* giving right to receive (through conversion, exchange, subscription or otherwise) equity securities or equivalent debt instruments issued under any law other than French law) which are for the time being, or capable of being, quoted, listed, or ordinarily dealt in on any stock exchange, over-the-counter market or other securities market.

4. Interest

Each Bond bears interest from, and including, 22 July 2005 (the "**Interest Commencement Date**") to, but excluding, 22 July 2020 at the annual rate of 4.25 per cent, payable annually in arrear on 22 July in each year (each an "**Interest Payment Date**"), commencing on 22 July 2006.

Each Bond will cease to bear interest from the due date for redemption unless payment of principal is improperly withheld or refused. In such event it shall continue to bear interest at the rate of 4.25 per cent. per annum until whichever is the earlier of (i) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant Bondholder, and (ii) the day after the Fiscal Agent has notified the Bondholders of receipt of all sums due in respect of all the Bonds up to that day (except to the extent that there is failure in the subsequent payment to the relevant Bondholder under these Conditions).

Interest will be calculated on an Actual/Actual (ISMA) basis. Where interest is to be calculated in respect of a period which is equal to or shorter than an Interest Period (as defined below), it shall be calculated on the basis of the number of days elapsed in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it falls due, divided by the number of days in the Interest Period in which the relevant period falls (including the first such day but excluding the last).

For the purpose of this Condition 4, "**Interest Period**" means the period beginning on, and including, the Interest Commencement Date and ending on, but excluding, the first Interest Payment Date and each successive period beginning on, and including, an Interest Payment Date and ending on, but excluding, the next succeeding Interest Payment Date.

5. Redemption and Purchase

The Bonds may not be redeemed otherwise than in accordance with this Condition 5.

(a) Final Redemption

Unless previously redeemed or purchased and cancelled as provided below, the Bonds will be redeemed in full at par by the Issuer on 22 July 2020.

(b) Redemption for Taxation Reasons

- (A) If, by reason of any change in French law, or any change in the official application or interpretation of such law, becoming effective after 22 July 2005, the Issuer would, on the occasion of the next payment of principal or interest due in respect of the Bonds, not be able to make such payment without having to pay additional amounts as specified under Condition 7 below, the Issuer may at any time, subject to having given not more than 45 nor less than 30 days' notice to the Bondholders (which notice shall be irrevocable), in accordance with Condition 10, redeem all, but not some only, of the Bonds at their principal amount together with any interest accrued to the date set for redemption provided that the due date for redemption of which notice hereunder may be given shall be no earlier

than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes.

- (B) If the Issuer would on the occasion of the next payment in respect of the Bonds be prevented by French law from making payment to the Bondholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 7 below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and shall forthwith redeem all, but not some only, of the Bonds then outstanding at their principal amount plus any accrued interest thereon upon giving not less than seven nor more than 30 days' prior notice to the Bondholders (which notice shall be irrevocable) in accordance with Condition 10, provided that the due date for redemption of which notice hereunder shall be given shall be the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes or, if such date is past, as soon as practicable thereafter.

(c) Purchases

The Issuer may at any time purchase Bonds in the open market or otherwise at any price.

(d) Cancellation

All Bonds which are redeemed or purchased by or on behalf of the Issuer pursuant to paragraph (b) (A) or (B) or (c) of this Condition will forthwith be cancelled and accordingly may not be reissued or resold.

6. Payments

(a) Method of Payment

Payments of principal and interest in respect of the Bonds will be made in Euro by credit or transfer to a Euro-denominated account (or any other account to which Euro may be credited or transferred) specified by the payee in a city in which banks have access to the TARGET System. "**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System.

Such payments shall be made for the benefit of the Bondholders to the Account Holders (including Euroclear or the depositary bank for Clearstream, Luxembourg).

Payments of principal and interest on the Bonds will be subject in all cases to any fiscal or other laws and regulations applicable thereto, but without prejudice to the provisions of Condition 7.

(b) Payments on Business Days

If any due date for payment of principal or interest or any other amount in respect of any Bond is not a Business Day, then the holder thereof shall not be entitled to payment of the amount due until the next following day which is a Business Day and the holder shall not be entitled to any interest or other sums in respect of such postponed payment.

In this Condition "**Business Day**" means a day on which (i) Euroclear France, Euroclear and Clearstream, Luxembourg are open for business, (i)/(ii) commercial banks and foreign exchange markets are open for general business in Paris and Luxembourg and (ii)/(iii) on which the TARGET System is operating.

(c) Fiscal Agent and Paying Agents

The names and specified offices of the initial Fiscal Agent and initial Paying Agents are as follows:

Fiscal Agent and Principal Paying Agent:

Fortis Banque Luxembourg S.A.

50 Avenue J.F. Kennedy

L-2951 Luxembourg

Paying Agent in Paris:

HSBC France

103, avenue des Champs Elysées

75008 Paris

France

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or any Paying Agent and/or appoint another Fiscal Agent and additional or other Paying Agents or approve any change in the office through which the Fiscal Agent or any Paying Agent acts, provided that it will at all times maintain (i) a Fiscal Agent having a specified office in a European city and (ii) so long as the Bonds are listed on the Regulated Market of the Luxembourg Stock Exchange, a Paying Agent having a specified office in Luxembourg.

7. Taxation

(a) Tax Exemption

The Bonds being denominated in euro and accordingly deemed to be issued outside the French Republic, interest and other revenues in respect of the Bonds benefit under present law from the exemption from deduction of tax at source on account of French taxes provided for in Article 131 *quater* of the *Code Général des Impôts* (General Tax Code). Accordingly, such payments do not give the right to any tax credit from any French source.

(b) Additional Amounts

If French law should require that payments of principal or interest in respect of any Bond be subject to deduction or withholding in respect of any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of the French Republic or any authority therein or thereof having power to tax, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the holder of each Bond, after such deduction or withholding, will receive the full amount then due and payable thereon in the absence of such withholding, except that no such additional amounts shall be payable with respect to any Bond:

- (i) to, or to on behalf of, a holder (or beneficial owner (*ayant droit*)) who is subject to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with the French Republic other than the mere holding of such Bonds; or
- (ii) to, or on behalf of, a holder (or beneficial owner (*ayant droit*)) who could avoid such deduction or withholding by making a declaration of non-residence or similar claim for exemption but fails to do so; or
- (iii) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to the European Council Directive 2003/48/EC of 3 June 2003 or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of 26 and 27 November 2000 on the taxation of savings or any law implementing or complying with, or introduced in order to conform to, such Directive.

Any references in these Conditions to principal and interest in respect of the Bonds shall be deemed also to refer to any additional amounts which may be payable under the provisions of this Condition 7(b).

8. Events of Default

If any of the following events (each, an "Event of Default") occurs:

- (a) any amount of principal of, or interest on, any Bond is not paid on the due date thereof and such default is not remedied within a period of 15 days from such due date; or
- (b) any other obligation of the Issuer under the Bonds is not complied with or performed within the period of 30 days after receipt by the Fiscal Agent and the Issuer of written notice of such default given by the Representative (as defined in Condition 9 below); or
- (c) in the event of default by the Issuer in the payment of the principal, interest or premium in respect of any Relevant Debt (as defined in Condition 3) or in respect of any guarantee by the Issuer of Relevant Debt of others, when and as the same shall become due and payable, if such default shall continue for more than the grace period, if any, applicable thereto, or in the event that any Relevant Debt of the Issuer shall have become repayable before the due date thereof as a result of acceleration of maturity caused by the occurrence of any event of default thereunder and shall not have been repaid or in the event that any such guarantee shall have been called and is not paid, it being understood for the purpose of this paragraph that, to the extent the Issuer contests in good faith that such Relevant Debt is due or that such guarantee is callable, no such event shall be deemed to have occurred until a competent court renders a final judgement that such Relevant Debt is due or that such guarantee is callable, provided that the aggregate amount of the Relevant Debt or guarantees in respect of which one or more of the events mentioned in this Condition 8 (c) have occurred equals or exceeds € 15,000,000 or its equivalent in other currencies; or
- (d) if the Issuer makes any proposal for a general moratorium in relation to its debt or applies for the appointment of a conciliator (*conciliateur*) or enters into an amicable settlement (*procédure de règlement amiable*) with its creditors or a judgement is issued for the judicial liquidation (*liquidation judiciaire*) or for a judicial transfer of the whole of the business (*cession totale de l'entreprise*) of the Issuer or, to the extent permitted by applicable law, if the Issuer is subject to any other insolvency or bankruptcy proceedings or the Issuer makes any judicial conveyance, assignment or other judicial arrangement for the benefit of its creditors or enters into a composition (*accord amiable*) with its creditors, provided that an event of default shall also occur under this paragraph (d) with respect to one or more Principal Subsidiaries (as defined below) if after excluding the value of the securities of one or more Principal Subsidiaries subject to proceedings of the type described in this paragraph (d) the total shareholders' equity appearing in the latest audited financial statements (*comptes individuels*) of the Issuer would become less than 66 per cent. of the total shareholders' equity appearing in such audited financial statements before such exclusion.

