



Annual general meeting of 27 April 2006

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1. ORDINARY PART

- Board of Directors' report on the company's situation and operations in 2005.
- Chairman's report on the preparation and organisation of the Board's work and on the internal control procedures introduced by the company.
- Auditors' reports for 2005.
- Auditors' observations on the Chairman's report concerning internal control procedures relating to the preparation and treatment of accounting and financial information.
- Board of Directors' special report on stock options.
- Approval of the parent company financial statements for the year ended 31 December 2005 as presented by the Board.
- Approval of the consolidated financial statements for the year ended 31 December 2005 as presented by the Board.
- Appropriation of earnings for 2005.
- Transfer of the balance of the special long-term capital gains reserve to the "Other reserves" account.
- Approval of the agreements referred to in Article L. 225-38 of the Commercial Code.
- Ratification of the co-option of two directors (Patricia Barbizet and François-Henri Pinault).
- Renewal of the term of office of three directors (Martin Bouygues, Monique Bouygues and Georges Chodron de Courcel).
- Appointment of a new director (François Bertière).
- Ratification of the Board's decision to move the registered office.
- Authorisation given to the Board of Directors with a view to enabling the company to buy back its own shares or investment certificates.
- Authorisation given to the Board of Directors to issue equity warrants in the event of a tender offer for the company's shares.

2. EXTRAORDINARY PART

- Board of Directors' and auditors' reports.
- Board of Directors' report on the reconstitution of investment certificates and voting right certificates as shares.
- Expert appraiser's report on special privileges.
- Reconstitution of investment certificates and voting right certificates as shares.
- Authorisation given to the Board of Directors to use delegations and authorisations in order to increase the company's share capital in the event of a tender offer for the company's shares.
- Authorisation given to the Board of Directors to issue equity warrants in the event of a tender offer for the company's shares.
- Authorisation given to the Board of Directors to reduce the company's share capital by the cancellation of treasury stock.
- Delegation of powers for the Board of Directors to issue non-voting preference shares having the same rights as investment certificates.
- Amendment of the by-laws.
- Powers to carry out formalities.

BOARD OF DIRECTORS' REPORT AND REPORT ON THE RESOLUTIONS PUT TO THE ANNUAL GENERAL MEETING

Ladies and gentlemen,

We have called you to this Annual General Meeting to ask you to approve twenty-one resolutions, the contents of which are described in this report.

REPORT ON RESOLUTIONS WITHIN THE COMPETENCE OF THE ORDINARY PART OF THE MEETING

Approval of accounts

The **first three resolutions** concern approval of the annual accounts of Bouygues SA and the consolidated financial statements as at 31 December 2005, the appropriation of earnings and the payment from 3 May 2006 of a dividend of €0.90 per share and per investment certificate, payable in cash.

Information about the company's management in 2005, the company accounts and the consolidated financial statements and the proposed appropriation of earnings is contained in the report on the company's operations in 2005. Shareholders wishing to receive this report or the auditors' reports may obtain them by returning the document request form attached to the notice of the meeting.

Transfer of the balance of the special long-term capital gains reserve

The **fourth resolution** concerns the transfer of €183,615,274.88 from the special long-term capital gains reserve to "Other reserves" in accordance with Article 39 IV of the Supplementary Finance Act 2004 (Act 2004-1485 of 30 December 2004).

Regulated agreements

The **fifth resolution** concerns approval of the agreements referred to in Article L.225-38 of the Commercial Code, which are the subject of a special report from the auditors.

Ratification, renewal and appointment of directors

The **sixth and seventh resolutions** concern the ratification of the co-option as director of:

- Mrs Patricia Barbizet, replacing Artémis, for the latter company's remaining term of office, i.e. on conclusion of the Annual Meeting called to approve the accounts for 2007;
- Mr François-Henri Pinault, replacing Financière Pinault, for the latter company's remaining term of office, i.e. on conclusion of the Annual Meeting called to approve the accounts for 2009.

In the **eighth, ninth and tenth resolutions**, you are asked to renew the appointment, for a three-year term expiring on conclusion of the Annual Meeting called to approve the accounts

for 2008, of:

- Mr Martin Bouygues;
- Mrs Monique Bouygues;
- Mr Georges Chodron de Courcel.

In the **eleventh resolution**, you are asked to appoint as director, for a three-year term expiring on conclusion of the Annual Meeting called to approve the accounts for 2008:

- Mr François Bertière.

Move of the registered office

The **twelfth resolution** concerns the ratification by the shareholders' meeting, in accordance with Article L.225-36 of the Commercial Code, of the decision made by the Board of Directors at the meeting of 28 February 2006 to move the registered office to 32 avenue Hoche, 75008 PARIS, as of 1 July 2006.

Stock buy-back programme

In the **thirteenth resolution**, the Board asks you to authorise it to have the company buy its own shares or investment certificates under the terms of Articles L.225-209 to L.225-212 of the Commercial Code.

According to this regulation, the total number of shares and investment certificates purchased may not exceed 10% of the share capital. The unit purchase price may not be more than €80 per share or investment certificate and the sale price may not be less than €30 per share or investment certificate, subject to any adjustments relating to

transactions involving the share capital.

This authorisation, which will replace the one given by the Annual General Meeting of 28 April 2005, is requested for a period of eighteen months and is intended to enable the company, in compliance with the provisions of Commission Regulation (EC) No. 2273/2003 of 22 December 2003 and Articles 241-1 to 241-6 of the General Regulations of the Autorité des Marchés Financiers:

- to ensure the liquidity of and organise the market for the shares, through an investment service provider acting independently under the terms of a liquidity agreement;
- to remit shares on the exercise of rights attached to transferable securities;
- to keep shares with a view to using them subsequently for payment or exchange in the context of acquisitions;
- to allocate shares to employees or corporate officers under the terms and conditions provided by law;
- to cancel shares subject to specific authorisation from the shareholders' meeting (to be conferred by the eighteenth resolution);
- to implement any market practice accepted by the Autorité des Marchés Financiers and generally to carry out any other transaction in compliance with the prevailing regulations.

We ask you to allocate a maximum total amount of one and a half billion euros (€1,500,000,000) to the buy-back programme, a description of which is given in the special report on the stock buy-back programme.

Issue of equity warrants in the event of a tender offer

The **fourteenth resolution** will not be submitted to the shareholder vote on the assumption that, at the date of the shareholders' meeting, the law concerning public takeover bids will have been definitively adopted providing for a vote at the extraordinary shareholders' meeting for this type of delegation. A similar resolution is provided for in the extraordinary part of the meeting (the seventeenth resolution).

This resolution aims to authorise the Board of Directors, assuming that this power is permitted by prevailing laws and regulations, to issue equity warrants allowing holders to subscribe to shares in the company under preferential conditions and to allocate these warrants to shareholders at no cost in the event of a tender offer for the company's shares.

The aim is to apply the principle of reciprocity, i.e. to avoid your company having to gain authorisation from the Annual General Meeting during the offer period to take steps that may cause the offer to fail, when the bidder is not itself subject to the same or similar requirements.

This authorisation is given for eighteen months.

REPORT ON RESOLUTIONS WITHIN THE COMPETENCE OF THE EXTRAORDINARY PART OF THE MEETING

Reconstitution of investment certificates and voting right certificates as shares

The **fifteenth resolution** will only be submitted to the shareholder vote if the special meeting of holders of voting right certificates, due to be held by first notice on 12 April 2006, or in the event that a quorum is not obtained, by second notice on 26 April 2006, approves the proposal relating to the reconstitution of investment certificates and voting right certificates as shares. Information about this transaction is provided in our report on the reconstitution of investment certificates and voting right certificates as shares and in the expert appraiser's report on special privileges.

Capital increases in the event of a tender offer

The **sixteenth resolution** aims to allow the Board of Directors to use the different delegations and authorisations provided by the general meeting of 28 April 2005 to increase the company's share capital in the event of a tender offer for the company's shares, assuming that the use of these authorisations is permitted by prevailing laws and regulations.

The aim is to apply the principle of reciprocity, i.e. to avoid your company having to gain authorisation from the Annual General Meeting during the offer period to take steps that may cause the offer to fail, when the bidder is not itself subject to the same or similar requirements.

This authorisation is given for fourteen months.

Issue of equity warrants in the event of a tender offer

The **seventeenth resolution** will not be submitted to the shareholder vote on the assumption that, at the date of the shareholders' meeting, the law concerning public takeover bids will have been definitively adopted providing for a vote at the ordinary shareholders' meeting for this type of delegation. A similar resolution is provided for in the ordinary part of the meeting (fourteenth resolution).

This resolution aims to authorise the Board of Directors, assuming that this power is permitted by prevailing laws and regulations, to issue equity warrants allowing holders to subscribe to shares in the company under preferential conditions and to allocate these warrants to shareholders at no cost in the event of a tender offer for the company's shares.

The aim is to apply the principle of reciprocity, i.e. to avoid your company having to gain authorisation from the Annual General Meeting during the offer period to take steps that may cause the offer to fail, when the bidder is not itself subject to the same or similar requirements.

This authorisation is given for eighteen months.

Reduction of the share capital by cancellation of treasury stock

In accordance with Article L.225-209 of the Commercial Code, the purpose of the **eighteenth resolution** is to authorise the Board of Directors, with the option of delegating such powers to any person authorised by law, to cancel, on one or more occasions, at its own discretion, up to a limit of 10% of the share capital in any 24-month period, all or some of the shares that the company holds or may hold as a result of using the various purchase authorisations given by the shareholders' meeting to the Board, and to reduce the share capital by the same amount.

This authorisation is given for eighteen months and cancels any previous authorisation having the same purpose.

Non-voting preference shares having the same rights as investment certificates

The **nineteenth resolution** will only be submitted to the shareholder vote if the fifteenth resolution (reconstitution of investment certificates and voting right certificates as shares) is not approved. The purpose of this resolution is to delegate powers to the Board of Directors to decide, in cases where the prevailing regulations so provide, to issue, buy back and convert non-voting preference shares having the same rights as investment certificates and all transferable securities of whatever kind giving access by all means, immediately and/or in the future, to non-voting preference shares having the same rights as investment certificates.

The nominal amount of all preference shares issued under the terms of the delegation may not exceed €10,000,000 (ten million euros) or 25% of the share capital.

This delegation is granted to the Board for eighteen months as of the date of the meeting.

The **twentieth resolution** concerns the amendment of article 18 of the by-laws (Supervisors) to reduce the term of office of supervisors from six years to three years; this amendment applies to supervisors appointed or whose terms of office are renewed after the shareholders' meeting of 27 April 2006.

Powers

The **twenty-first resolution** concerns powers to accomplish formalities relating to both the ordinary and the extraordinary part of the meeting.

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Information about the conduct of the company's business, which we have a statutory obligation to provide, is contained in the business report communicated to you.

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

The Board of Directors

SUPPLEMENTARY REPORT OF THE BOARD OF DIRECTORS ON THE CAPITAL INCREASE RESERVED FOR BOUYGUES GROUP EMPLOYEES SUBSCRIBING TO THE BOUYGUES GROUP CORPORATE SAVINGS PLAN

(Article 155-2 of the decree of 23 March 1967 on commercial companies)

Ladies and gentlemen,

We remind you that at the Annual General Meeting of 28 April 2005, you granted the Board of Directors powers to decide, for a period of twenty-six months, at its own discretion, to increase the share capital, on one or more occasions, up to a limit of 10% of the share capital, through the issue of new shares to be paid up in cash reserved for Bouygues employees and employees of affiliated companies subscribing to a corporate savings plan.

