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BOUYGUES CONSTRUCTION WINS TWO PFI SCHOOL CONTRACTS IN LONDON

Bouygues UK and Ecovert FM, the British subsidiaries of Bouygues Construction, have signed two Private Finance Initiative (PFI) contracts to design, build, operate and maintain two school complexes in London: Peterborough Schools and the Lewisham Grouped Schools. The design and construction amount to 155 million euros, while operation and maintenance activities represent 8.8 million euros a year (around 266 million euros over 30 years).

PFI is a contractual arrangement introduced by the British government in 1992 under which services (design, construction, financing and management of public infrastructure) are entrusted to the private sector by the government.

The Peterborough schools contract was signed between the Peterborough City Council and the IIC Bouygues Education consortium, which comprises Bouygues UK, Ecovert FM and Investors in the Community (IIC). The Lewisham contract was signed between the London Borough of Lewisham and the Bouygues Education consortium, consisting of Bouygues UK, Ecovert FM and HSBC Infrastructure.

Under these contracts, Bouygues UK is awarded the design and construction of six schools (see appendix). The project includes the demolition and reconstruction of some buildings and the renovation and extension of the remaining structures. Ecovert FM will provide soft and hard Facilities Management services, as well as refurbishment and major repairs for all of these establishments for a period of 30 years. Altogether, the six schools will cover 69,000 m² and can accommodate more than 7,300 students.

Works have already begun and the projects are scheduled to be completed between fall 2007 and spring 2008. During peak periods, more than 100 people will work on the construction project.

These two contracts reaffirm Bouygues Construction's expertise in public-private partnerships, building on its numerous successes in the UK in recent years, including the Central Middlesex, West Middlesex and Barnet hospitals, King's College University, Home Office headquarters, Barking Schools... The Group has also won similar contracts in Asia (AsiaWorld-Expo in Hong Kong) and France (Women-children haematology unit at the Caen University Hospital).

In 2005, Bouygues Construction reported aggregate sales in the UK of 249 million euros. Active locally since 1997 via Bouygues UK, the Group specialises in construction, mainly for the PFI market. It is also expanding into facilities management, public lighting, and electrical and mechanical engineering via the ETDE subsidiary, which recently made a series of acquisitions: Icel, David Webster and Thermal Transfer.

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BOUYGUES CONSTRUCTION

Bouygues Construction is a global leader with top-ranking positions in the building, civil works and electrical contracting/maintenance markets. It combines the power of a large group with the responsiveness of a network of local companies which deliver innovative solutions for the financing, design, construction, operation and maintenance of buildings and infrastructure. Bouygues Construction employs 40,000 people in 60 countries, and recorded sales of 6.1 billion euros in 2005.

APPENDIX

THE SIX SCHOOL PROJECTS AWARDED TO BOUYGUES CONSTRUCTION

Peterborough Schools

Voyager School	Capacity: 1,675 students Surface area: 16,244 m ² Architect: Cabinet Aedas
Jack Hunt School	Capacity: 1,650 students Surface area: 15,276 m ² Architect: Cabinet Avanti
Ken Stimpson Community School	Capacity: 1,250 students Surface area: 12,428 m ² Architect: Cabinet Avanti

Lewisham Grouped Schools

Greenvale Special School	Capacity: 100 students Surface area: 3,700 m ² Architect: Cabinet Avanti
Crofton School	Capacity: 1,200 students Surface area: 10,500 m ² Architect: Cabinet Aedas
Forest Hill School	Capacity: 1,450 students Surface area: 10,600 m ² Architect: Cabinet Aedas

PRESENTATION OF CONSORTIUM PARTNERS

Bouygues UK

Bouygues Construction's UK-based subsidiary since 1997, it specialises in healthcare, education and administrative buildings. Operating alongside Ecovert FM for PFI projects, its main references are the Central Middlesex hospital, the Home Office headquarters, numerous schools (Barking Schools, Castle Green and Eastbury Comprehensive School...). With 300 employees, Bouygues UK reported sales of 148 million euros in 2005.

Ecovert FM

The London-based subsidiary of Bouygues Construction, Ecovert FM provides a full range of cleaning and maintenance services for private and public customers, including the Cabinet Office. Ecovert has 1,500 employees and reported 2005 sales of 71 million euros.

HSBC Infrastructure Fund Management Limited

A subsidiary of HSBC Holdings plc, participating in over 20 PFI projects, HSBC Infrastructure invests in a wide range of sectors, from healthcare to defence, education and transportation. With nearly 9,500 branches in 76 countries, HSBC Holdings plc reported 2005 sales of 2.2 billion euros.

Investors in the Community

Founded by the Mill Group, Investors in the Community invests mainly in social infrastructure projects.

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