For the purposes of this paragraph (d):

- (i) "**Principal Subsidiary**" means at any time relevant a Subsidiary of the Issuer:
 - (a) whose total fixed assets or operating income (or, where the Subsidiary in question prepares consolidated accounts, whose total consolidated fixed assets or consolidated operating income, as the case may be), attributable to the Issuer represent not less than 15 per cent. of the total consolidated fixed assets or the consolidated operating income, as the case may be, of the Issuer, all as calculated by reference to the then latest audited accounts (or consolidated accounts, as the case may be) of such Subsidiary and the then latest audited consolidated accounts of the Issuer and its consolidated Subsidiaries; or
 - (b) to which is transferred all or substantially all the assets and undertakings of a Subsidiary which immediately prior to such transfer is a Principal Subsidiary;

- (ii) "**Subsidiary**" means in relation to any person or entity at any time, a "filiale" as defined in Article L.233-1 of the French *Code de commerce* (the "**Code**") or any other person or entity controlled directly or indirectly by such person or entity within the meaning of Article L.233-3 of the Code; or
- (e) the Issuer ceases to carry on all or a material part of its business, except for the purposes of and followed by a merger or a reorganisation (*cession, scission* or *apport partiel d'actifs*) pursuant to which the surviving company assumes all of the obligations of the Issuer with respect to the Bonds. For the purpose of this paragraph (e), a part of the Issuer's business will be deemed material if the operating income (or, where the business in question is operated by one or more Subsidiaries which prepare consolidated financial statements, the total operating consolidated income) attributable to such business represents 50 per cent. or more of the total consolidated operating income of the Issuer, all as calculated by reference to the then latest audited financial statements (or consolidated financial statements, as the case may be) relating to the business in question and the then latest audited consolidated financial statements of the Issuer;

then each Bondholder acting through the Representative (as defined in Condition 9) may upon written notice to the Fiscal Agent given on behalf of the Bondholders before all defaults shall have been cured, cause the Bonds to become immediately due and payable, whereupon they shall become immediately due and payable at their principal amount together with any accrued interest thereon without further formality.

9. Representation of the Bondholders

(a) The Masse

The Bondholders and the holders of the Existing Bonds will be grouped automatically for the defence of their common interests in a single *masse* (hereinafter referred to as the "**Masse**").

In accordance with Article L.228-90 of the Code (as defined in Condition 8), the *Masse* will be governed by the provisions of the Code (with the exception of the provisions of Articles L.228-48, L.228-59, L.228-65 and L.228-71 thereof), and by the decree no. 67-236 of 23 March 1967, as amended (with the exception of the provisions of Articles 218, 222, 224, 226 and 233 thereof) subject to the following provisions.

(b) Legal personality

The *Masse* will be a separate legal entity, by virtue of Article L.228-46 of the Code, acting in part through a representative (the "**Representative**") and in part through a general assembly of the Bondholders (the "**General Assembly**").

The *Masse* alone, to the exclusion of all individual Bondholders, shall exercise the common rights, actions and benefits which now or in the future may accrue with respect to the Bonds.

(c) Representatives

The office of Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as Representatives:

- (i) the Issuer and its Chief Executive Officers (*Directeurs Généraux*), the members of its board of directors, its statutory auditors, its employees as well as their ascendants, descendants and spouses;
- (ii) companies possessing at least 10 per cent. of the share capital of the Issuer or of which the Issuer possesses at least 10 per cent. of the share capital;
- (iii) companies guaranteeing all or part of the obligations of the Issuer;

- (iv) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing a business in whatever capacity.

The initial Representative will be:

Françoise Drouet
1 rue du Gros-Caillou
75007 Paris

The alternative representative of the *Masse* (the "**Alternative Representative**") will be:

Gaëlle Lamy
6 Rue de Varize
75016 Paris

In the event the Representative is unable to perform his duties, he will be replaced by the Alternative Representative.

The Alternative Representative replaces the Representative when the Representative is no longer able to fulfil his duties upon his receipt of notice by registered mail from the Representative, the Issuer or any other interested party of the inability of the Representative to fulfil his duties. In the event of such replacement, the Alternative Representative shall have the same powers as the replaced Representative.

In the event the Alternative Representative is unable to perform his duties, a replacement will be elected by a General Assembly.

The Issuer shall pay to each Representative an amount of €300 per year, payable on 22 July of each year during the issue, and for the first time on 22 July 2006. The Alternative Representative will not be remunerated until, and if, he effectively replaces the Representative.

All interested parties will at all times have the right to obtain the name and the address of the Representative at the head office of the Issuer and at the offices of any of the Paying Agents.

(d) Powers of the Representative

The Representative shall, in the absence of any decision to the contrary of the General Assembly, have the power to take all acts of management to defend the common interests of the Bondholders.

All legal proceedings against the Bondholders or initiated by them in order to be justifiable, must be brought against the Representative or by him, and any legal proceedings which shall not be brought in accordance with this provision shall not be legally valid.

The Representative may not interfere in the management of the affairs of the Issuer.

(e) General Assemblies

General Assemblies may be held at any time, by convening either by the board of directors of the Issuer or by the Representative, the person convening the General Assembly being also responsible for the determination of its agenda. One or more Bondholders, holding together at least one-thirtieth of outstanding Bonds may address to the Issuer and the Representative a demand for convening the General Assembly; if such General Assembly has not been convened within two months from such demand, such Bondholders may commission one of themselves to petition the competent court in Paris to appoint an agent (*mandataire*) who will call the meeting. One or more Bondholders may also under the same conditions, require the addition to the agenda of a General Assembly of proposed resolutions.

Notice of the date, hour, place, agenda and quorum requirements of any General Assembly will be published as provided under Condition 10 not less than 15 days on first call, and not less than 6 days on second call, prior to the date of the General Assembly.

Each Bondholder has the right to participate in General Assemblies in person or by proxy. Each €50,000 principal amount of Bonds carries the right to one vote.

(f) Powers of General Assemblies

A General Assembly is empowered to deliberate on the fixing of the remuneration of the Representative and on his dismissal and replacement, and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Bonds, including authorising the Representative to act as law as plaintiff or defendant.

A General Assembly may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, any proposal relating to the issue of securities carrying a right of preference compared to the right of the Bondholders, any proposal relating to the total or partial renunciation to the guarantees granted to Bondholders, the extension of the due date for payment of the interest and the alteration of the terms of repayment or the interest rate, any proposal relating to the alteration of the object or form of the Issuer, or any proposal relating to a merger or a split-off of the Issuer (in the cases specified in Articles L.236-13 and L.236-18 of the Code). However, it is expressly specified that a General Assembly may not increase amounts payable by the Bondholders, nor establish any unequal treatment between the Bondholders, nor decide to convert the Bonds into shares.

General Assemblies may deliberate validly at the first convening only if Bondholders present or represented hold at least one quarter of the principal amount of the Bonds then outstanding. At the second convening, no quorum shall be required. Decisions at General Assemblies shall be taken by a simple majority of votes cast by the Bondholders attending such meeting or represented thereat.

(g) Notice of decisions

Decisions of the General Assemblies must be published in accordance with the provisions set out in Condition 10 not more than 90 days from the date thereof.

(h) Information to the Bondholders

Each Bondholder or representative thereof will have the right, during the 15 day period preceding the holding of each General Assembly, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented thereat, which will be available for inspection at the offices of the Issuer and of the Paying Agents and at any other place specified in the notice of General Assembly during normal business hours.

(i) Expenses

The Issuer will pay all reasonable expenses incurred in the operation of the *Masse*, including expenses relating to the calling and holding of General Assemblies and the expenses which arise by virtue of the remuneration of the Representative, and more generally all administrative expenses resolved upon by a General Assembly, it being expressly stipulated that no expenses may be imputed against interest payable on the Bonds.

(j) Single Masse

In the event of the consolidation of the Bonds with further issues of Bonds giving identical rights to Bondholders and if the terms and conditions of such Bonds so permit, the Bondholders of all such issues shall be grouped together in a single masse.

10. Notices

Any notice to the Bondholders shall be valid if delivered to Euroclear France, Euroclear and Clearstream, Luxembourg, provided that as long as the Bonds are listed on the Regulated Market of the Luxembourg Stock Exchange and the rules of that exchange so require, such notice shall also be published in a leading daily newspaper having general circulation in Luxembourg (which is expected to be the *d'Wort* or the *Tageblatt*) and on the Luxembourg Stock Exchange website (*www.bourse.lu*). Any such notice shall be deemed to have been given on the date of delivery to Euroclear France, Euroclear and Clearstream, Luxembourg or, where relevant and if later, such publication or, if published more than once or on different dates, on the first date on which such publication is made.