You delegated to the Board of Directors, with the option of subdelegating to the Chief Executive Officer or, with his consent, to one or more Deputy CEOs, all powers to carry out such capital increases and to set the definitive terms and conditions.

We also remind you that the special meeting of holders of investment certificates on 28 April 2005 noted that, in accordance with the law, holders of investment certificates have no preferential right of subscription to non-voting preference shares having the same rights as investment certificates if ordinary shares are issued under this delegation of powers.

Using the powers thus delegated to it, the Board of Directors decided at its meeting of 21 June 2005 to carry out a capital increase reserved for employees in order to meet the high expectations of the Group's employees and to help to maintain a sense of unity between employees of

the Group's subsidiaries.

This capital increase, carried out in the form of an employee share ownership scheme created specifically for this purpose, to be approved by the Autorité des Marchés Financiers, will be limited to a maximum of €250 million (including the issue premium).

This is a leverage operation to increase employees' investment, as under the terms of the exchange transaction between the employee share ownership scheme and the bank, the personal contribution from each employee will be topped up with a contribution from the bank equal to nine times the employee's personal contribution.

Therefore, when they withdraw from the scheme, employees will receive a percentage of the capital gain on the total shares purchased thanks to their personal contribution and the bank's contribution corresponding to the difference between the share price at the time of withdrawal from the scheme and the subscription price before the 20% discount, multiplied by the total number of shares purchased.

This is a risk-free transaction as irrespective of Bouygues' share price performance, employees will benefit from a guaranteed return on their personal contribution.

The subscription price was set at 80% of the average opening share price quoted during the twenty trading days prior to 21 June 2005, i.e. €25.07.

Shares subscribed through the employee share ownership scheme will bear interest on 1 January 2005; the new shares will be assimilated into existing shares.

The subscription period will begin on 1 November 2005 at the earliest and end on 31 December 2005 at the latest. The Chairman will determine the terms for the payment of subscriptions.

In accordance with the decision of the Annual

General Meeting of 28 April 2005, the number of shares offered is equal to less than 10% of the share capital. The maximum number of shares that can be created given the authorised amount and the subscription price is 9,972,078 shares, equal to 3% of the share capital.

The impact of the issue of up to 9,972,078 new shares on a shareholder owning 1% of Bouygues' share capital and not subscribing to the capital increase would be as follows:

Percentage stake	
Before issue	1%
After issue of a maximum of 9,972,078 new shares	0.97%

Furthermore, the impact of this issue on the proportion of consolidated shareholders' equity (Group share) as at 31 March 2005 for a shareholder owning one Bouygues share and not subscribing to the capital increase would be as follows:

Share of shareholders' equity Group share as at 31 March 2005	
Before issue	€12.26
After issue of a maximum of 9,972,078 new shares	€12.63

Given the issue price and the volume of the transaction, it is unlikely to have a significant impact on the share price.

The Board of Directors has also decided that the proposed capital increase will be combined with a buy-back of treasury stock to limit the dilutive impact of the capital increase.

In accordance with the provisions of Article 155-2 paragraph 3 of the decree of 23 March 1967, this report will be available to shareholders at the Company's registered office within two weeks

after the Board meeting and will be brought to the attention of shareholders at the next general shareholders' meeting.

The Board of Directors

**BOARD OF DIRECTORS'
SPECIAL REPORT ON STOCK
OPTIONS**

This report can be found in the Legal and financial information section, pages 129 and 130 of this document.

**BOARD OF DIRECTORS'
SPECIAL REPORT ON BUY-
BACKS OF SHARES**

This report can be found in the Legal and financial information section, pages 138 and 139 of this document.

**CHAIRMAN'S REPORT ON
THE PREPARATION AND
ORGANISATION OF THE
BOARD'S WORK AND ON
THE INTERNAL CONTROL
PROCEDURES INTRODUCED
BY THE COMPANY**

This report can be found in the Legal and financial information section, pages 108 to 125 of this document.

AUDITORS' GENERAL REPORT ON THE ANNUAL ACCOUNTS

Ladies and gentlemen,

In accordance with the terms of our appointment at your Annual General Meeting, we hereby submit our report for the year ended 31 December 2005:

- our audit of the annual accounts of Bouygues as attached to this report,
- the substantiation of our opinion,
- the specific verifications and information required by law.

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

I - Opinion on the annual accounts

We conducted our audit in accordance with the prevailing standards of the profession in France. Those standards require that we plan and perform our audit to obtain reasonable assurance that the annual accounts are free of material mis-

statement. An audit includes examining, on a test basis, evidence supporting the amounts in the accounts. An audit also includes assessing the accounting principles used and significant estimates made in the preparation of the accounts and evaluating their overall presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the annual accounts give a true and fair view, according to French accounting principles, of the results of operations for the year ended 31 December 2005 and of the company's financial situation and assets at that date.

Without prejudice to the opinion given above, and in accordance with article L. 232-6 of the Commercial Code, we draw your attention to the two changes in accounting methods that took place during the year, resulting from:

- the first-time application of CRC regulations 2002-10 relating to asset depreciation and write-downs and 2004-06 relating to the definition, recognition and valuation of assets, as discussed in note 2-2 to the parent company financial statements.

- the first-time provisioning of termination benefits, according to the terms set out in note 2-7 of the notes to the parent company financial statements.

II - Substantiation of our opinion

Pursuant to the provisions of Article L. 823-9 of the Commercial Code concerning substantiation of our opinion, we bring to your attention the following items of information:

The equity securities appearing as assets on your company's balance sheet are valued using the methods described in note 2.3 of the notes to the parent company financial statements. We have carried out specific assessments of the elements taken into consideration for estimating book values and, where relevant, verified the calculation of impairment provisions. These assessments do not call for any particular comment on our part as regards the methods used or the reasonable nature of the information provided in the notes to the financial statements.

The assessments thus made form part of our audit of the annual accounts taken as a whole and have thus contributed to the formation of our opinion expressed in the first part of this report.

III - Specific verifications and information

We have also carried out the specific verifications required by law in accordance with the prevailing standards of the profession in France.

We are also satisfied that the information given in the Board of Directors' business report and in the documents provided to shareholders concerning the financial situation and annual accounts is fairly stated and agrees with the annual accounts.

As required by law, we have satisfied ourselves that information relating to acquisitions of equity and controlling interests and the identity of shareholders has been provided to you in the business report.

Paris-La Défense, 9 March 2006
The Auditors

Ernst & Young Audit
Jean-Claude Lomberget

Mazars & Guérard
Michel Rosse

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Ladies and gentlemen,

In accordance with the terms of our appointment at your Annual General Meeting, we have audited the consolidated financial statements of Bouygues for the year ended 31 December 2005 as attached to this report.

The consolidated financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on them based on our audit. These financial statements have been prepared for the first time in accordance with IFRS as adopted in the European Union. For comparison purposes, they contain figures relating to 2004 that have been adjusted to reflect the impact of these accounting standards.

I - Opinion on the consolidated financial statements

We conducted our audit in accordance with the professional standards applicable in France. Those standards require that we plan and perform our audit to obtain reasonable assurance that the consolidated financial statements are free of material misstatement. An audit includes exam-

ining, on a test basis, evidence supporting the amounts in the accounts. An audit also includes assessing the accounting principles used and significant estimates made in the preparation of the financial statements and evaluating their overall presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the 2005 consolidated financial statements give a true and fair view, according to IFRS as adopted in the European Union, of the assets, financial situation and results of the group formed by the persons and entities within the scope of consolidation.

II - Substantiation of our opinion

Pursuant to the provisions of Article L. 823-9 of the Commercial Code concerning substantiation of our opinion, we bring to your attention the following items of information:

Loss-of-value tests were carried out on intangible fixed assets and goodwill as described in note 2.6.4 of the notes to the consolidated financial statements. We examined the methods for carrying out the tests and the assumptions on which

they were based.

Current and non-current provisions appearing on the balance sheet in amounts of €676 million and €1,265 million respectively were valued using the rules and methods described in notes 2.11.2 and 2.10.2 to the consolidated financial statements. In the light of the information available to date, our assessment of the provisions is based in particular on an analysis of the processes used by senior management to identify and assess the risks.

The assessments thus made form part of our audit of the consolidated financial statements taken as a whole and have thus contributed to the formation of our opinion expressed without qualification in the first part of this report.

III - Specific verifications

We have also examined the information contained in the Board of Directors' business report in accordance with the prevailing standards of the profession in France. We are satisfied that the information is fairly stated and agrees with the consolidated financial statements.

Paris-La Défense, 9 March 2006
The Auditors

Ernst & Young Audit
Jean-Claude Lomberget

Mazars & Guérard
Michel Rosse

AUDITORS' REPORT IN ACCORDANCE WITH ARTICLE L.225-235 OF THE COMMERCIAL CODE ON THE REPORT OF THE CHAIRMAN OF BOUYGUES SA ON INTERNAL CONTROL PROCEDURES RELATING TO THE PREPARATION AND TREATMENT OF ACCOUNTING AND FINANCIAL INFORMATION

Ladies and gentlemen,

In our capacity as auditors of Bouygues and pursuant to the provisions of Article L. 225-235 of the Commercial Code, we hereby present our report on the report prepared by the Chairman of your company in accordance with the provisions of Article L. 225-37 of the Commercial Code for the year ended 31 December 2005.

The Chairman's report should describe the conditions for preparing and organising the Board's work and the company's internal control procedures.

Our responsibility is to inform you of our observations based on the information contained in

the Chairman's report relating to internal control procedures and the preparation and treatment of accounting and financial information.

We have performed our assignment in accordance with the prevailing standards of the profession in France, which require us to verify that the information given in the Chairman's report relating to internal control procedures and the preparation and treatment of accounting and financial information is fairly stated. This work includes:

- acquainting ourselves with the objectives and general organisation of internal controls and the internal control procedures relating to

the preparation and treatment of accounting and financial information contained in the Chairman's report;

- acquainting ourselves with the work underlying the information given in the report.

On the basis of this work, we have no comment to make about the information concerning the company's internal control procedures as they relate to the preparation and treatment of accounting and financial information contained in the Chairman's report prepared pursuant to the provisions of Article L. 225-37 of the Commercial Code.

AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS

Ladies and gentlemen,

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

■ Agreements authorised and concluded during the year

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

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

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

Common service agreements

Bouygues has concluded common service agreements under which it provides its sub-groups with services, relating in particular to management, human resources, information technology and finance.