11. Prescription

Claims against the Issuer for the payment of principal and interest in respect of the Bonds shall be prescribed 10 years (in the case of principal) and 5 years (in the case of interest) from the due date for payment thereof.

12. Further Issues and Consolidation

The Issuer may from time to time without the consent of the Bondholders issue further bonds to be assimilated (*assimilables*) with the Bonds as regards their financial service, provided that such bonds and the Bonds shall carry rights identical in all respects (or in all respects except for the first payment of interest thereon) and that the terms of such further bonds shall provide for such assimilation. In the event of such assimilation, the Bondholders and the holders of any assimilated (*assimilables*) bonds will for the defense of their common interest be grouped in a single *Masse* having legal personality.

The Issuer may from time to time, without the consent of the Bondholders, on giving not less than 30 days' prior notice to the Bondholders, consolidate the Bonds with one or more issues of other bonds ("**Other Bonds**") issued by it, whether or not originally issued in one of the European national currencies or in Euro, provided such Other Bonds have been redenominated in Euro (if not originally denominated in Euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Bonds.

The relevant fiscal agency agreement(s) will be amended accordingly and notice of such consolidation will be given to the Bondholders in accordance with Condition 10.

13. Governing Law and Jurisdiction

The Bonds and the Fiscal Agency Agreement shall be governed by and construed in accordance with French law.

Any suit, action, or proceeding against the Issuer in connection with the Bonds may be brought in any competent court located in the jurisdiction of the Paris *Cour d'Appel*.

USE OF PROCEEDS

The net proceeds of the issue of Bonds amount to €248,457,842 and will be used for the Issuer's general corporate purposes.

RECENT DEVELOPMENTS

Set out below are several press releases published by the Issuer:

Press release dated 28 July 2005

<p style="text-align: center;">MOTORWAY PRIVATISATIONS BOUYGUES HAS DECIDED NOT TO MAKE AN OFFER</p>
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On 18 July 2005, the French government launched an invitation to bid for the stakes in three motorway companies held by the government and state-owned company "Autoroutes de France".

Bouygues has decided not to make an offer for the acquisition of these motorway companies. The current invitation to bid relates to infrastructures that have already been built, and is essentially financial in nature, which does not fit with Bouygues' entrepreneurial spirit.

When investing in infrastructure concessions, Bouygues prefers projects in which it can fully use its management skills in design, construction, operation, maintenance and finance. Accordingly, together with various financial and industrial partners, Bouygues currently has equity stakes in a number of concessions in France and abroad, particularly in transport. On these projects, Bouygues has acted as a developer and builder of infrastructures such as tunnels, motorways, bridges, railways and airports. The economics of these projects do not involve any goodwill.

Bouygues' investment capacity would allow it to acquire one of the three motorway companies without affecting its credit rating. However, such an acquisition would tie up large amounts of capital, and would make Bouygues less able to invest in other projects that fit more closely with its growth strategy in current businesses or in new areas that offer synergies with current businesses.

Press release dated 9 August 2005

<p style="text-align: center;">FIRST-HALF SALES IN 2005 11.3 BILLION EUROS: +14%; +11% ON A COMPARABLE BASIS</p>
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The Bouygues group's consolidated sales for the first half of 2005 amounted to 11.3 billion euros, up 14% on the same period in 2004.

This figure factors in mobile-to-mobile billing between GSM operators, effective since 1 January 2005.

For comparability, 2004 sales have been reduced under French GAAP to reflect Saur's sold activities, and increased under French GAAP and IFRS to reflect mobile-to-mobile billing adjusted to 2005 rates. Based on these adjustments, sales were up 11%.

CONTRIBUTION OF BUSINESS AREAS TO SALES (million euros)	French GAAP	IFRS		
	1 st half 2004	1 st half 2004	1 st half 2005	Change %
Bouygues Construction	2,505	2,505	2,790	+11%
Bouygues Immobilier	582	582	758	+30%
Colas	3,411	3,413	3,928	+15%
TF1	1,472	1,486	1,459	-2%
Bouygues Telecom	1,759	1,755	2,187	+25%*
Saur	1,164	-	-	-
Holding and other	11	146	146	ns
Total	10,904	9,887	11,268	+14%
France	8,201	7,372	8,324	+13%
International	2,703	2,515	2,944	+17%
Total excl. Saur and incl. GSM	10,316	10,192	11,268	+11%

* +6% using the same accounting method

Sales figures are presented in compliance with the new IFRS standards in application since 1 January 2005. 2004 sales have been restated in accordance with these standards to allow for comparison with 2005 figures. The main difference is due to the retroactive deconsolidation of Saur's sold activities as from 1 January 2004, the sale process not having started until the second quarter of the year.

Bouygues Construction sales rose on all markets, especially abroad and in its electrical contracting-maintenance division, which continued to expand its network of subsidiaries.

Bouygues Immobilier sales increased sharply by 30%, due to the start of building work following substantial housing reservations taken in 2004.

Despite poor weather conditions in metropolitan France in the first quarter of 2005, **Colas** enjoyed strong sales growth. Colas benefited from firm international markets, especially in Central Europe. Like-for-like and at constant exchange rates, sales rose 10% overall, with an increase of 9% in France and 11% abroad.

TF1 sales dropped slightly by 2%, reflecting difficult market conditions. The channel's net advertising revenues fell by 0.9%, while sales from other activities, down 3%, were comparable to the exceptionally high level of revenues generated in the first half of 2004, mainly at TF1 Vidéo.

In the first half of 2005, **Bouygues Telecom** reported sales of 2,193 million euros - contributing 2,187 million euros to Group sales - and net sales from network of 2,077 million euros, due mainly to mobile-to-mobile billing (324 million euros) effective since 1 January 2005. If this system had been implemented in 2004 (billing estimated at 305 million euros using the 2005 call termination rate), the increase would have been 9%.

Data revenues accounted for 16.4% of net sales from network (compared with 14.7% at 30 June 2004 using the same accounting method), thanks in particular to i-mode services which attracted 1,230,000 customers at end July. National broadband services for businesses and professionals running on the EDGE network were well received.

In the first half of 2005, Bouygues Telecom's contract customers accounted for 67.8% of its total customer base (up 2.2 points) and 80.5% of net sales from network (up 0.6 points), thus confirming the success of its offers during the first half.

Universal Mobile continued to prove successful and passed the 200,000 customer mark at the beginning of July 2005, less than one year after launch.

Saur activities retained by Bouygues, booked in the **Holding and other** line, represented 135 million euros in the first half of 2005, a stable amount compared with the same period in 2004.

Press release dated 14 September 2005

FURTHER SHARP RISE IN SALES AND PROFITABILITY
NET PROFIT IN FIRST HALF OF 2005: 384 MILLION EUROS (+39%)

An excellent first half

Bouygues recorded a further sharp rise in sales and profit in the first half of 2005.

On a comparable basis, sales increased by 11%, operating profit by 23% to 853 million euros and net profit by 39% to 384 million euros.

The Group's financial structure remained solid, with cash flow growing by 16%.

Key figures

IFRS (million euros)	30 June 2004	30 June 2005	Change
Sales	9,887	11,268	+14%
Comparable sales	10,192	11,268	+11%
Operating profit	696	853 ⁽¹⁾	+23%
Net profit attributable to the Group	276	384 ⁽¹⁾	+39%
Cash flow	1,257	1,453	+16%

⁽¹⁾ The capital increase reserved for employees planned at end 2005 entailed an IFRS-related expense of 30 million euros, with no impact on shareholders' equity

Bouygues Construction sales rose by 12% overall in the first half of 2005, with an increase of 11% in France and 14% on international markets. Orders were 18% higher than the same year-ago period. Bouygues Construction has secured several major contracts since 30 June, combining public and private funding and illustrating its expertise on this promising market, including the A41 motorway in France, Gautrain rail link in South Africa, and Cyprus airports.

Operating profit grew by 63% to 137 million euros and net profit by 50% to 96 million euros.

Bouygues Immobilier reported a further rise in sales of 30%, as France's housing market remained firm. Commercial activity held up well in the housing segment, with reservations up 23%, and the decline in the corporate/commercial segment was not representative of the year as a whole. Net profit increased by 35% to 42 million euros.

Colas's sales and profitability continued to show strong growth, fuelled by buoyant markets. Sales rose by 16% to 4 billion euros and net profit stood at 46 million euros versus 30 million euros in the first half of 2004. The order book at 30 June 2005 totalled 5.3 billion euros, a 19% increase.

TF1 sales fell slightly, by 2%, reflecting the market's difficult economic environment. The channel's advertising revenues slipped 1%, while operating profit dropped by 4%. Net profit nevertheless grew by 6%.

Bouygues Telecom reported first-half sales of 2.2 billion euros (up 6%) and net sales from network of 2.1 billion euros (up 9% on a comparable basis, ie factoring in mobile-to-mobile billing in 2004). The EBITDA margin was 2 percentage points higher than the first half of 2004 (on a comparable basis), at 32.6% of net sales from network. Net profit increased by 39% to 219 million euros.

Net investments grew sharply to 322 million euros, due to the completion of national EDGE coverage. After launching broadband services for corporate customers in May 2005, Bouygues Telecom will make them available with i-mode to the mass market by the end of the year.

Capital increase reserved for employees

Making use of the authorisation given by the Shareholders' Meeting in April 2005, the Board of Directors has decided to carry out a capital increase reserved for Group employees. The operation will take place at the end of 2005 in the form of a leveraged employee share ownership scheme called "Bouygues Confiance 3" and will be limited to 250 million euros, with a lockup period of five years. In order to reduce equity dilution, shares up to the amount of the capital increase will be bought back on the market and cancelled. Under IFRS, the estimated value of the benefit granted to employees (30 million euros) is booked as "personnel costs". Shareholders' equity will be increased by the same amount to offset the reduction in profit. The scheme will have no impact on the Group's cash situation.

2005 outlook

On the basis of business indicators and Group sales in the first half of the year, the sales target for 2005 can again be raised to 23.6 billion euros (from 23.1 billion euros announced on 22 June 2005).

SALES TARGET Contribution of business areas (IFRS) (million euros)	2004	2005 target	Change
Bouygues Construction	5,227	5,500	+5%
Bouygues Immobilier	1,295	1,550	+20%
Colas	7,947	8,900	+12%
TF1	2,831	2,840	=
Bouygues Telecom	3,649	4,540	+6% *
Holding and other	293	240	ns
TOTAL	21,242	23,570	+11%
of which France	15,252	17,020	+12%
of which International	5,990	6,550	+9%

* Compared with 2004 sales figure factoring in mobile-to-mobile billing estimated at 2005 call termination rate. Net sales from network target: +8% using the same accounting method

CONDENSED CONSOLIDATED INCOME STATEMENT (IFRS) (million euros)	1st half 2004	1st half 2005	Change
Sales	9,887	11,268	+14%
Operating profit	696	853⁽¹⁾	+23%
Cost of net financial debt	(88)	(94)	+7%
Other financial income and expenses	(12)	2	ns
Income tax expense	(232)	(260)	+12%
Share of profits/losses of associates	17	24	+41%
Net profit before results of discontinued and held-for-sale operations	381	525	+38%
Net profit of discontinued and held-for-sale operations	21	-	ns
Net profit from continuing operations	402	525	+31%
Minority interests	(126)	(141)	+12%
Net profit attributable to the Group	276	384⁽¹⁾	+39%

(1) The capital increase reserved for employees planned at end 2005 entailed an IFRS-related expense of 30 million euros, with no impact on shareholders' equity

CONDENSED CONSOLIDATED BALANCE SHEET (IFRS) (million euros)	30 June		31 Dec. 2004
	2004	2005	
Non-current assets	11,525	11,940	11,481
Current assets	9,820	11,126	12,467
Held-for-sale assets	2,402	-	-
TOTAL ASSETS	23,747	23,066	23,948
Shareholders' equity	5,964	5,053	4,978
Non-current liabilities	4,689	5,894 ⁽¹⁾	5,982
Current liabilities	11,531	12,119	12,988
Held-for-sale liabilities	1,563	-	-
TOTAL LIABILITIES	23,747	23,066	23,948

(1) Factoring in the discounted amount (450 million euros) of the option granted to BNP Paribas to sell its 6.5% stake in Bouygues Telecom (press release of 22 June 2005)

Contribution of business areas to SALES (IFRS) (million euros)	1 st half		Change	Full year 2004
	2004	2005		
Bouygues Construction	2,505	2,790	+11%	5,227
Bouygues Immobilier	582	758	+30%	1,295
Colas	3,413	3,928	+15%	7,947
TF1	1,486	1,459	-2%	2,831
Bouygues Telecom	1,755	2,187	+6% *	3,649
Holding and other	146	146	=	293
TOTAL	9,887	11,268	+14%	21,242
<i>of which International</i>	<i>2,515</i>	<i>2,944</i>	<i>+17%</i>	<i>5,990</i>
TOTAL excl. Saur and incl. GSM	10,192	11,268	+11%	21,868

* Compared with 2004 sales figure factoring in mobile-to-mobile billing estimated at 2005 call termination rate;
net sales from network: +9% using the same accounting method

Contribution of business areas to OPERATING PROFIT (IFRS) (million euros)	1 st half		Change	Full year 2004
	2004	2005		
Bouygues Construction	84	137	+63%	168
Bouygues Immobilier	60	72	+20%	119
Colas	20	38	+90%	310
TF1	278	269	-3%	383
Bouygues Telecom	284	355	+25%	597
Holding and other	(30)	(18) ⁽¹⁾	ns	(18)
TOTAL	696	853⁽¹⁾	+23%	1,559

⁽¹⁾ The capital increase reserved for employees planned at end 2005 entailed an IFRS-related expense of 30 million euros, with no impact on shareholders' equity. This expense booked under "personnel costs" reduces operating profit.

Contribution of business areas to NET PROFIT ATTRIBUTABLE TO GROUP (IFRS) (million euros)	1 st half		Change	Full year 2004
	2004	2005		
Bouygues Construction	64	96	+€32m	141
Bouygues Immobilier	31	42	+€11m	64
Colas	29	44	+€15m	242
TF1	69	76	+€7m	93
Bouygues Telecom	130	182	+€52m	275
Holding and other	(47)	(56) ⁽¹⁾	-€9m	(115)
TOTAL	276	384⁽¹⁾	+€108m	700⁽²⁾

⁽¹⁾ The capital increase reserved for employees planned at end 2005 entailed an IFRS-related expense of 30 million euros, with no impact on shareholders' equity

⁽²⁾ Net profit including capital gain from disposal of Saur: 909 million euros

NET CASH BY BUSINESS AREA (IFRS) (million euros)	1 st half		Change	Full year 2004
	2004	2005		
Bouygues Construction	1,322	1,470	+11%	1,523
Bouygues Immobilier	83	160	+93%	249
Colas	(246)	(292)	+19%	422
TF1	(590)	(537)	-9%	(410)
Bouygues Telecom	(1,699)	(1,001)	-41%	(1,197)
Holding and other	(2,426)	(3,780) ⁽¹⁾	+56%	(2,462)
TOTAL	(3,556)	(3,980)⁽¹⁾	+12%	(1,875)

⁽¹⁾ Factoring in the discounted amount (450 million euros) of the option granted to BNP Paribas to sell its 6.5% stake in Bouygues Telecom (press release of 22 June 2005)

Press release dated Wednesday 12 October 2005

**PHILIPPE MONTAGNER IS APPOINTED CHAIRMAN AND CEO OF BOUYGUES TELECOM
NONCE PAOLINI CONFIRMED AS DEPUTY CEO**

Following the resignation of Gilles Pélisson, Bouygues Telecom's board of directors has appointed Philippe Montagner Chairman and CEO of Bouygues Telecom and confirmed Nonce Paolini as Deputy CEO.

Philippe Montagner, Executive Vice-President in charge of Telecoms and New Activities at the Bouygues group, was Chairman and CEO of Bouygues Telecom between its formation in 1994 and February 2003 when he became Chairman of the board of directors, a position he held until February 2004.

Nonce Paolini has been Deputy CEO of Bouygues Telecom since April 2004. He is responsible, in particular, for company organisation, the sales and marketing divisions, and mobile multimedia and i-mode services.

BIOGRAPHY OF PHILIPPE MONTAGNER

Philippe Montagner, born in December 1942, holds degrees in civil engineering from the French "Ecole Spéciale des Travaux Publics" (ESTP) and in reinforced and prestressed concrete design from the "Centre des Hautes Etudes du Béton Armé et Précontraint". He joined the Bouygues group in 1968.

He headed some of the Group's largest projects, including Tehran stadium, Forum des Halles shopping centre in Paris, Yamoussoukro civil engineering college and the University of Riyadh.

Co-chief executive of the Channel Tunnel project from its inception, and later a board member of Transmanche Link (TML) - the consortium composed of 10 British and French contractors, Philippe Montagner was Chairman of the Transmanche Construction Assembly and Co-Chairman of the TML Assembly from February 1993 until July 1994, when the Channel Tunnel project was handed over. He has been in charge of the Bouygues group's telecommunications arm since 1987.

He was Chairman and CEO of Bouygues Telecom as of its creation in 1994, then Chairman of Bouygues Telecom's board of directors from February 2003 to February 2004.

Philippe Montagner was appointed as a member of the Bouygues board of directors in 1985 and as a supervisor in April 2003.