Paris-La Défense, 21 March 2006
The Auditors

Ernst & Young Audit
Jean-Claude Lomberget

Mazars & Guérard
Michel Rosse

Bouygues invoiced the following amounts in respect of this agreement in 2005:

Subsidiaries	Amount excl. VAT	Persons concerned
Bouygues Construction	€10,430,358	Olivier Bouygues, Michel Derbesse (until 21 April 2005), Yves Gabriel and Olivier Poupart-Lafarge
Bouygues Immobilier	€2,476,060	Michel Derbesse (until 18 April 2005) and Olivier Poupart-Lafarge
Bouygues Telecom	€8,471,342	Olivier Bouygues, Michel Derbesse (until 21 April 2005), Alain Pouyat and Olivier Poupart-Lafarge
Colas	€15,938,447	Olivier Bouygues, Michel Derbesse (until 19 April 2005), Alain Dupont, Patrick Le Lay and Olivier Poupart-Lafarge
Finagestion	€934,617	Olivier Bouygues
TF1	€5,218,055	Patricia Barbizet, Martin Bouygues, Michel Derbesse (until 12 April 2005), Patrick Le Lay, Alain Pouyat and Olivier Poupart-Lafarge

Service agreements: use of Bouygues offices at 90 avenue des Champs-Élysées

Bouygues has concluded an agreement with its main subsidiaries under which it provides fully-equipped occasional offices at 90, avenue des Champs-Élysées.

Bouygues invoiced the following amounts in respect of this agreement in 2005:

Subsidiaries	Amount excl. VAT	Persons concerned
Bouygues Bâtiment International	€63,000	Yves Gabriel and Olivier Poupart-Lafarge
Bouygues Bâtiment Île-de-France	€485,000	Yves Gabriel
Bouygues Construction	€236,000	Olivier Bouygues, Michel Derbesse (until 21 April 2005), Yves Gabriel and Olivier Poupart-Lafarge
Bouygues Telecom	€20,000	Olivier Bouygues, Michel Derbesse (until 21 April 2005), Alain Pouyat and Olivier Poupart-Lafarge
Bouygues Travaux Publics	€129,000	Yves Gabriel and Olivier Poupart-Lafarge (until 20 April 2005)
ETDE	€57,000	Yves Gabriel and Alain Pouyat
Bouygues Immobilier	€10,000	Michel Derbesse (until 18 April 2005) and Olivier Poupart-Lafarge

Service agreements: use of aircraft owned by Bouygues

Bouygues has concluded an agreement with its main subsidiaries for use of its aircraft.

Bouygues invoiced the following amounts in respect of these agreements in 2005:

Subsidiaries	Amount excl. VAT	Persons concerned
Bouygues Construction	€384,975	Olivier Bouygues, Michel Derbesse (until 21 April 2005), Yves Gabriel and Olivier Poupart-Lafarge
Bouygues Bâtiment International	€47,025	Yves Gabriel and Olivier Poupart-Lafarge
Bouygues Bâtiment Île-de-France	€0	Yves Gabriel
Bouygues Travaux Publics	€47,700	Yves Gabriel and Olivier Poupart-Lafarge (until 20 April 2005)
Bouygues Immobilier	€28,800	Michel Derbesse (until 18 April 2005) and Olivier Poupart-Lafarge
DTP Terrassement	€129,825	
TF1 group	€661,050	Patricia Barbizet, Martin Bouygues, Michel Derbesse (until 12 April 2005), Patrick Le Lay, Olivier Poupart-Lafarge and Alain Pouyat
Eurosport	€286,650	Olivier Bouygues
Colas	€486,900	Olivier Bouygues, Michel Derbesse (until 19 April 2005), Alain Dupont, Patrick Le Lay and Olivier Poupart-Lafarge
Bouygues Telecom	€328,219	Olivier Bouygues, Michel Derbesse (until 21 April 2005), Olivier Poupart-Lafarge and Alain Pouyat
Finagestion	€224,100	Olivier Bouygues
ETDE	€0	Yves Gabriel and Alain Pouyat

Service agreements: investor relations services for Bouygues Construction and TF1 provided by the general secretariat of the Bouygues group

Bouygues has concluded agreements to provide investor relations services to certain subsidiaries.

Bouygues invoiced the following amounts in respect of these agreements in 2005:

Subsidiaries	Amount excl. VAT	Persons concerned
TF1	€60,000	Patricia Barbizet, Martin Bouygues, Michel Derbesse (until 12 April 2005), Patrick Le Lay, Olivier Poupart-Lafarge and Alain Pouyat
Bouygues Construction	€35,000	Olivier Bouygues, Michel Derbesse (until 21 April 2005), Yves Gabriel and Olivier Poupart-Lafarge

Agreements to buy and sell Bouygues Telecom shares held by the BNP Paribas group

In view of Bouygues' possible purchase of all Bouygues Telecom shares held by the BNP Paribas group (6.5% of Bouygues Telecom's capital) for a basic price of €475 million, Bouygues signed the following agreements to buy and sell with BNP Paribas on 21 June 2005:

- Bouygues granted BNP Paribas an option to buy, valid until 31 July 2007.
- BNP Paribas granted Bouygues an option to sell, exercisable between 1 and 30 September 2007.

The basic price of €475 million bears interest at a rate of 2.07% from the day on which the undertakings were signed until the purchase takes place. Dividends paid before the transfer of ownership, plus interest at a rate of 2.07%, will be deducted from the basic price.

Person concerned: *Georges Chodron de Courcel*

Sponsorship agreement between Bouygues and ARSEP

The sponsorship agreement between Bouygues and ARSEP for the purpose of raising funds for the EDMUS project to computerise data on multiple sclerosis sufferers was renewed for a three-year period (2005-2007).

Bouygues paid €40,000 excluding VAT in respect of this agreement in 2005.

Person concerned: *Michel Derbesse*

Supplementary pension plan for executive management

Bouygues has signed a supplementary pension plan agreement for the members of the Group's Executive Committee, including the corporate officers and salaried directors of Bouygues SA. This supplementary plan represents 0.92% of the reference salary for each year of membership of the plan. It has been outsourced to an insurance company. The contribution paid in 2005 to the fund set up by the insurance company was €3,662,301 excluding VAT.

Persons concerned: *Martin Bouygues, Olivier Poupart-Lafarge and Olivier Bouygues.*

Sub-licensing agreement concerning Magnitude accounting and financial software between Bouygues and certain subsidiaries

Bouygues has signed a sub-licensing agreement for the use of its Magnitude consolidation software (for which Bouygues has a non-exclusive usage licence) with three of its subsidiaries.

Bouygues invoiced the following one-off amounts in respect of this agreement in 2005:

Subsidiaries	Amount excl. VAT	Persons concerned
Colas	€237,000	Olivier Bouygues, Alain Dupont, Patrick Le Lay and Olivier Poupart-Lafarge
Bouygues Immobilier	€80,000	Olivier Poupart-Lafarge
Bouygues Construction	€191,000	Olivier Bouygues, Yves Gabriel and Olivier Poupart-Lafarge

Retirement agreement for Michel Derbesse

Michel Derbesse's term of office as Deputy CEO ended on 1 March 2005 and his employment contract, which was suspended during his term as a corporate officer, automatically resumed on that date. In 1995, the Board of Directors decided that the duration of Mr Derbesse's corporate officership would be taken into account in determining his length of service and rights with respect to his employment contract. Mr Derbesse's retirement took place under this framework.

Bouygues paid Mr Derbesse a 12-month termination benefit, calculated in accordance with the collective agreement in the building industry, equal to €2,300,000, in addition to the amount relating to the three-month notice period provided for by the collective agreement.

Person concerned: *Michel Derbesse*

■ Agreements approved in previous years which continued to be effective in 2005

In accordance with the decree of 23 March 1967, we were informed that the following agreements, approved in previous years, continued to be effective in 2005:

Reciprocal advances between Bouygues and its subsidiaries leading to the invoicing of interest:

Advances by Bouygues to its subsidiaries led to the invoicing of €7,381,824 of interest at rates lower than the tax-deductible minimum (4.58%) for advances in euros.

Guarantees

Guarantees given by Bouygues to Crédit Lyonnais

Calyon, subrogated to Crédit Lyonnais in its rights, in a letter dated 2 August 2005 issued notification that it was terminating guarantees given by Bouygues in 1992 relating to the repayment by Romanian limited-liability company CCIB of the following loans:

- an aggregate amount of €1,219,592 in respect of the long-term credit agreement;
- €370,451 plus interest, expenses and fees in respect of the long-term supplementary loan.

Continuation of guarantees given by Bouygues to TF1 International

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

Continuation of guarantees given by Bouygues to Bouygues Bâtiment International

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

Trademark licence agreements

With Bouygues Construction, Bouygues Travaux Publics, Bouygues Immobilier

Bouygues concluded trademark licence agreements in 2000 with Bouygues Construction, Bouygues Bâtiment, Bouygues Travaux Publics and Bouygues Immobilier, in particular so as to give them:

- the right to use respectively the Bouygues Construction, Bouygues Bâtiment, Bouygues Travaux Publics and Bouygues Immobilier trademarks, company names and trade names;

- the right for companies in the construction sector to use the Minorange ellipse.

Bouygues invoiced the following amounts in respect of this agreement in 2005:

Subsidiaries	Amount excl. VAT
Bouygues Construction	€36,283
Bouygues Travaux Publics	€15,855
Bouygues Immobilier	€16,464

With Bouygues Bâtiment International and Bouygues Bâtiment Île-de-France

Bouygues concluded the following agreements in 2003:

- with Bouygues Bâtiment International, a supplement to the trademark licence agreement of 21 December 2000, granting it the right to use the Bouygues Bâtiment trademarks in certain foreign countries, to use the Minorange ellipse trademarks in France and specified foreign countries and to use the Bouygues Bâtiment company name and trade name worldwide.
- with Bouygues Bâtiment Île-de-France, a licence agreement granting it the exclusive right: to use the Bouygues Bâtiment trademark in France, a non-exclusive right to use the Bouygues Bâtiment company name and trade name in France, a non-exclusive right to use the Minorange ellipse trademark in France in conjunction with the Bouygues Bâtiment name and the right to use the Bouygues Bâtiment company name and trade name.

Bouygues invoiced the following amounts in respect of these agreements in 2005:

Subsidiaries	Amount excl. VAT
Bouygues Bâtiment International	€7,318
Bouygues Bâtiment Île-de-France	€15,550

With Bouygues Telecom

Bouygues concluded a trademark licence agreement with Bouygues Telecom in 1996, followed by supplementary agreements in 1997 and 2001 granting it the following rights (amounts excluding VAT):

- an exclusive licence to use the Bouygues Telecom trademark in France, in respect of which Bouygues invoiced €15,245 in 2005;
- exclusive licences to use Bouygues Telecom trademarks in 99 foreign countries, in respect of which Bouygues invoiced €30,185 in 2005;
- an exclusive licence to use the Bouygtel trademark in France, in respect of which Bouygues invoiced €15,245 in 2005;
- a non-exclusive licence to use the Bouygnat trademark in France, in respect of which Bouygues invoiced €1,524 in 2005.

Agreement between Bouygues and SCDM

In December 2004, Bouygues concluded an agreement with SCDM, a company owned by Martin and Olivier Bouygues, which has a small team (including Martin and Olivier Bouygues) that makes an ongoing contribution to activities benefiting the Bouygues group.

Under the terms of the agreement, SCDM will invoice Bouygues for costs incurred up to a maximum of €8 million a year, relating to:

- wages, in particular those of Martin and Olivier Bouygues, who are paid solely by SCDM,
- research and analysis relating to strategic developments and the expansion of the Bouygues group,
- miscellaneous services.

SCDM may also provide specific services to Bouygues outside the scope of its permanent mission, which are invoiced according to normal

market conditions.