BIOGRAPHY OF NONCE PAOLINI

Nonce Paolini, born in April 1949, who has a Master of Arts and a degree from the "Institut d'Etudes Politiques de Paris" (1972), started his career at French power and gas utility EDF-GDF where he held posts of operational responsibility then senior management.

He joined the Bouygues group in 1988 as HR development director before becoming Group corporate communications director in 1990.

He moved to TF1 in July 1993 taking up the post of HR director, then Executive Vice-President in 1999.

He was appointed Senior Vice-President of Bouygues Telecom in January 2002.

Since April 2004, he has been Deputy CEO of Bouygues Telecom and a member of its board of directors, in charge of consumer marketing, data, mobile multimedia, i-mode, business development, customer relations and customer support.

He also oversees a number of cross-functional departments, including organisation and purchasing, corporate and internal communications, marketing and brand.

Nonce Paolini was Chairman of the "Association Médiation Télécom" between July 2002 and March 2005.

Press release dated 8 November 2005

SALES FOR FIRST NINE MONTHS OF 2005
17.8 BILLION EUROS: +14%; +11% ON COMPARABLE BASIS

The Bouygues group's consolidated sales for the first nine months of 2005 amounted to 17.8 billion euros, 14% higher than the same period in 2004.

This figure factors in mobile-to-mobile billing between GSM operators, effective since 1 January 2005.

For comparability, 2004 sales have been reduced under French GAAP to reflect Saur's sold activities, and increased under French GAAP and IFRS to reflect mobile-to-mobile billing adjusted to 2005 rates. Based on these adjustments, sales were up 11%.

CONTRIBUTION OF BUSINESS AREAS TO GROUP SALES (million euros)	French GAAP		IFRS	
	Total at 30 Sept. 2004	Total at 30 Sept. 2004	Total at 30 Sept. 2005	Change
Bouygues Construction	3,853	3,853	4,204	+9%
Bouygues Immobilier	890	890	1,125	+26%
Colas	5,880	5,880	6,891	+17%
TF1	2,041	2,055	2,042	-1%
Bouygues Telecom	2,711	2,704	3,356	+24%*
Saur	1,804	-	-	-
Holding and other	18	226	222	ns
Total	17,197	15,608	17,840	+14%
France	12,505	11,198	12,615	+13%
International	4,692	4,410	5,225	+18%
Total on a comparable basis	16,265	16,070	17,840	+11%

* +6% using same accounting method

Sales figures are presented in compliance with the new IFRS standards in application since 1 January 2005. 2004 sales have been restated in accordance with these standards to allow for comparison with 2005 figures. The main difference is due to the retroactive deconsolidation of Saur's sold activities as from 1 January 2004, the sale process not having started until the second quarter of the year.

Bouygues Construction sales rose by 9% on domestic and international markets, with continued strong growth in electrical contracting and maintenance. Commercial activity remained strong on all markets.

Bouygues Immobilier sales increased by 26% due to the start of building work, following substantial housing reservations taken in 2004, and to a dynamic corporate/commercial property sector in Spain and Portugal.

Colas sales continued to show strong growth (17%), especially outside France and more particularly in Central Europe. Like-for-like and at constant exchange rates, sales rose 11% overall: 7% in France and 15% on international markets. Order books remained firm.

TF1 sales fell slightly, by 1%. The channel's net advertising revenues slipped 1%, as in the first half of the year, while overall sales from other activities were mainly flat.

In the first nine months of 2005, **Bouygues Telecom** achieved sales of 3,365 million euros (contributing 3,356 million euros to Bouygues group sales) and net sales from network of 3,172 million euros, up 28% due primarily to mobile-to-mobile billing (491 million euros) effective since 1 January 2005. If the system had

been in place in 2004 (billing estimated at 462 million euros using the 2005 call termination rate), the increase would have been 8% despite the drop in fixed-to-mobile incoming rates.

At end-September 2005, Bouygues Telecom had 5,353,000 contract customers, up 14% in a year. They accounted for 68.4% of its total customer base of 7,825,000, a rise of 2.5 points on end-September 2004. Universal Mobile confirmed its success, attracting 267,000 customers.

Data revenues represented 16.4% of net sales from network (compared with 14.6% at 30 September 2004 using the same accounting method), thanks in particular to the i-mode service. On 26 October 2005, Bouygues Telecom launched broadband i-mode on its national Edge network which covers over 90% of the French population.

Saur activities retained by Bouygues, booked in **Holding and other**, represented 202 million euros at end-September 2005, a stable amount compared with the same period in 2004.

Press release dated 14 December 2005

**NET PROFIT FOR FIRST NINE MONTHS OF 2005: 648 MILLION EUROS (+26%)
BOUYGUES TO RECRUIT 14,000 STAFF IN 2006, INCLUDING 8,000 IN FRANCE**

Further growth in sales and profitability

Group profitability showed a marked improvement in the first nine months of 2005. Current operating profit rose by 21%. Operating profit and net profit continued to grow, up 16% and 26% respectively on the same period last year.

On 30 November 2005, the French Competition Council, or Conseil de la concurrence, decided to fine France's three mobile phone operators, including Bouygues Telecom which was fined 58 million euros. Bouygues Telecom is to appeal against the decision. The boards of Bouygues Telecom and Bouygues decided to book a provision of this amount in the accounts at end-September. The negative impact of the fine was 58 million euros on Group operating profit and 52 million euros on net profit attributable to the Group, with 6 million euros charged to minority interests.

Key figures

IFRS (million euros)	End-September 2004	End-September 2005	Change
Sales	15,608	17,840	+14%
Comparable sales ⁽¹⁾	16,070	17,840	+11%
Current operating profit	1,168	1,415	+21%
Operating profit	1,168	1,357	+16%
Net profit attributable to the Group	516	648	+26%
Cash flow	2,013	2,359	+17%

⁽¹⁾ Including mobile-to-mobile billing in 2004

Outlook and recruitment drive

On the basis of Group indicators at end-September, particularly in the three construction businesses, the sales target for full-year 2005 has been raised again to 24 billion euros from the 23.6 billion euro figure announced on 14 September 2005.

As a result of the favourable business outlook for 2006, the Group will increase its staff numbers and recruit 14,000 people, including 8,000 in France.

Success of Bouygues Con fiance 3 plan

The board of directors on 21 June 2005 decided to launch Bouygues Con fiance 3, a leveraged share ownership plan reserved for employees of the Group's French companies. This capital increase is limited to 250 million euros. Some 25,000 staff members, or close to 40% of eligible employees, subscribed to the plan. Subscriptions exceeded the maximum amount authorised by the board by over 60%.

The success of the plan once again demonstrated employee confidence in the Group's future. Following the operation, Bouygues employees will hold 13.3% of the capital and 17.5% of the voting rights through the various employee mutual funds.

Share buyback and cancellation

A total of 7,312,776 shares have been bought back by Bouygues since 21 June 2005, for 287 million euros, excluding the liquidity contract.

The board decided to cancel these shares. The dilution arising from the creation of new shares as a result of the exercise of stock options and the Bouygues Con fiance 3 plan will thus be sharply reduced.

CONDENSED CONSOLIDATED INCOME STATEMENT (IFRS) (million euros)	End-Sep. 2004	End-Sep. 2005	Change
Sales	15,608	17,840	+14%
Current operating profit	1,168	1,415⁽¹⁾	+21%
Other operating income and expenses	-	(58)	ns
Operating profit	1,168	1,357^{(1) (2)}	+16%
Cost of net financial debt	(127)	(146)	+15%
Other financial income and expenses	(13)	1	ns
Income tax expense	(390)	(443)	+14%
Share of profits/losses of associates	31	41	+32%
Net profit before results of discontinued and held-for-sale operations	669	810	+21%
Net profit of discontinued and held-for-sale operations	4	-	ns
Net profit from continuing operations	673	810	+20%

Minority interests	(157)	(162)	+3%
Net profit attributable to Group	516	648 ^{(1) (3)}	+26%

⁽¹⁾ The capital increase reserved for employees planned for end-2005 entailed an IFRS-related expense of 30 million euros, with no impact on shareholders' equity.

⁽²⁾ The impact of Bouygues Telecom's fine on Group operating profit is 58 million euros.

⁽³⁾ The impact of Bouygues Telecom's fine on net profit attributable to the Group is 52 million euros.

CONDENSED CONSOLIDATED BALANCE SHEET (IFRS) (million euros)	30 September		31 Dec. 2004
	2004	2005	
Non-current assets	11,463	11,907	11,481
Current assets	11,177	12,791	12,467
Held-for-sale assets	2,183	-	-
TOTAL ASSETS	24,823	24,698	23,948
Shareholders' equity	6,242	5,296	4,978
Non-current liabilities	5,312	6,232	5,982
Current liabilities	11,903	13,170	12,988
Held-for-sale liabilities	1,366	-	-
TOTAL LIABILITIES	24,823	24,698	23,948
Net cash	(2,776)	(3,414) ⁽¹⁾	(1,875)

⁽¹⁾ Factoring in the discounted amount (455 million euros) of the option granted to BNP Paribas to sell its 6.5% stake in Bouygues Telecom (press release of 22 June 2005)

Contribution of business areas to SALES (IFRS) (million euros)	End-September		Change	Full year 2004
	2004	2005		
Bouygues Construction	3,853	4,204	+9%	5,227
Bouygues Immobilier	890	1,125	+26%	1,295
Colas	5,880	6,891	+17%	7,947
TF1	2,055	2,042	-1%	2,831
Bouygues Telecom	2,704	3,356	+6% ⁽¹⁾	3,649
Holding and other	226	222	ns	293
TOTAL	15,608	17,840	+14%	21,242
<i>of which International</i>	<i>4,410</i>	<i>5,225</i>	<i>+18%</i>	<i>5,990</i>
TOTAL on a comparable basis ⁽²⁾	16,070	17,840	+11%	21,868

(1) Compared with 2004 sales figure factoring in mobile-to-mobile billing estimated at 2005 call termination rate; net sales from network (3,172 million euros): +8% using same accounting method

(2) Including mobile-to-mobile billing in 2004

Contribution of business areas to EBITDA (IFRS) (million euros)	End-September		Change	Full year 2004
	2004	2005		
Bouygues Construction	294	376	+28%	413
Bouygues Immobilier	106	140	+32%	143
Colas	442	557	+26%	655
TF1	401	385	-4%	523
Bouygues Telecom	930	1,059	+14%	1,176
Holding and other	17	15	ns	65
TOTAL	2,190	2,532⁽¹⁾	+16%	2,975

Calculation of EBITDA: current operating profit plus net depreciation and amortisation plus net provisions

(1) The capital increase reserved for employees planned for end-2005 entailed an IFRS-related expense of 30 million euros, with no impact on shareholders' equity.

Contribution of business areas to OPERATING PROFIT (IFRS) (million euros)	End-September		Change	Full year 2004
	2004	2005		
Bouygues Construction	134	190	+42%	168
Bouygues Immobilier	82	102	+24%	119
Colas	212	290	+37%	310
TF1	285	280	-2%	383
Bouygues Telecom	496	516 ⁽¹⁾	+4%	597
Holding and other	(41)	(21) ⁽²⁾	ns	(18)
TOTAL	1,168	1,357⁽¹⁾⁽²⁾	+16%	1,559

(1) The impact of the fine on Bouygues Telecom and Group operating profit is 58 million euros.

(2) The capital increase reserved for employees planned for end-2005 entailed an IFRS-related expense of 30 million euros, with no impact on shareholders' equity.

Contribution of business areas to NET PROFIT ATTRIBUTABLE TO GROUP (IFRS) (million euros)	End-September		Change (million euros)	Full year 2004
	2004	2005		
Bouygues Construction	102	132	+30	141
Bouygues Immobilier	43	59	+16	64
Colas	172	225	+53	242
TF1	69	78	+9	93
Bouygues Telecom	228	254	+26	275
Holding and other	(98)	(100) ⁽¹⁾	-2	(115)
TOTAL	516	648 ⁽¹⁾⁽²⁾	+132	700 ⁽³⁾

(1) The capital increase reserved for employees planned for end-2005 entailed an IFRS-related expense of 30 million euros, with no impact on shareholders' equity.

(2) The impact of Bouygues Telecom's fine on net profit attributable to the Group is 52 million euros.

(3) Net profit including capital gain from disposal of Saur: 909 million euros

NET CASH BY BUSINESS AREA (IFRS) (million euros)	End-September		Change	At 31/12/04
	2004	2005		
Bouygues Construction	1,393	1,614	+16%	1,523
Bouygues Immobilier	67	136	x 2	249
Colas	82	24	ns	422
TF1	(467)	(568)	-21%	(410)
Bouygues Telecom	(1,417)	(674)	+52%	(1,197)
Holding and other	(2,434)	(3,946) ⁽¹⁾	-62%	(2,462)
TOTAL	(2,776)	(3,414) ⁽¹⁾	-23%	(1,875)

(1) Factoring in the discounted amount (455 million euros) of the option granted to BNP Paribas to sell its 6.5% stake in Bouygues Telecom (press release of 22 June 2005)

SALES TARGET Contribution of business areas (million euros)	2004 (French GAAP)	2004 (IFRS)	2005 target (IFRS)	Change (IFRS)
Bouygues Construction	5,228	5,227	5,650	+8%
Bouygues Immobilier	1,294	1,295	1,550	+20%
Colas	7,936	7,947	9,210	+16%
TF1	2,817	2,831	2,820	=
Bouygues Telecom	3,658	3,649	4,530	+6% ⁽¹⁾
Saur	2,453	-	-	-
Holding and other	16	293	240	ns
TOTAL <i>of which International</i>	23,402 6,370	21,242 5,990	24,000 6,900	+13% +15%
TOTAL on comparable basis ⁽²⁾	22,123	21,868	24,000	+10%

⁽¹⁾ Compared with 2004 sales figure factoring in mobile-to-mobile billing estimated at 2005 call termination rate (626 million euros). Net sales from network target: 4,245 million euros, +7% using same accounting method

⁽²⁾ Excluding Saur and including mobile-to-mobile billing in 2004

Press release dated 16 December 2005

VIVENDI UNIVERSAL / TF1 / M6: PROPOSED PAY-TV COMBINATION

Vivendi Universal, TF1 and M6 have announced a draft commercial agreement aimed at bringing together the pay-TV businesses of Group Canal+ and TPS in France. The new group would be controlled by Vivendi Universal.

When the new group is completed, it would be owned:

- 85% by Vivendi Universal,
- 9.9% by TF1, and
- 5.1% by M6.

Vivendi's investment may change depending on the outcome of discussions with Lagardère, but it would retain control of the new group in any event.

The draft agreement is subject to consultations with the labor relations bodies of the companies concerned and the *Conseil Supérieur de l'Audiovisuel* (the French Broadcasting Authority), and to the approval of competition authorities.

The aim of this industry alliance

The aim is to develop a rich and competitive pay-TV product with strong brand names, for the benefit of consumers.

To this end, Vivendi Universal, TF1 and M6 have already adopted the following principles:

- to combine the know-how, skills, culture and brands of Group Canal+ and TPS,
- to strengthen the diversity and attractiveness of pay-TV by offering the best programs to current and future subscribers,
- to support French film and broadcasting creativity, and
- to give wider coverage to sports.

The background to this industry alliance

While the quality of the pay-TV products supplied by TPS and Group Canal+, and the work done by their staff, have been of great benefit to the viewing public, four major influences have emerged that have upset the overall balance of the television market in France and, in particular, the market in pay-TV.

1. The rapid development of digital distribution technologies and their very rapid adoption by consumers, resulting in a multiplication of distribution channels for audiovisual content: ADSL, DTT, TV via mobile phone, etc.
2. The increasing number of free offers, particularly via DTT and ADSL, offering program packages free of charge.
3. The influx of new and powerful players. On the one hand, telecommunications operators and internet service providers (ISPs) have moved into the pay-TV market, offering combined telephone, internet and television services. These operators have disproportionately large financial resources compared to those of broadcasting companies, and they are increasingly positioning themselves in the television sector, particularly by the acquisition of rights. On the other hand, the French market is also attracting interest from large worldwide groups that are moving into the production as well the distribution sector. Finally, the current restructuring of the cable business and the possibility of offering triple- or even quad-play TV make this a very competitive method of broadcasting.
4. A regulatory framework that does not apply in the same way to all parties. For example, telecommunications operators are not subject to any obligations, particularly as regards support for creative work and observance of pluralism, and certain channels avoid French regulations by broadcasting from abroad.

These four influences, which profoundly alter the broadcasting landscape, have led Vivendi Universal, TF1 and M6 to envisage a strategic alliance between Group Canal+ and TPS. The new group would have the critical mass necessary to handle the new competition by capitalizing on its know-how and improving the creativity, quality and diversity of its products.

Such a strategic alliance would put an end to the current French situation, which is characterized by the presence of two satellite packages. This situation, which is exceptional in Europe and now appears to be inappropriate, has resulted in a fragmented and incomplete range of products to the detriment of consumers.