Under the terms of the agreement, Bouygues will also invoice SCDM for office space of 130 m² on the Challenger site for an annual rental charge of €85,000, as well as specific services according to normal market terms.

In respect of this agreement, SCDM invoiced Bouygues an amount of €6,117,356 (excluding VAT) in 2005, and Bouygues invoiced SCDM an amount of €134,688 (excluding VAT).

Technical support agreement between Bouygues and TF1 Publicité

An agreement was concluded on 17 September 2004 to allow TF1 Publicité to use the services of Bouygues' e-Lab department in the context of the provision of technical support services for the creation and optimisation of advertising products and services offered by TF1 Publicité.

Bouygues invoiced €100,000 excl. VAT in respect of this agreement in 2005.

Assumption of defence costs

Bouygues' assumes costs incurred by senior managers or employees in their defence or in connection with criminal proceedings resulting in discharge or acquittal where such proceedings are brought against them for acts accomplished in performance of their duties or for the mere fact of holding a position as Director, Chairman, CEO or Deputy CEO or any equivalent position in

a Group company.

This agreement had no effect in 2005.

Other agreements

With Bouygues Construction

Bouygues concluded a three, six, nine-year sub-lease agreement with Bouygues Construction as of 1 January 2000 relating to approximately 5,000 m² of the Challenger site.

Bouygues Construction invoiced €3,044,802 excl. VAT in respect of this agreement in 2005.

With Bouygues Bâtiment International

The agreement signed at the end of December 2003 between Bouygues and Bouygues Bâtiment International concerning the handling of the Casablanca mosque claim remained in effect in 2005.

With SCI des Travaux Publics du 90 avenue des Champs-Élysées

The agreement concluded on 10 September 2003 with SCI des Travaux Publics du 90 avenue des Champs-Élysées (represented by the Fédération Nationale des Travaux Publics - FNTP) in the context of the sale by Bouygues of its offices on the Champs-Élysées, with deferred transfer of use, continued to take effect in 2005.

Bouygues was invoiced €658,353 excl. tax and VAT in respect of the occupation of these premises in 2005.

Paris-La Défense, 21 March 2006
The Auditors

Ernst & Young Audit
Jean-Claude Lomberget

Mazars & Guérard
Michel Rosse

AUDITORS' REPORT ON THE REDUCTION OF SHARE CAPITAL BY THE CANCELLATION OF REPURCHASED SHARES

Ladies and gentlemen,

In our capacity as auditors of Bouygues and in performance of the duties set forth in Article L. 225-209, paragraph 7, of the Commercial Code in the event of a reduction of capital by cancellation of repurchased shares, we have prepared this report to inform you of our assessment of the reasons for and conditions of the proposed transaction.

We have conducted our assignment in accordance with the prevailing standards of the profession in France and have duly assessed the lawful nature of the reasons for and conditions of the capital reduction.

The transaction is planned in the context of the company's repurchase of its own shares, up to

10% of the capital, under the conditions set forth in Article L. 225-209 of the Commercial Code. You are asked to approve the authorisation at your Annual General Meeting. Should you do so, it will be valid for 18 months.

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

We have no comment to make on the reasons for and conditions of the envisaged capital reduction, bearing in mind that this transaction can be carried out only if your Annual General Meeting previously approves the company's repurchase of its own shares.

Paris-La Défense, 21 March 2006
The Auditors

Ernst & Young Audit
Jean-Claude Lomberget

Mazars & Guérard
Michel Rosse

AUDITORS' SPECIAL REPORT ON ISSUES OF PREFERENCE SHARES AND TRANSFERABLE SECURITIES GIVING ACCESS TO NON-VOTING PREFERENCE SHARES HAVING THE SAME RIGHTS AS INVESTMENT CERTIFICATES

Ladies and gentlemen,

In our capacity as auditors of your company and in performance of the duties set forth in Articles L. 228-12 and L. 228-92 of the Commercial Code, we have prepared this report on the proposed issue to holders of investment certificates of preference shares and securities giving access to non-voting preference shares and having the same rights as investment certificates.

On the basis of its report, your Board of Directors has asked you, pursuant to Article L. 225-129-2 of the Commercial Code, to delegate to it for a period of 18 months your capacity to decide on this operation and to set the issue terms.

It is the responsibility of the Board of Directors to prepare a report in accordance with Article 206-2 of the decree of 23 March 1967. It is our task to express our opinion on the proposed issue and on certain information contained in this report.

We have carried out the work we deemed necessary for this purpose. This work included check-

ing the information provided in the Board of Directors' report on the characteristics of preference shares and the method of determining their issue price.

Without prejudice to the subsequent review of the terms of the proposed issue, we have no comment to make on the proposed operation and the method for determining the issue price of equity securities to be issued set forth in the Board of Directors' report or on the presentation of the characteristics of preference shares set forth in this report.

As the issue price for any equity securities to be issued has not been fixed, we express no opinion on the final terms under which the issue may be carried out.

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

Paris-La Défense, 21 March 2006
The Auditors

Ernst & Young Audit
Jean-Claude Lomberget

Mazars & Guérard
Michel Rosse

AUDITORS' SUPPLEMENTARY REPORT ON THE CAPITAL INCREASE RESERVED FOR EMPLOYEES SUBSCRIBING TO A CORPORATE SAVINGS PLAN

Ladies and gentlemen,

In our capacity as auditors of your company and pursuant to the provisions of Article 155-2 of the decree of 23 March 1967, we hereby present a supplementary report to our special report of 16 March 2005 on the issue of shares reserved for Bouygues employees and employees of affiliated companies that are members of a corporate savings plan, as authorised by the Annual General Meeting of 28 April 2005.

This meeting delegated to the Board of Directors the powers to decide on a transaction of this kind for a period of twenty-six months and up to a limit of 10% of the share capital as at the date the decision is made.

Using the powers thus delegated to it, the Board of Directors decided at its meeting of 21 June 2005 to carry out a capital increase reserved for employees limited to a maximum of €250 million, through the issue of 9,972,078 shares with a subscription price set at 80% of the average opening share price quoted during the twenty trading days prior to 21 June 2005, i.e. €25.07.

It is the responsibility of the Board of Directors to prepare a supplementary report in accordance with Article 155-2 of the decree of 23 March 1967. We are required to give our opinion on certain

information provided in this report and on the proposal to cancel the preferential subscription right.

We have conducted our assignment in accordance with the prevailing standards of the profession in France. Those standards require that we plan and perform our audit to verify:

- the figures taken from the interim consolidated financial statements prepared under the responsibility of the Board of Directors as at 31 March 2005. In the context of the transition to IFRS as adopted in the European Union for the preparation of consolidated financial statements for 2005, the interim consolidated financial statements to 31 March 2005 were prepared for the first time in accordance with the IFRS accounting and valuation policies adopted in the European Union, in the form of interim financial statements as defined in the general regulations of the Autorité des Marchés Financiers. For comparison purposes, they contain figures relating to 2004 and the first quarter of 2004 that have been restated for these accounting standards. We have conducted a limited examination of the interim financial statements in accordance with the prevailing standards of the profession in France;

- the conformity of the conditions of the operation with the authorisation granted by the Annual General Meeting and the sincerity of the information provided in the supplementary report of the Board of Directors on the calculations used to determine the issue price and the final amount of the capital increase.

We have no observations to make on:

- the sincerity of the figures taken from the company's financial statements and given in the supplementary report of the Board of Directors;
- the conformity of the conditions of the operation with the authorisation granted by the Annual General Meeting of 28 April 2005 and the indications provided;
- the proposal to cancel preferential subscription rights on which you have already given your opinion, the calculations used to determine the issue price and the final amount of the capital increase;
- the presentation of the impact of the issue on the situation of holders of shares or transferable securities giving access to the increased share capital in relation to shareholders' equity and the impact on the share price.

Note: pending the enactment of the law relating to takeover bids, the auditors' reports on the sixteenth and seventeenth resolutions submitted to the Annual General Meeting on 27 April 2006 will be made available to shareholders within the legal time limits, namely by 11 April 2006 at the latest.

Paris-La Défense, 5 July 2005
The Auditors

Ernst & Young Audit
Jean-Claude Lomberget

Mazars & Guérard
Michel Rosse

RECONSTITUTION OF INVESTMENT CERTIFICATES AND VOTING RIGHT CERTIFICATES AS SHARES

BOARD OF DIRECTORS' SPECIAL REPORT ON THE RECONSTITUTION OF INVESTMENT CERTIFICATES AND VOTING RIGHT CERTIFICATES AS SHARES

Ladies and gentlemen,

We have called you to this Annual General Meeting to ask you to approve the proposed reconstitution of investment certificates and voting right certificates as shares, as presented in accordance with Article L. 228-31 of the Commercial Code.

As at 31 December 2005, there were 473,867 Bouygues investment certificates, representing 0.14% of share capital.

If existing investment certificates represent no more than 1% of the share capital of a company whose shares are admitted to trading on a regulated market, this company may reconstitute existing investment certificates and voting right certificates as shares.

The Board of Directors believes that this is an appropriate time for a reconstitution of this kind and to simplify Bouygues' shareholding structure for the following reasons:

- the number and the liquidity of investment certificates and voting right certificates is decreasing from one year to the next due to reconstitutions 'over time';
- investment certificates and voting right certificates are difficult and costly to manage in relation to the privileges they provide for the company;
- reconstitution is subject to stringent rules, which will become increasingly difficult to respect as reconstitutions proceed;

- investment certificates and voting right certificates have been rendered obsolete by the order of 24 June 2004 concerning the reform of transferable securities, which has resulted in the creation of new financial instruments and rendered it impossible to issue new investment certificates and voting right certificates.

This reconstitution will proceed in accordance with applicable regulations under the following terms:

voting right certificates will be acquired by Bouygues at a price determined by the general shareholders' meeting. The amount of compensation due to the unidentified holders will be duly recorded. The reconstitution will be effected by the transfer by Bouygues of the corresponding voting right certificates to holders of investment certificates at no cost.

In its valuation, the Board of Directors has not used financial criteria relating to the value of the assets, the profits made and the company's business prospects that are not relevant for a voting right certificate.

The main methods that may be used to determine the value of a voting right certificate are as follows:

- ***difference between the share price and the price of the investment certificate***

This method is not relevant as prices of investment certificates are not quoted regularly and therefore their price development is inconsistent.

- ***valuation based on the quoted price of the voting right certificate***

Prices of voting right certificates are quoted almost daily. Trading volumes are low but in general fairly regular. However, although the

price has remained stable at around €2 since 2002, it has risen recently to a peak of €5.24, with no clear correlation with the increase in the share price.

- ***peer comparison valuation***

There are few transactions of a similar nature. The only really comparable transaction is that carried out by L'Oréal in 1999. Other transactions are similar but there are disparities between these transactions, each of which has its own specific features. However, certain elements from comparable transactions may be used.

- ***valuation based on the quoted price of the voting rights certificate relative to the quoted share price***

The most relevant method and that used by the Board takes into account the value of the voting right certificate expressed as a percentage of the share price. This method has also been used in previous transactions and allows for adjustments at the date of the Board meeting for the share price. It will be proposed to the Board that this percentage will be determined by referring to the average value of the voting right certificate relative to the Bouygues share price over a three-month period from 15 November 2005 to 14 February 2006 inclusive, weighted by trading volumes of the voting rights certificate.