The practical terms of the alliance

The agreement would be performed in the following way:

- During the first stage, Vivendi Universal undertakes to buy a stake of 18% in TPS. After cancellation of the debt of TPS, this stake will be reduced to 15%. Vivendi Universal would pay TF1 and M6 an advance of 150 million euros for this purpose. During this period, TPS and Group Canal+ would retain their management autonomy and freedom of action.
- During a second stage, after approval by the authorities concerned, the advance of 150 million euros would be repaid to Vivendi Universal. Vivendi Universal would then buy 85% of a new group comprising Group Canal+ and TPS, by way of an exchange of shareholdings without cash payment. The shareholdings of TF1 and M6 in this new group would be 9.9% and 5.1% respectively.
- TF1 and M6 have decided to remain shareholders of the new group for a minimum of 3 years after the completion of the transaction. When this period expires, TF1 and M6 would have a put option at market value that would allow them to obtain the maximum benefit from the dynamism of the new group. This put option would be exercisable at a minimum guaranteed figure of 1.13 billion euros for the shareholding of 15%, corresponding to an overall valuation of the new group of 7.5 billion euros.

The terms of the draft agreement provide that Lagardère, which is a partner of Group Canal+ within CanalSat, have the option to become a shareholder of a group including the pay-TV¹ activities of Group Canal+ and TPS, without diluting the investments of TF1 and M6. In any event, Vivendi Universal would, directly or indirectly, retain the majority of the share capital, and control, of the new group.

The new group will be a major player on the French broadcasting market. It will reinvigorate and broaden the French pay-TV market, offering its subscribers and future subscribers a significantly richer and improved product.

Press release dated 9 January 2006

VIVENDI UNIVERSAL - TF1 - M6 SIGN PROPOSED PAY-TV COMMERCIAL AGREEMENT

After having consulted the relevant labor relations committees, Vivendi Universal, TF1 and M6 have signed an agreement on January 6, 2006, in accordance with the announcement made on 16 December 2005. This agreement seeks to combine the pay-TV businesses in France of Group Canal+ and TPS within a group controlled by Vivendi Universal.

Upon completion of the transaction, the new group would be owned:

- 85% by Vivendi Universal,
- 9.9% by TF1, and
- 5.1% by M6.

¹ All the current assets of TPS and Group CANAL+, including all the authorized share capital of CanalSat, with the exception of STUDIOCANAL, Cyfra+, the advertising agency, PSG, i>TELE.

The agreement is subject to the approval of the French competition authorities. It will also be referred to the *Conseil Supérieur de l'Audiovisuel* (the French Broadcasting Authority).

Vivendi Universal's investment, though the company would retain exclusive control of the new group, could change depending on the outcome of discussions with Lagardère.

Press release dated 9 February 2006

2005 SALES €24.4 BILLION: +15%; +11% ON A COMPARABLE BASIS

The Bouygues group's consolidated sales for 2005 amounted to €24.4 billion, up 15% on the previous year.

This figure factors in mobile-to-mobile billing between GSM operators, effective since 1 January 2005. For comparability, 2004 sales have been increased to reflect mobile-to-mobile billing as adjusted to 2004 call termination rates. On this basis, sales were 11% higher.

Contribution of business areas to Group sales (million euros - IFRS)	2004	2005	Change
Bouygues Construction	5,227	5,815	+11%
Bouygues Immobilier	1,295	1,557	+20%
Colas	7,947	9,424	+19%
TF1	2,831	2,855 ⁽¹⁾	+1%
Bouygues Telecom	3,649	4,525	+24% ⁽²⁾
Holding and other	293	263	ns
Total	21,242	24,439 ⁽¹⁾	+15%
France	15,252	17,311	+13%
International	5,990	7,128	+19%
Total on a comparable basis	22,003	24,439 ⁽¹⁾	+11%

(1) including €365 million related to TPS, a held-for-sale business at end-December 2005

(2) +3% on a comparable basis

Bouygues Construction sales rose by 13% in France and by 9% on international markets, with continued strong growth in the electrical contracting and maintenance business (Etde), which hit the €1 billion euro mark. Commercial activity remained firm on all markets.

The 20% increase in sales at Bouygues Immobilier was due to the start of building work on a large number of housing units reserved in 2004 and the dynamic corporate and commercial property sector in Spain and Portugal.

Colas sales showed robust growth (19%), especially outside France and more particularly in Central Europe. Like for like and at constant exchange rates, sales rose by 11% overall, including 7% in France and 16% on international markets. Order books remained strong on all markets.

TF1 sales slightly increased by 1%. The channel's net advertising revenues were stable compared with 2004, resulting from a rise of 3% in the fourth quarter, while full-year sales from other activities grew by 2%. TF1 bolstered its leading position in 2005 by improving its overall audience share, with 97 of its programmes ranking among the 100 best audience ratings of the year.

Bouygues Telecom posted 2005 full-year sales of €4,537 million (contributing €4,525 million to Bouygues group sales) and net sales from network of €4,240 million, up 27% due primarily to mobile-to-mobile billing (€665 million), effective since 1 January 2005. Had the system been in place in 2004 (billing estimated at €761 million using the 2004 call termination rate), the increase in net sales from network would have been 4%.

Ten years after its commercial launch in 1996, Bouygues Telecom reached the 8 million customer mark, recording 8,131,000 customers at end-December 2005, including 5,563,000 contract customers (up 13% in a year). Contract customers accounted for 68.4% of the total base at end-December (2.3 points higher than the previous year), the best ratio on the French market. Universal Mobile confirmed its success, with 363,000 customers at end-December 2005.

The i-mode service drew more than 1,430,000 customers, including 100,000 to its broadband offer. This new offer, available to over 90% of the French population through Bouygues Telecom's national broadband Edge network, proved very successful.

Saur activities retained by Bouygues, booked under Holding and other, represented sales of €245 million at end-2005, down slightly on the same period in 2004.

TAXATION

The statements herein regarding taxation are based on the laws in force in France and/or, as the case may be, the Grand Duchy of Luxembourg as of the date of this Prospectus and are subject to any changes in law. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Bonds. Each prospective holder or beneficial owner of Bonds should consult its tax advisor as to the French or, as the case may be, the Luxembourg tax consequences of any investment in or ownership and disposition of the Bonds.

EU Directive on the Taxation of Savings Income

The EU Savings Directive of 3 June 2003 (in this section "*Taxation*", the "**Directive**") provides that each Member State is required, as from 1 July 2005 to give to the tax authorities of another Member State details of payments of interest (or similar income) paid by a paying agent within its jurisdiction to an individual resident in that other Member State, except that, for a transitional period, Belgium, Luxembourg and Austria will instead be required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments unless the beneficiary elects for the exchange of information regime (the ending of such transitional period being dependent upon the conclusion of certain agreements relating to information exchange with certain other countries).

In relation to French taxation, the Directive has been implemented in French law under Article 242 *ter* of the *Code général des impôts* and Articles 49 I *ter* to 49 I *sexies* of the Schedule III to the *Code général des impôts* (general tax code).

The Directive, as well as several agreements concluded between Luxembourg and certain dependant territories of the European Union, have been implemented in Luxembourg by the laws dated 21 June 2005 (the "**Laws**").

French Taxation

The Bonds being issued outside the Republic of France, payments of interest and other revenues in respect of the Bonds to non-French residents will benefit under present law from the exemption of the withholding tax on interest set out under Article 125 A III of the *Code général des impôts* (French tax code), as provided by article 131 quater of the *Code général des impôts*.

Luxembourg Withholding Taxation

Under Luxembourg tax law currently in effect and subject to the application of the Laws, there is no withholding tax on payments of interest (including accrued but unpaid interest) made to Luxembourg non-resident Bondholders. There is also no Luxembourg withholding tax, with the possible exception of interest paid to individual Bondholders, upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Bonds.

Luxembourg non-resident individuals

Under the Laws, a Luxembourg based paying agent (within the meaning of the Directive) is required since 1 July 2005 to withhold tax on interest and other similar income (including reimbursement premium received at maturity) paid by it to (or under certain circumstances, to the benefit of) an individual resident in another Member State or a residual entity in the sense of Article 4.2. of the Directive ("**Residual Entities**"), established in one Member State of the European Union unless the beneficiary of the interest payments elects for an exchange of information. The same regime applies to payments to individuals or Residual Entities resident in any of the following territories: Netherlands Antilles, Aruba, Guernsey, Jersey, the Isle of Man, Montserrat and the British Virgin Islands.

The withholding tax rate is initially 15 per cent., increasing steadily to 20 per cent. and to 35 per cent. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries.

Luxembourg resident individuals

A 10% withholding tax has been introduced, as from 1 January 2006 on interest payments made by Luxembourg paying agents (defined in the same way as in the Savings Directive) to Luxembourg individual residents. Only interest accrued after 1 July 2005 falls within the scope of this withholding tax. Such withholding tax will be in full discharge of income tax if the beneficial owner is a resident individual acting in the course of the management of his/her private wealth.

The responsibility for the withholding of such tax will be assumed by the Luxembourg paying agent.

All prospective Bondholders should seek independent advice as to their tax positions.