Trading data for the period from 15 November 2005 to 14 February 2006 (inclusive) – source: Euronext

From 15 November 2005 to 14 February 2006, Bouygues' average share price weighted by trading volumes was €42.39 (non-weighted average of €42.44) and €3.64 for voting right certificates (non-weighted average of €3.54).

	Share data				
	Price	Minimum	Maximum	Average volume	No. of quotations
Average	42.44	40.00	46.19	1,207,919	65
Weighted average	42.39				

	Voting right certificates					Value of voting right certificate relative to share price		
	Price	Minimum	Maximum	Average volume	No. of quotations	Average	Minimum	Maximum
Average	3.54	2.60	5.24	376	48	8.35%	6.31%	11.63%
Weighted average	3.64					8.48%		

The average ratio of the value of voting right certificates to the share price, calculated only for dates for which the voting right certificates were listed, weighted by the trading volume of voting right certificates, is 8.48% (non-weighted average of 8.35%). The relative value of Bouygues' voting right certificates is therefore 8.48% of the share price.

Purchase price – premium

In determining the purchase price for voting right certificates, as is regularly the practice in similar transactions, it is legitimate to offer a premium to the relative value of the voting right certificates as determined above.

For tender offers or similar or comparable transactions over the last 12 years, the average premium offered to the value of voting right certificates relative to the share price is 40% and has never exceeded 62%.

		Date	Relative value of voting right certificate		
			under the terms of the offer (%)	over prior period (%)	Premium ^(*) (%)
Eridania Beghin Say	Demerger	June 2001	5.0%	3.6%	38.1%
L'Oréal	Bond redemption	June 1999	6.0%	4.0%	50.0%
Piper Heidsieck	Squeeze-out offer	April 1997	3.6%	2.8%	27.7%
OGF-PFG	Squeeze-out offer	July 1996	13.3%	8.3%	61.4%
Financière St Fiacre	Minority buyout offer	April 1996	28.0%	23.5%	19.1%
Eridania Beghin Say	Share exchange offer	June 1995	6.3%	7.4%	-15.9%
L'Oréal	Share exchange offer	June 1993	40.0%	41.1%	-2.6%
Average					
Overall			14.6%	13.0%	25.4%
Excluding share exchange offers			11.2%	8.4%	39.3%
Excluding share exchange offers and demerger			12.7%	9.6%	39.6%

* ratio of the value of voting right certificates relative to the share price subject to the terms of the offer and the average value of voting right certificates relative to the share price as observed on the stock market prior to the launch of the transaction

Given the high value of the voting right certificates relative to the share price (8.48%) and the need to protect the interests of Bouygues' shareholders while also offering a fair price to holders of voting right certificates, a premium of 50% is proposed (equivalent to the premium offered in the L'Oréal transaction), representing an offer price of 12.73% of Bouygues' weighted average share price over the three months prior to 28 February 2006 (€42.89), or €5.46 per voting right certificate.

This valuation has been assessed by Détrôyat Associés, an independent expert appointed to issue a fairness opinion on the proposed price.

As at 28 February 2006, there were 473,424 voting right certificates. Based on this number, the transaction would cost Bouygues €2,584,895.

The reconstitution of voting right certificates and investment certificates as shares will take effect as of 18 May 2006, after which the purchase price will be paid.

The extraordinary general meeting will give a verdict relating to a report prepared by an expert appraiser on the special privileges conferred, in accordance with Articles L. 228-31 and L. 225-147 of the Commercial Code.

The extraordinary general meeting may only give a decision after the proposed reconstitution is approved by the holders of voting right certificates, who will attend a special meeting, with a 95% majority of holders present in person or represented by proxy.

A special meeting of holders of voting right certificates has been called for this purpose and is due to take place by first notice on 12 April 2006 or in the event that a quorum is not obtained, by second notice on 26 April 2006.

Consequently, we ask you, subject to the adoption of this proposed reconstitution by the special meeting, to approve the proposed reconstitution of existing investment certificates and voting right certificates as shares as presented above.

If the resolution is rejected by the special meeting, this resolution will no longer be submitted to the shareholder vote at the Annual General Meeting.

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

The Board of Directors

EXPERT APPRAISER'S REPORT ON SPECIAL PRIVILEGES

Ladies and gentlemen,

By an order dated 1 March 2006, the Chairperson of the Paris Commercial Court appointed Jean-Charles de Lasteyrie as expert appraiser, with the task of assessing the value of special privileges that may result from the reconstitution of investment certificates and voting right certificates as shares under article L. 228-31 of the Commercial Code.

We have carried out our appraisal in accordance with article L. 225-147 of the Commercial Code, as amended by the order of 24 June 2004 which altered the rules regarding securities issued by commercial companies, and with the standards of the CNCC (French national auditors' association) in force at 14 August 2003.

The plan to reconstitute investment certificates and voting right certificates as shares was finalised in the Board of Directors' report provided to us.

It is our task to express an opinion on the assessment of the stipulated special privileges.

Our findings are set out below:

1. Presentation of the operation and description of the special privilege
 - 1.1 Context of the planned operation
 - 1.2 Description of the special privilege
2. Work done and assessment of the value of the special privilege
 - 2.1 Work done
 - 2.2 Assessment of the value of the special privilege
3. Conclusion

1. Presentation of the operation and description of the special privilege

1.1 Context of the planned operation

Article 7 of your company's by-laws states that its equity capital is €336,762,896. It is divided into 336,762,896 shares with par value of €1 each.

According to the Board of Directors' report dated 28 February 2006, 473,424 shares have been split into the same number of investment certificates and voting right certificates. These shares may be reconstituted under the conditions provided by law. The investment certificates represent around 0.14% of your company's equity capital. The investment certificates and voting right certificates are listed in the A compartment of Euronext Paris.

The Board of Directors proposes to simplify the structure of your company's equity capital by reconstituting the investment certificates and voting right certificates as shares.

This will eliminate the cost that is currently incurred in managing the two types of certificate, which is deemed excessive in relation to the privileges they provide for the company and its shareholders.

1.2 Description of the special privilege

To proceed with this reconstitution, your company is using the procedure set out in article L. 228-31 of the Commercial Code. This allows companies whose shares are listed for trading on a regulated market and whose investment certificates represent less than 1% of their capital to reconstitute existing certificates as shares.

The reconstitution procedure is as follows:

- your company buys back voting right certificates from holders.

- The voting right certificates bought back in this way are allocated free of charge to investment certificate holders, and the two types of certificate held by the same person can be reconstituted as shares.

Firstly, a special meeting of voting right certificate holders must approve the plan, with a majority of 95% of holders present or represented by proxy. A special meeting of voting right certificate holders has been called for this purpose and is due to take place by first notice on 12 April 2006 or, in the event that a quorum is not obtained, by second notice on 26 April 2006.

An independent appraiser, Détroyat Associés, has been appointed to assess the fairness of the price offered for both voting right certificate holders and shareholders. In its report dated 3 March 2006, the independent appraiser concluded that the price of €5.46 offered to voting right certificate holders and shareholders was fair.

The special privilege lies in the allocation of voting right certificates free of charge to investment certificate holders, after your company has bought them back from voting right certificate holders.

2. Work done and assessment of the special privilege

To assess the special privileges that may arise from the reconstitution of investment certificates and voting right certificates as shares, we carried out the following work:

- we liaised with Bouygues' legal and finance departments in order to understand the background to the operation and to analyse its planned terms.
- We studied the Board of Directors' report and the text of resolutions proposed to the Annual General Meeting, including the reconstitution of investment certificates and voting right

certificates as shares and the price offered to voting right certificate holders.

- We studied the report by the independent appraiser regarding the fairness - for both voting right certificate holders and shareholders - of the price offered to voting right certificate holders.

2.1 Assessment of the value of the special privilege

Method used to set the value of voting right certificates

Your company's Board of Directors proposes to set the price of voting right certificates at €5.46 each. This price was determined according to the relationship between the quoted prices of Bouygues voting right certificates and shares, plus a 50% premium.

To calculate the relationship between the prices of Bouygues voting right certificates and shares, the Board of Directors used average voting right certificate and share prices weighted by trading volumes over a period of three months.

On this basis, the relative value of Bouygues voting right certificates was calculated to be 8.48% of the share price.

The Board of Directors then looked at the premium it was reasonable to offer voting right certificate holders. On the basis of transactions that were deemed comparable, your Board of Directors decided on a premium of 50%.

As a result, the relative value of Bouygues voting right certificates is 12.73% of the share price.

Taking into account the weighted average share price of Bouygues shares in the three months prior to 28 February 2006 (€42.39), the value of voting right certificates is €5.46 each.

The independent appraiser concluded that the price offered per voting right certificate was fair for both Bouygues voting right certificate hold-

ers and shareholders.

Assessment of the value of voting right certificates

Article L. 228-31 states that the price offered to voting right certificate holders *"shall be determined according to the terms set out in point 2 of article 283-1-1 of Act 66-537 of 24 July 1966 on commercial companies"*.

Point 2 of article 283-1-1, which was not incorporated in order 2000-912 of 18 September 2000, states that *"the valuation of securities, carried out using the objective methods used in asset sales, shall take into account asset value, profits, stockmarket value, the existence of subsidiaries and the business outlook with weightings appropriate to each case"*.

Since voting right certificates carry no non-pecuniary particular rights, the financial criteria relating to Bouygues' asset value, profits and business outlook do not apply.

It is for this reason that your Board of Directors valued the voting right certificates on the basis of their relative value with respect to the value of Bouygues shares. By taking an average share price weighted for trading volumes over three months, occasional fluctuations arising due to the low liquidity of voting right certificates can be smoothed out. The operation was compared with similar operations to determine the premium to be offered to voting right certificate holders.

A premium is applied to this kind of operation due to the need to make an attractive proposal to voting right certificate holders, since 95% of voting right certificate holders present or represented by proxy in the meeting must approve the operation if it is to proceed. The premium is 50% relative to the weighted-average price during the three months prior to 14 February 2006 (the date on which the Board of Directors chose to end the calculation period), 36.2% relative to the unweighted average share price over a 1-month

period (€4.01) and 4.2% relative to the highest voting right certificate price in the previous month (€5.24).

Based on a price of €5.46, the cost of buying back the voting right certificates will be around €2.6m before tax.

3. Conclusion

The stipulated special privileges form part of a plan to reconstitute investment certificates and voting right certificates as shares, and we have no comment to make on them.

Paris, 24 March 2006

Jean-Charles de Lasteyrie

FAIRNESS OPINION BY INDEPENDENT APPRAISER DÉTROYAT ASSOCIÉS

As part of the planned squeeze-out offer for its 473,867 voting right certificates (hereinafter "VRC"s) currently in issue, with a view to allocating them free of charge to holders of investment certificates (hereinafter "IC"s), Détroyat Associés has been appointed as an independent appraiser to give a fairness opinion on the price of €5.46 per VRC.

The method used by Bouygues' Board of Directors in setting this price involved i) determining the value of a VRC relative to that of an ordinary Bouygues share, and ii) assessing the premium that should be offered on top of this relative value, in view of comparable transactions that have taken place on the Paris stock exchange. We approve this approach.

In carrying out our appraisal, we looked at historical price and volume data for both Bouygues VRCs and ordinary shares, provided by Euronext. We also used our own experience in this type of transaction.

I. Analysis of the relative value of VRCs

The tables below set out market data (at 14 February 2006) for Bouygues shares and VRCs, based on the closing price for ordinary shares.

Bouygues ordinary share					
	Price	Minimum	Maximum	Average volume	Number of quotations
14/02/2006	45.50	45.16	45.69	727,660	1
1 month					
Average	44.45	42.05	46.19	1,057,787	22
Weighted average	44.43				
3 months					
Average	42.44	40.00	46.19	1,207,919	65
Weighted average	42.39				
6 months					
Average	40.38	35.81	46.19	1,325,715	131
Weighted average	40.10				
1 year					
Average	36.50	29.78	46.19	1,315,627	258
Weighted average	36.38				
2 years					
Average	33.05	25.94	46.19	1,324,880	517
Weighted average	32.99				
3 years					
Average	30.08	16.61	46.19	1,336,520	771
Weighted average	29.93				

Source: Euronext

Unlike the listed VRCs of other companies, which have very low liquidity and for which prices are not quoted regularly, we note that Bouygues VRCs are regularly traded in the market, with prices quoted on 202 days in the last 12 months, as opposed to 258 for Bouygues ordinary shares. However, we note the VRCs' low trading volumes, with 54,022 VRCs traded (giving a turnover rate of around 11.4%) as opposed to 339 million Bouygues shares traded during the same period.

	Voting right certificates				
	Price	Minimum	Maximum	Average volume	Number of quotations
14/02/2006	3.91	3.91	3.91	300	1
1 month					
Average	4.01	3.45	5.24	523	14
Weighted average	3.77				
3 months					
Average	3.54	2.60	5.24	376	48
Weighted average	3.64				
6 months					
Average	3.22	2.11	5.24	321	93
Weighted average	3.37				
1 year					
Average	2.57	1.85	5.24	267	202
Weighted average	2.80				
2 years					
Average	2.28	1.80	5.24	243	409
Weighted average	2.45				
3 years					
Average	2.14	1.40	5.24	255	596
Weighted average	2.25				

Source: Euronext

The table below sets out the relative value of a VRC expressed as a percentage of the value of a Bouygues ordinary share. The calculation only takes into account days on which VRC prices were quoted. Weighted averages are based on VRC trading volumes.

	Value of VRC relative to share price	
	Average	Weighted average
14/02/2006	8.59%	8.59%
1 month	9.08%	8.38%
3 months	8.35%	8.48%
6 months	7.95%	8.20%
1 year	7.00%	7.36%
2 years	6.86%	7.07%
3 years	7.13%	7.33%

The decision by Bouygues' Board of Directors to apply the volume-weighted 3-month average relative value means that recent relative movements in the two types of Bouygues securities can be taken into account, while preventing one-off fluctuations from biasing the figures excessively. The figure adopted by Bouygues (8.48%) is the highest average figure calculated.

Bouygues' Board of Directors has decided to apply this 8.48% figure to the volume-weighted average price of Bouygues ordinary shares in the three months until the day before its decision, i.e. 27 February 2006. As a result, the reference value of the VRC is €3.64.

II. Premiums offered in similar transactions

In the absence of any method recognised by the academic or financial communities for assessing the value of an individual voting right, we approve the decision taken by Bouygues' Board of Directors not to attempt an intrinsic valuation. The only appropriate method is to carry out a comparison with listed peers. Since a direct comparison of different companies' VRC prices would not be meaningful, we approve the method of comparing VRC values relative to share prices.

As a result, to assess the price offered by Bouygues for the buyback of its VRCs, the premium offered with respect to the VRC reference value has been compared with premiums offered in comparable transactions. This method does not take into account offers for unlisted VRCs. However, we note that in the VRC squeeze-outs carried out by Société du Louvre and Groupe Taittinger in 2005, the price offered corresponded to 12% of the companies' respective share prices. The price of €5.46 offered per Bouygues VRC equals 12.73% of the 3-month volume-weighted average price of Bouygues shares at 27 February 2006.

We have identified seven public offers since 1993 in which the premium offered to VRC holders can be calculated. For each of these transactions, we have compared the price offered (or the exchange value of the securities offered) per VRC, expressed as a percentage of the ordinary share price, with the relative value per VRC expressed as a percentage of the ordinary share price, as determined by stockmarket prices in the months prior to the offer.

Company	Transaction	Securities concerned	Date	VRC value / ordinary share value		Premium of the offer
				Terms of the offer	3 previous months*	
Eridania Beghin Say	Demerger**	Shares, ICs, VRCs	June 2001	5.00%	3.62%	38.10 %
L'Oréal***	Squeeze-out offer	VRCs	June 1999	6.00%	4.00%	50.00%
Piper Heidsieck	Squeeze-out offer	Shares, ICs, VRCs	April 1997	3.61%	2.83%	27.67%
OGF-PFG	Squeeze-out offer	Shares, ICs, VRCs	July 1996	13.33%	8.26%	61.44%
Financière St Fiacre	Minority buyout offer	Shares, ICs, VRCs	April 1996	28.00%	23.50%	19.15%
Eridania Beghin Say	Share exchange offer	ICs / VRCs	June 1995	6.25%	7.43%	-15.86%
L'Oréal	Share exchange offer	ICs / VRCs	June 1993	40.00%	41.08%	-2.62%
Average						25.41%
Minimum						-15.86%
Maximum						61.44%
Average excluding share exchange offers						39.27%
Average excluding share exchange offers and demergers						39.56%

* relative value based on quoted VRC prices in the three months prior to the offer except for:

- Eridania Beghin Say demerger: data taken over a 1-year period (only 1 VRC price quotation in the 6 months prior to the offer)

- Piper Heidsieck squeeze-out offer: data taken over a 6-month period (no VRC price quotations in the 3 months prior to the offer)

** Eridania Beghin Say (EBS) was split into four companies in May 2001, with shareholders receiving one share in each of Beghin Say, Cereol, Provimi and Cerestar for each EBS share held. As part of this transaction, one share in each of Beghin Say, Cereol, Provimi and Cerestar were exchanged for 20 EBS VRCs.

*** calculation at 20 January 1999, on which date Détrôyat Associés signed its appraisal confirming the fairness of a VRC price equal to 6% of the ordinary share price

Sources: information memorandums, annual reports

The premiums observed in public offers vary widely, ranging from -16% to +61%, with an average of 25%. Limiting our analysis to squeeze-out and buyback offers, the average is 39.6%.

Bouygues' Board of Directors has decided to offer €5.46 per VRC, i.e. a premium of 50% to the previously determined reference value of €3.64. This premium is identical to that used in the two most recent transactions, and is substantially higher than the average premiums calculated above, although it is lower than the highest premium observed (61.44%).

Conclusion

Analysing the prices of Bouygues VRCs and ordinary shares in the three months to 14 February 2006, we calculate that the VRC's value is 8.48% of the ordinary share's value.

Taking into account the volume-weighted average price of Bouygues' ordinary shares in the three months to 27 February 2006 (€42.89), the price per VRC offered (€5.46) shows a 50% premium to the VRC reference price.

Premiums applied in public offers for VRCs vary widely. The mandatory nature of the planned squeeze-out leads us to conclude that a 50% premium is fair. It lies within the observed range of premiums, and is equal to or higher than the premiums offered in the three similar transactions carried out in the last nine years, although it is lower than the highest premium offered ten years ago.

As a result, the price of €5.46 offered per VRC is fair for both VRC holders and for Bouygues shareholders.

Paris, 3 March 2006

Détrôyat Associés

1. ORDINARY PART

First resolution

(Approval of the parent company accounts for 2005 and discharge of directors)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders' meetings, having acquainted itself with the Board of Directors' annual report on the company's business and situation in 2005, the Chairman's report attached to the business report, the auditors' general report on the accounts for the year and the auditors' report on the Chairman's report, approves the parent company accounts as at 31 December 2005 as presented, showing net profit of €260,833,378.18, and the transactions recorded in the accounts or summarised in the reports. The Annual Meeting approves the choice of accounting method for retirement benefits, resulting in a reduction of €5,185,467 in retained earnings.

The Annual Meeting gives the directors full discharge for performance of their duties in 2005.

Second resolution

(Approval of the consolidated financial statements for 2005)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders' meetings, having acquainted itself with the Board of Directors' annual report on the company's business and situation, the Chairman's report attached to the business report, the auditors' report on the consolidated financial statements and the auditors' report on the Chairman's report, approves the consolidated financial statements at 31 December 2005

as presented, showing net profit attributable to the Group of €832,170,000, and the transactions recorded in the accounts or summarised in the reports.

Third resolution

(Appropriation of earnings, amount of dividend)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders' meetings, having acquainted itself with the Board of Directors' annual report and noting that distributable earnings amount to €537,180,016.80, decides:

- to distribute a first net dividend (5% of par) of €0.05 per share or per investment certificate, representing a total amount of €16,838,144.80;
- to distribute an additional net dividend of €0.85 per share or per investment certificate, representing a total amount of €286,248,461.60;
- to carry over the remainder in the amount of €234,093,410.40.

The dividend of €0.90 per share and per investment certificate will be paid in cash from 3 May 2006.

In accordance with Article 158.3.2 of the General Tax Code, natural persons resident in France for tax purposes from 1 January 2006 will be eligible for 40% tax relief on the dividend, or €0.36 per share and per investment certificate.

No earnings other than the above-mentioned dividend, whether eligible or not for the 40% rebate, are distributed in respect of this meeting.

Should the company hold some of its own stock when the dividend is distributed, the sum corresponding to the amount of dividend not paid

because of the nature of such stock shall be allocated to retained earnings.

The Annual Meeting notes that the Board of Directors has fulfilled its statutory obligation to state the amount of dividends distributed in the last three years.

	2002	2003	2004	Exceptional payout ⁽²⁾
Number of shares	344,361,919	333,199,969	332,758,624	332,758,624
Dividend	€0.36	€0.50	€0.75	€2.52
Tax credit ⁽¹⁾	€0.18	€0.25	-	-
Total dividend per share	€0.54	€0.75	€0.75	€2.52
Total dividend	€121,089,514.32	€166,423,811.00	€248,928,093.00	€838,551,732.48
Distributed earnings eligible for tax relief in accordance with Article 158.3.2 of the General Tax Code	-	-	€248,928,093.00	€838,551,732.48

(1) on the basis of a 50% tax rate

(2) The amounts shown relate to the fraction similar to a dividend for tax purposes of the exceptional payout of €5.00 per share or per investment certificate decided by the shareholders' meeting of 7 October 2004 and made on 7 January 2005. This payout qualifies for tax purposes as an exceptional dividend of €2.52 and a capital repayment of €2.48.

Fourth resolution

(Transfer of the balance from the special long-term capital gains reserve to the "Other reserves" account)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders' meetings, having acquainted itself with the Board of Directors' annual report and having regard to the provisions of Article 39 IV of the Supplementary Finance Act 2004 (Act 2004-1485 of 30 December 2004), decides to transfer €183,615,274.88 from the special long-term capital gains reserve to the "Other reserves" account, from which exceptional tax at the rate of 2.5% as stated in Article 39 IV of Act 2004-1485 of 30 December 2004 will be deducted (€4,590,381.87).