SUBSCRIPTION AND SALE

Pursuant to a subscription agreement dated 16 February 2006 (the "**Subscription Agreement**"), ABN AMRO Bank, N.V., CALYON, HSBC France and Natexis Banques Populaires (the "**Managers**") have jointly and severally agreed with the Issuer, subject to the satisfaction of certain conditions contained therein, to subscribe and pay for the Bonds at an issue price of 97.203 per cent. of the aggregate principal amount of the Bonds less a combined, selling management and underwriting commission of 0.3 per cent. of their principal amount plus an amount of Euro 1.240.07 per Bond corresponding to accrued interest with respect to the period from, and including, 22 July 2005 to, but excluding, 20 February 2006. The Subscription Agreement entitles the Managers to terminate it in certain circumstances prior to payment being made to the Issuer.

General

No action has been or will be taken by the Managers that would permit a public offering of the Bonds or possession or distribution of any offering material in relation to the Bonds in any jurisdiction where action for that purpose is required. No offers, sales or deliveries of the Bonds, or distribution of any offering material relating to the Bonds, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer.

Each Manager has represented and agreed that, in making any offers or sales of Bonds or distributing any offering materials relating thereto in any country or jurisdiction, it has complied and will comply with all applicable laws in such country or jurisdiction.

United States

The Bonds have not been and will not be registered under the Securities Act. Subject to certain exemptions, the Bonds may not be offered, sold or delivered within the United States.

Each of the Managers has agreed that it will not offer, sell or deliver any of the Bonds within the United States. The Bonds will be offered and sold exclusively outside the United States in offshore transactions in accordance with Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering of the Bonds, an offer or sale of the Bonds within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Republic of France

Each of the Managers and the Issuer has acknowledged that the Bonds are being issued outside the Republic of France and, accordingly each of the Managers and the Issuer has represented and agreed that, in connection with their initial distribution, (i) it has not offered or sold or caused to be offered or sold and will not offer or sell or cause to be offered or sold, directly or indirectly, any Bonds to the public (*appel public à l'épargne*) in the Republic of France and (ii) offers and sales of Bonds in the Republic of France will be made to qualified investors (*investisseurs qualifiés*) as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*.

This Prospectus has not been admitted to the clearance procedures of the *Autorité des marchés financiers*.

In addition, each of the Managers and the Issuer has represented and agreed that, it has not distributed or caused to be distributed and will not distribute or cause to be distributed in the Republic of France, this Prospectus or any other offering material relating to the Bonds other than to those investors (if any) to whom offers and sales of the Bonds in the Republic of France may be made as described above.

United Kingdom

Each of the Managers has represented and agreed that:

- (a) it has only communicated or caused to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the "FSMA")) received by it in connection with the issue or sale of the Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

Republic of Italy

The offering of the Bonds has not been registered with the *Commissione Nazionale per la Società e la Borsa* (the "**CONSOB**") (the Italian securities and exchange commission) pursuant to the Italian securities legislation and, accordingly the Bonds cannot be offered, sold or distributed nor any copies of the Prospectus or any other document relating to the Bonds can be distributed in the Republic of Italy ("**Italy**") in a solicitation to the public at large (*sollecitazione all'investimento*) within the meaning of Article 1, paragraph 1, letter (t) of Legislative Decree no. 58 of 24 February 1998, unless an exemption applies. Accordingly, the Bonds in Italy:

- (i) shall only be offered or sold to professional investors (*operatori qualificati*), as defined in Article 31, second paragraph of CONSOB Regulation No 11522 of 1 July 1998, as amended (the "**Regulation No 11522**"), and effected in compliance with the terms and procedures provided therein; or
- (ii) shall only be offered or sold in circumstances which are exempted from the rules of solicitation of investments pursuant to Article 100 of Legislative Decree No 58 of 24 February 1998, as amended (the "**Financial Services Act**") and Article 33, first paragraph, of CONSOB Regulation No 11971 of 14 May 1999, as amended; and
- (iii) cannot be offered, sold and/or delivered in any case, either in the primary or in the secondary market, to individuals in Italy.

In any event, the offer or sale of the Bonds in Italy shall be effected in accordance with all relevant Italian securities, tax and exchange control and other applicable laws and regulations.

Moreover and subject to the foregoing, the Bonds may not be offered, sold or delivered and neither the Prospectus nor any other material relating to the Bonds may be distributed or made available in Italy unless such offer, sale or delivery of Bonds or distribution or availability of copies of the Prospectus or any other material relating to the Bonds in the Italy is:

- (a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, Legislative Decree No 385 of 1 September, 1993, as amended (the "**Italian Banking Act**"), the Regulation No 11522 and any other applicable laws and regulations; and
- (b) in compliance with Article 129 of the Italian Banking Act and the implementing instructions of the Bank of Italy, pursuant to which the issue or placement of securities (e.g., Bonds) in Italy is subject to prior and subsequent notification to the Bank of Italy, unless an exemption, depending inter alia on the amount of the issue and the characteristics of the securities, applies, and
- (c) in compliance with any other applicable requirement or limitation which may be imposed from time to time by CONSOB or the Bank of Italy.

Insofar as the requirements above are based on laws which are superseded at any time pursuant to the implementation of the Prospectus Directive in Italy, such requirements shall be replaced by the applicable requirements under the implementing measures of the Prospectus Directive in Italy.

GENERAL INFORMATION

1. The estimated costs for the admission to trading are EUR 3,710.
2. The Bonds have been accepted for clearance through Euroclear France and Clearstream, Luxembourg and Euroclear with the Common Code number of 022406817. The International Securities Identification Number (ISIN) for the Bonds is FR0010212852. The address of Euroclear France is 155, rue Réaumur, 75081 Paris Cedex 02 France.
3. The issue of the Bonds has been authorised pursuant to a decision of the Chairman of the Board of Directors (*Président du Conseil d'Administration*) of the Issuer dated 7 February 2006, acting pursuant to a resolution of the Board of Directors (*Conseil d'Administration*) of the Issuer dated 1 March 2005.
4. The Issuer publishes (i) audited annual consolidated and non-consolidated accounts, (ii) semi-annual unaudited consolidated accounts and (iii) quarterly unaudited consolidated accounts. The Issuer's statutory auditors carry out a limited review of such semi-annual and quarterly accounts. The Issuer does not currently publish semi-annual or quarterly non-consolidated accounts.
5. In accordance with French law, the Issuer is required to have a minimum of two statutory auditors (*commissaires aux comptes*) and two substitute statutory auditors. The statutory auditors are currently Ernst & Young Audit (represented by Jean-Claude Lomberget) and Mazars & Guérard (represented by Michel Rosse). The consolidated and unconsolidated financial statements of the Issuer have been audited without qualification by Ernst & Young Audit and Mazars & Guérard for the years ended 31 December 2003 and 2004. Ernst & Young Audit and Mazars & Guérard are regulated by the *Haut Conseil du Commissariat aux Comptes* and are duly authorised as *Commissaires aux comptes*. The latest audited financial information is the December 2004 audited financial statements.
6. The Issuer certifies that there has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements.
7. The Issuer certifies that there has been no significant change in the financial or trading position of the Group, which has occurred since the end of the last financial period for which either audited financial information or interim financial information have been published.
8. The Issuer certifies that, to the best of its knowledge, during a period covering at least the previous 12 months, there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have, or have had in the recent past, significant effects on the Issuer and/or Group's financial position or profitability.
9. So long as any of the Bonds are outstanding, the following documents will be available during usual business hours on any weekday (except Saturdays, Sundays and public holidays) for inspection and, in the case of documents listed at (ii) and (iii) collection free of charge, at the specified office each of the Paying Agents:
 - (i) the Subscription Agreement;
 - (ii) the Fiscal Agency Agreement;
 - (iii) the First Supplemental Agency Agreement;
 - (iv) the documents incorporated by reference in this Prospectus.
10. So long as any of the Bonds are outstanding, the following documents will be available during usual business hours on any weekday (except Saturdays, Sundays and public holidays) for inspection at the head office of the Issuer at 90, avenue des Champs Elysées, 75008 Paris or at Challenger, 1, avenue Eugène Freyssinet, 78061 Saint Quentin en Yvelines Cedex, and with the exception of the document listed at (i), may also be consulted online in the 'Finance' section of the www.bouygues.com website:

- (i) the *statuts* of the Issuer
 - (ii) all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in the Reference Document; and
 - (iii) the historical financial information of the Issuer and its subsidiary undertakings for each of the two financial years preceding the publication of the Reference Document
11. The phone number of the Issuer at its registered office is +33 1 30 60 22 77.
12. The yield of the Bonds is 4.516 per cent. per annum and is calculated at the issue date on the basis of the issue price. It is not an indication of future yield.

REGISTERED OFFICE OF THE ISSUER

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France

HSBC France

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75008 Paris
France

NATEXIS BANQUES POPULAIRES

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FISCAL AGENT AND PRINCIPAL PAYING AGENT

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L-2951 Luxembourg

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HSBC France

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75008 Paris
France

LISTING AGENT IN LUXEMBOURG

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To the Managers

(as to French law)

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