Consequently, the special long-term capital gains reserve stands at €0.

The Annual Meeting confers all powers on the Board of Directors to implement this resolution, accomplish all formalities, make all accounting entries and pay all taxes in connection herewith.

Fifth resolution

(Agreements referred to in Article L. 225-38 of the Commercial Code)

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

Sixth resolution

(Ratification of the co-option of a director)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders' meetings, ratifies the co-option by the Board of Directors at its meeting of 13 December 2005 of Mrs Patricia Barbizet, residing at 10, rue du Dragon, 75006 Paris, as director, replacing Artémis, for the latter company's remaining term of office, i.e. on conclusion of the Annual Meeting called to approve the accounts for 2007.

Seventh resolution

(Ratification of the co-option of a director)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders' meetings, ratifies the co-option by the Board of Directors at its meeting of 13 December 2005 of Mr François Jean Henri Pinault, residing at 7bis, rue des Saints Pères, 75006 Paris, replacing Financière Pinault, for the latter company's remaining term of office, i.e. on conclusion of the Annual Meeting called to approve the accounts for 2009.

Eighth resolution

(Renewal of a director's term of office)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders' meetings, notes that the directorship of Mr Martin Bouygues, residing at 31, rue Delaborde, 92200 Neuilly sur Seine, expires on this day and renews his directorship for a three-year term expiring on conclusion of the annual meeting called to approve the accounts for 2008.

Ninth resolution

(Renewal of a director's term of office)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders' meetings, notes that the directorship of Mrs Monique Bouygues, residing at 50, rue Fabert, 75007 Paris, expires on this day and renews her directorship for a three-year term expiring on conclusion of the annual meeting called to approve the accounts for 2008.

Tenth resolution

(Renewal of a director's term of office)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders' meetings, notes that the directorship of Mr Georges Chodron de Courcel, residing at 23, avenue Mac Mahon, 75017 Paris, expires on this day and renews his directorship for a three-year term expiring on conclusion of the annual meeting called to approve the accounts for 2008.

Eleventh resolution

(Appointment of a new director)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders' meetings, appoints Mr François Bertière, residing at 3, avenue Jacqueminot, 92190 Meudon for a three-year term of office as director.

His term of office will expire on conclusion of the annual meeting called to approve the accounts for 2008.

Twelfth resolution

(Ratification of the Board of Director's decision to move the registered office)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders' meetings, having acquainted itself with the Board of Directors' annual report, ratifies, pursuant to Article L. 225-36 of the Commercial Code, the decision made by the Board at its meeting of 28 February 2006 to move the registered office from 90, avenue des Champs Elysées, 75008 Paris, to 32, avenue Hoche, 75008 Paris, as of 1 July 2006, and to amend article 4 of the by-laws accordingly.

Thirteenth resolution

(Authorisation given to the Board of Directors with a view to enabling the company to buy back its own shares and investment certificates)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders' meetings, having acquainted itself with the Board of Directors' annual report, authorises the Board of Directors, with the option of delegating its powers, to cause the company to buy its own shares or investment certificates in compliance with the prevailing laws and regulations at the time it does so, and in particular in compliance with the conditions and obligations set forth in Articles L. 225-209 to L. 225-212 of the Commercial Code, in Commission Regulation (EC) No 2273/2003 of 22 December 2003, and Articles 241-1 to 241-6 of the General Regulations of the Autorité des Marchés Financiers.

The purpose of this authorisation is to enable the company:

- to ensure the liquidity of and organise the market for the shares, through an investment service provider acting independently under the terms of a liquidity agreement that com-

- plies with a code of conduct recognised by the Autorité des Marchés Financiers;
- to remit shares on exercise of rights attached to transferable securities giving access to the company's capital;
- to keep shares with a view to using them subsequently for payment or exchange in the context of acquisitions;
- to allocate shares to employees or corporate officers of the company or Group companies under the terms and conditions laid down by law, in particular in the framework of profit-sharing schemes, stock option schemes, corporate savings plans and inter-company savings schemes or by allocation of bonus shares;
- to cancel shares, subject to authorisation by the extraordinary shareholders' meeting;
- to implement any market practice accepted by the Autorité des Marchés Financiers and in general to carry out any other transaction that complies with the prevailing regulations.

Shares or investment certificates may be acquired in compliance with the prevailing regulations by all means, on or off the market, in particular by private contract, including by way of derivatives, and at any time, including during a tender offer or an exchange offer. There is no limit on the part of the programme that may be carried out by block trading, which may account for the entire programme.

Shares acquired may be sold under the conditions set by the Autorité des Marchés Financiers in its instruction of 6 December 2005 relating to the application of the share buy-back programme.

In the context of this authorisation, the company may acquire its own shares or investment certificates on or off the market, complying with the following limits:

- maximum purchase price of €80 per share or

investment certificate;

- minimum sale price of €30 per share or investment certificate;

subject to any adjustments relating to transactions involving the share capital.

The maximum amount of funds earmarked for the programme to buy back shares and investment certificates shall be €1,500,000,000 (one and a half billion euros). The total number of shares and investment certificates held may not exceed 10% of the share capital at this date.

With a view to availing itself of the present authorisation, the Board of Directors is granted all powers, especially to assess whether it is appropriate to begin a buy-back programme and to decide the terms and conditions thereof. The Board may delegate such powers so as to place all stock market orders, conclude all agreements, in particular with a view to keeping registers of purchases and sales of shares, make all declarations to the Autorité des Marchés Financiers or any other body, accomplish all other formalities and in general do all that is necessary.

The Board, in its report to the Annual General Meeting, will provide shareholders with information about any purchases, transfers, disposals or cancellations of shares carried out in this way.

This authorisation is given for eighteen months from the date of this meeting.

It invalidates, for the unused part, any previous authorisation having the same purpose.

Fourteenth resolution

(Authorisation given to the Board of Directors to issue equity warrants in the event of a tender offer for the company's shares. This resolution will not be submitted to the shareholder vote on the assumption that, at the date of the shareholders' meeting, the draft law concerning public takeover bids will have been definitively adopted providing for a vote at the extraordinary shareholders' meeting for this type of delegation.)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders' meetings, having acquainted itself with the Board of Directors' annual report and the auditors' special report, authorises the Board of Directors for a period of eighteen months from the date of the meeting, assuming that the use of such authorisation is permitted by prevailing laws and regulations, in the event of a tender offer for the company's shares and in compliance with legal and regulatory requirements in force at the time, to issue equity warrants allowing holders to subscribe to shares in the company under preferential conditions and to allocate these warrants to shareholders at no cost.

The Annual Meeting decides that the total nominal amount of capital increase that may result from the exercise of these warrants may not exceed €150,000,000 (one hundred and fifty million euros), such amount being set against the overall limit stipulated in the tenth resolution of the Annual General Meeting of 28 April 2005 (delegation of powers to the Board of Directors to increase the capital, preserving the preferential subscription right) and that the number of equity warrants that may be issued may not exceed 450,000,000 (four hundred and fifty million).

The Annual Meeting decides that the Board of Directors will have full powers to determine the terms for the exercise of these equity warrants, which must relate to the terms of the offer or any other rival offer, as well as the other characteris-

tics of the warrants, including the exercise price or how the price is determined, as well as the general characteristics and terms of any issue decided on the basis of this authorisation.

The Annual Meeting notes that this authorisation entails a waiver by shareholders of their preferential right to subscribe the ordinary shares in the company to which warrants issued on the basis of this authorisation may give entitlement.

The Annual Meeting notes that investment certificate holders, at a special meeting on this day, have expressly waived their preferential right to subscribe non-voting preference shares having the same rights as investment certificates to which warrants issued on the basis of this authorisation may give entitlement.

2. EXTRAORDINARY PART

Fifteenth resolution

(Reconstitution of investment certificates and voting right certificates. This resolution will only be submitted to the shareholder vote if the special meeting of holders of voting right certificates, due to be held by first notice on 12 April 2006, or in the event that a quorum is not obtained, by second notice on 26 April 2006, approves by a majority the proposal relating to the reconstitution of investment certificates and voting right certificates as shares.)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders' meetings, and subject to the conditions required for the allocation of special privileges, having acquainted itself with:

- the Board of Directors' report and expert appraiser's report on special privileges;
- the assessment of Détroyat Associés, acting as an independent expert, verifying the fairness of the purchase price offered by the company

for voting right certificates to shareholders and holders of voting right certificates;

- approval, with the required majority of 95% holders present in person or represented by proxy, by the special meeting of holders of voting right certificates of the proposed reconstitution of existing certificates as shares;
1. approves the proposed reconstitution of existing certificates as shares as presented by the Board of Directors in accordance with Article L. 228-31 of the Commercial Code and, more specifically, the purchase by the company of all voting right certificates at a price equal to €5.46 per voting right certificate and the transfer of the corresponding voting right certificates to holders of investment certificates at no cost;

2. decides to carry out this reconstitution and grants full powers to the Board of Directors to amend the by-laws accordingly by removing:

- paragraphs 2, 4, 5, 6 and 7 of Article 7 (Share capital), which will now read as follows:

“The share capital is equal to €336,762,896, divided into 336,762,896 fully paid-up shares of €1 par each.

The share capital may be redeemed, reacquired, increased or reduced under the conditions and within the limits provided by law.”

- the reference to investment certificates and voting right certificates in Article 8.1 (Form - Registration), which will now read as follows:

“Fully paid-up shares may be in registered or bearer form at the owner’s discretion.

Shares shall be registered in accounts under the conditions provided by law.”

- The second paragraph of Article 9 (Transfer of shares) and the reference to investment certificates and voting right certificates in the first paragraph of this article, which will

now read as follows:

“Shares shall be transferred from account to account under the conditions provided by law.”

- the reference to investment certificates and voting right certificates in Article 10 (Rights to assets and obligations attached to shares), which will now read as follows:

“Each share gives entitlement, with regard to ownership of corporate assets and distribution of profits, to a share equal to the portion of the capital that it represents.

Shareholders shall bear losses only up to the amount of their contributions or the value of their shares.

The rights and obligations attached to each share, including rights to dividends or to a share of reserves, are vested in the owner thereof as of the time they are registered in an account in his name or in his favour.

Shareholders are bound by the present by-laws and by all decisions of shareholders’ meetings.”

- the reference to investment certificates in Article 24 (Distribution of profits), which will now read as follows:

“At least five per cent (5%) of the year’s profits, minus previous losses if any, shall be retained in order to constitute the reserve required by law. Such requirement ceases to be mandatory when the reserve is equal to one-tenth of the share capital. It becomes mandatory again if the reserve falls below one-tenth of the share capital, for whatever reason.

The distributable profit comprises the profit for the year, minus previous losses and the amount retained for the legal reserve as appropriate, plus retained earnings, if any. The following shall be retained from such distributable profit:

- a) the sum required to pay shareholders, by

way of a first dividend, five per cent (5%) of the paid-up and non-redeemed amount of their shares. However, if a year’s profits are insufficient to allow such payment, shareholders may not claim it on the profits of subsequent years;

- b) all reserves or retained earnings that the shareholders’ meeting may decide and whose appropriation and utilisation it shall determine.

The remaining distributable profit shall be divided between shareholders.

The shareholders’ meeting deciding on the appropriation of profits may allow each shareholder, for some or all of the distributed dividend, to choose between payment of the dividend in cash or in shares.”

- the reference to investment certificates in Article 25 (Liquidation), which will now read as follows:

“Should the company expire or be dissolved, the ordinary shareholders’ meeting shall settle the method of liquidation and shall appoint one or more liquidators, whose powers it shall determine.

The liquidation bonus shall be divided between shares without distinction.”

- the reference to investment certificates and voting right certificates in Article 26 (Disputes), which will now read as follows:

“All disputes relating to company matters that may arise during the company’s lifetime or during its liquidation, whether between shareholders and the company or its directors, or between shareholders themselves, shall be referred to the competent courts of the place where the company has its registered office.”

- more generally, all references to investment certificates and voting right certificates;
- all references to their holders.

Sixteenth resolution

(Authorisation given to the Board of Directors to use delegations and authorisations in order to increase the company’s share capital in the event of a tender offer for the company’s shares.)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders’ meetings, having acquainted itself with the Board of Directors’ report and the auditors’ special report, expressly authorises the Board of Directors, for a period of fourteen months from the date of this meeting, assuming that the use of such authorisation is permitted by prevailing laws and regulations, in the event of a tender offer for the company’s shares and in compliance with the legislative and regulatory requirements in force at that date, to use the different delegations of competence, delegations of powers and authorisations provided by the general meeting of 28 April 2005 to increase the company’s share capital by any means under the conditions and within the limits provided by the following resolutions:

- tenth resolution (*Delegation of powers to the Board of Directors to increase the capital, presenting the preferential subscription right, by issuing ordinary shares or transferable securities giving access to ordinary shares in the company or in a company of which it owns more than half the capital*);
- eleventh resolution (*Delegation of powers to the Board of Directors to increase the share capital by incorporating premiums, reserves or earnings*);
- twelfth resolution (*Delegation of powers to the Board of Directors to increase the capital, cancelling the preferential subscription right, by issuing ordinary shares or transferable securities giving access to ordinary shares in the company or in a company of which it owns more than half the capital*);

- thirteenth resolution (*Authorisation given to the Board of Directors to increase the number of securities to be issued in the event of a capital increase with or without preferential subscription rights*);
- fourteenth resolution (*Authorisation given to the Board of Directors to set, under terms decided by the shareholders' meeting, the issue price for a public offering, without preferential subscription rights, of stock or transferable securities giving access to the capital, within the limit of 10% of the capital*);
- fifteenth resolution (*Delegation of powers to the Board of Directors to carry out a capital increase with a view to remunerating contributions in kind consisting of a company's stock or transferable securities giving access to the capital*);
- sixteenth resolution (*Delegation of powers to the Board of Directors to increase the capital, without preferential subscription rights, in order to remunerate securities tendered in the event of an exchange offer*);
- seventeenth resolution (*Delegation of powers to the Board of Directors to increase the capital in favour of employees of the company or of Group companies who are members of a corporate savings plan*);
- eighteenth resolution (*Delegation of powers to the Board of Directors to issue shares following the issuance by a Bouygues subsidiary of transferable securities giving immediate or future access to shares in the company*);

The Annual Meeting notes that investment certificate holders, at a special meeting on this day, have, in the event of an issue with the cancellation of the preferential subscription right, waived their preferential right to subscribe non-voting preference shares having the same rights as investment certificates, and noted that this resolution entails a waiver of their preferential right to subscribe non-voting preference shares hav-

ing the same rights as investment certificates to which transferable securities issued on the basis of this authorisation may give entitlement.

Seventeenth resolution

(Authorisation given to the Board of Directors to issue equity warrants in the event of a tender offer for the company's shares. This resolution will not be submitted to the shareholder vote on the assumption that, at the date of the shareholders' meeting, the draft law concerning public takeover bids will have been definitively adopted providing for a vote at the ordinary shareholders' meeting for this type of delegation.)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders' meetings, having acquainted itself with the Board of Directors' report and the auditors' special report, authorises the Board of Directors, for a period of eighteen months from the date of this meeting, to issue, assuming that the use of such authorisation is permitted by prevailing laws and regulations, in the event of a tender offer for the company's shares and in compliance with the legislative and regulatory requirements in force at that date, equity warrants allowing holders to subscribe to shares in the company under preferential conditions and to allocate these warrants to shareholders at no cost.

The Annual Meeting decides that the total nominal amount of capital increase that may result from the exercise of these warrants may not exceed €150,000,000 (one hundred and fifty million euros), such amount being set against the overall limit stipulated in the tenth resolution of the Annual General Meeting of 28 April 2005 (delegation of powers to the Board of Directors to increase the capital, preserving the preferential subscription right) and that the number of equity warrants that may be issued may not exceed 450,000,000 (four hundred and fifty million).

The Annual Meeting decides that the Board of Directors will have full powers to determine the terms for the exercise of these equity warrants, which must relate to the terms of the offer or any other rival offer, as well as the other characteristics of the warrants, including the exercise price or how the price is determined, as well as the general characteristics and terms of any issue decided on the basis of this authorisation.

The Annual Meeting notes that this authorisation entails a waiver by shareholders of their preferential right to subscribe the ordinary shares in the company to which warrants issued on the basis of this authorisation may give entitlement.

The Annual Meeting notes that investment certificate holders, at a special meeting on this day, have expressly waived their preferential right to subscribe non-voting preference shares having the same rights as investment certificates to which warrants issued on the basis of this authorisation may give entitlement.

Eighteenth resolution

(Authorisation given to the Board of Directors to reduce the company's share capital by the cancellation of treasury stock)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders' meetings, having acquainted itself with the Board of Directors' report and the auditors' special report:

1. authorises the Board of Directors, in accordance with the provisions of Article L. 225-209 of the Commercial Code, to cancel, at its own discretion, on one or more occasions, all or some of the shares in the company acquired by exercise of the various authorisations to buy back shares granted to the Board by the shareholders' meeting, up to a limit of 10% of the authorised capital per twenty-four month period;

2. authorises the Board of Directors to charge the difference between the purchase value and the par value of cancelled shares to premiums and available reserves;
3. delegates to the Board of Directors, with the option of subdelegating under the conditions provided by law, all powers to carry out the capital reduction or reductions following the cancellation of shares as authorised by this resolution, cause the corresponding accounting entries to be made, amend the by-laws accordingly and in general accomplish all the necessary formalities;
4. grants the present authorisation for eighteen months;
5. notes that this authorisation invalidates any previous authorisation having the same purpose.

Nineteenth resolution

(Delegation of powers for the Board of Directors to issue non-voting preference shares having the same rights as investment certificates. This resolution will only be submitted to the shareholder vote if the fifteenth resolution relating to the reconstitution of investment certificates and voting right certificates as shares has not been submitted at this meeting or has not been approved.)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders' meetings, having acquainted itself with the Board of Directors' report and the auditors' special report and in accordance with Articles L. 225-129-2, L. 228-12 et seq., L. 228-91 and L. 228-92 of the Commercial Code:

1. delegates to the Board of Directors, with the option of subdelegating to any person authorised by law, powers to decide the issuance in favour of investment certificate holders of

(i) non-voting preference shares having the same rights as investment certificates and (ii) all transferable securities of whatever kind, issued for valuable consideration or free of charge, giving access by all means, immediately or in the future, to non-voting preference shares having the same rights as investment certificates, and the buy-back and conversion, under the conditions set forth in Article 7 of the by-laws, of non-voting preference shares having the same rights as investment certificates, up to a maximum nominal amount of €10,000,000 (ten million euros), given that the nominal amount of all preference shares issued under the terms of this delegation may not exceed 25% of the share capital;

2. decides in accordance with Article 7 of the by-laws as amended that the non-voting preference shares and the transferable securities giving immediate or future access to the above-mentioned non-voting preference shares shall have the same characteristics as the issued transferable securities that led to their issue and shall be issued under the same terms and conditions, subject to a possible discount linked to the estimated value of the voting right;
3. decides that the transferable securities giving access to non-voting preference shares having the same characteristics as investment certificates issued in this way may consist of debt securities or be associated with the issue of such securities or enable such securities to be issued as intermediate securities. In particular, they may be subordinated or not, and be issued in euros or foreign currency or any other monetary unit established with reference to several currencies.

The nominal amount of debt securities issued in this way may not exceed €10,000,000 (ten million euros) or the equivalent value in euros at the date the issue is decided, given that such amount does not include redemption

premiums over par, if any. This amount is independent of and separate from the amount of debt securities, the issues of which is provided for by the twelfth, fifteenth, sixteenth and twenty-first resolutions put to shareholders' meeting of 28 April 2005; it is also independent of and separate from the amount of debt securities whose issuance might be decided or authorised by the Board of Directors pursuant to Article L. 228-40 of the Commercial Code. The securities (giving access to non-voting preference shares having the same characteristics as investment certificates) may bear interest (which may be capitalised) at a fixed or floating rate; they may be redeemed with or without a premium or amortised or purchased on the market or be the subject of a tender or exchange offer from the company;

4. decides that the Board of Directors shall have all powers to implement this delegation, including by concluding any agreement to that end, in particular with a view to completing any issue, to make the above-mentioned issues on one or more occasions, in such proportion and at such times as it may deem appropriate, in France or elsewhere or on the international market - and, as appropriate, to postpone such issue - to note completion of the issue and amend the by-laws accordingly and to accomplish all formalities, make all declarations and request all authorisations that may prove necessary to the satisfactory conduct and completion of such issues.
5. grants the present powers for eighteen months and notes that this authorisation invalidates any previous authorisation having the same purpose.

Twentieth resolution

(Amendment of the by-laws)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary shareholders' meetings, having acquainted itself with the Board of Directors' report, decides to amend the first paragraph of Article 18 (Supervisors) of the by-laws as follows:

Old wording

"The ordinary shareholders' meeting may appoint one or more supervisors for a six-year term."

New wording

"The ordinary shareholders' meeting may appoint one or more supervisors for a three-year term. However, the term of office of supervisors in office at the date of the shareholders' meeting of 27 April 2006 shall be six years."

Twenty-first resolution

(Powers to carry out formalities)

The Annual Meeting grants all powers to the bearer of an original, copy or extract of the minutes of this meeting to carry out all legal or administrative formalities and to make all filings and notifications required by the prevailing laws and regulations.

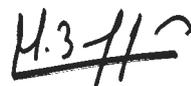
CERTIFICATE OF RESPONSIBILITY

Having taken all reasonable steps to that end, I certify that to the best of my knowledge the information contained in this Annual Report accurately reflects the true situation and that there are no material omissions.

The statutory auditors, Ernst & Young Audit and Mazars & Guérard, have provided me with an opinion in which they state that they have verified the information about the financial situation and accounts provided in this Annual Report, and that they have read the Annual Report as a whole.

The statutory auditors have prepared reports, containing observations, on the historical financial information provided in this Annual Report. They are listed on the inside front page of this Annual Report.

Saint-Quentin-en-Yvelines, 11 April 2006

A handwritten signature in black ink, appearing to read 'M. Bouygues', with a horizontal line drawn underneath the name.

Martin Bouygues
Chairman and CEO