PROSPECTUS DATED 7 FEBRUARY 2012

(a société anonyme *incorporated in the Republic of France)*

EUR 800,000,000 4.50 per cent. Bonds due 2022

Issue Price: 99.660 per cent.

This prospectus constitutes a prospectus (the "**Prospectus**") for the purposes of Article 5.3 of Directive 2003/71/EC as amended by Directive 2010/73/EU to the extent that such amendments have been implemented in a Member State of the European Economic Area (the "**Prospectus Directive**") and the relevant implementing measures in the Grand Duchy of Luxembourg. This Prospectus contains information relating to the issue by Bouygues (the "**Issuer**") of its EUR 800,000,000 4.50 per cent. Bonds due 2022 (the "**Bonds**").

The Bonds will be issued on 9 February 2012 and will bear interest at a rate of 4.50 per cent. per annum from, and including, 9 February 2012 to, but excluding, 9 February 2022, payable annually in arrear on 9 February in each year, commencing on 9 February 2013, as more fully described in "Terms and Conditions of the Bonds – Interest". Payments of principal and interest on the Bonds will be made without deduction for or on account of French taxes as more fully described in "Terms and Conditions of the Bonds – Taxation".

Unless previously redeemed or purchased and cancelled, the Bonds will be redeemed in full at their principal amount on 9 February 2022. The Bonds may, in certain circumstances, be redeemed, in whole but not in part, at their principal amount together with accrued interest in the event that certain French taxes are imposed as more fully described in "Terms and Conditions of the Bonds – Redemption and Purchase".

Bondholders will be entitled, following a Change of Control, to request the Issuer to redeem or procure the purchase of their Bonds at their principal amount together with any accrual interest as more fully described under "Terms and Conditions of the Bonds - Change of Control".

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

The CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Prospectus or the quality or solvency of the Issuer in accordance with Article 7(7) of the Prospectus Act 2005.

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

The Bonds will be issued in dematerialised bearer form in the denomination of EUR 100,000 each. The Bonds will at all times be represented in book-entry form (*dématérialisés*) in the books of the Account Holders in compliance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier*. No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Bonds.

The Bonds have been assigned a rating of BBB+ (stable) by Standard & Poor's Ratings Services and A3 (stable) by Moody's Investors Service. A rating is not a recommendation to buy, sell or hold Bonds and may be subject to revision, suspension, reduction or withdrawal at any time by the relevant rating agency. The credit ratings included or referred to in this Prospectus have been issued by Standard & Poor's Ratings Services and Moody's Investors Service, which are established in the European Union and registered under Regulation (EC) No. 1060/2009 on credit ratings agencies (the "**CRA Regulation**"), as amended by Regulation (EU) No. 513/2011, and included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority's website as of the date of this Prospectus.

See "Risk Factors" on page 5 of this Prospectus for certain information relevant to an investment in the Bonds.

JOINT LEAD MANAGERS

BNP PARIBAS | **CRÉDIT AGRICOLE CIB**

HSBC | **MITSUBISHI UFJ SECURITIES**

NATIXIS | **SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING**

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

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

This Prospectus has been prepared for the purpose of giving information with regard to the Issuer, the Issuer and its fully consolidated subsidiaries taken as a whole (the "**Group**") and the Bonds which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position and profit and losses of the Issuer. For this purpose, "subsidiary" means, with respect to any person at any particular time, any entity which is controlled by such person within the meaning of Article L.233-3 of the French *Code de commerce* (excluding any listed person in which the Issuer holds less than 33.33 per cent. of the share capital and voting rights).

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

No person is authorised to give any information or to make any representation not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer or the Joint Lead Managers. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Bonds is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The Joint Lead Managers have not separately verified the information contained in this Prospectus in connection with the Issuer. None of the Joint Lead Managers makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Prospectus in connection with the Issuer. Neither this Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer and the Joint Lead Managers that any recipient of this Prospectus or any other financial statements should purchase the Bonds. Each potential purchaser of Bonds should determine for itself the relevance of the information contained in this Prospectus and its purchase of Bonds should be based upon such investigation as it deems necessary. None of the Joint Lead Managers undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Prospectus nor to advise any investor or potential investor in the Bonds of any information coming to the attention of any of the Joint Lead Managers.

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

This Prospectus is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act

2000 (Financial Promotion) Order 2005 (the "**Order**") or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). Any Bonds will only be available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Bonds will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

The Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")).

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

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

In connection with the issue of the Bonds, BNP Paribas (the "Stabilising Manager") (or persons acting on behalf of the Stabilising Manager) may over allot Bonds or effect transactions with a view to supporting the market price of the Bonds at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of this Prospectus and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Bonds and 60 days after the date of the allotment of the Bonds. Any stabilisation action or over-allotment must be conducted by BNP Paribas (or persons acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules.

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RISK FACTORS

The following are certain risk factors of the offering of the Bonds of which prospective investors should be aware. Prior to making an investment decision, prospective investors should consider carefully all of the information set out in this Prospectus, including in particular the following risk factors detailed below. Further risk factors relating to the Issuer and its activities are contained in the 2010 Reference Document. Prospective investors should make their own independent evaluations of all investment considerations. Terms defined in "Terms and Conditions of the Bonds" below shall have the same meaning where used below.

I - Risks related to the Issuer

See section “Documents to be incorporated by reference”.

II - Risks related to the Bonds

No Prior Market for the Bonds; Resale Restrictions

There is no existing market for the Bonds, and there can be no assurance that any market will develop and/or be maintained for the Bonds, or that holders of the Bonds will be able to sell their Bonds in the secondary market in which case the market or trading price and liquidity of the Bonds may be adversely affected.

Fixed Rate Interest

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

The Bonds may be redeemed prior to maturity

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

Credit ratings may not reflect all risks

The ratings assigned by the credit rating agencies to the Bonds may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Exercise of Put Option in respect of certain Bonds may affect the liquidity of the Bonds in respect of which such Put Option is not exercised

Depending on the number of Bonds in respect of which the Put Option provided in Condition 7 is exercised, any trading market in respect of those Bonds in respect of which such Put Option is not exercised may become illiquid.

Market value of the Bonds

The value of the Bonds depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Bonds are traded. The price at which a holder of Bonds will be able to sell the Bonds prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

Change of law

The Terms and Conditions of the Bonds are based on the laws of France in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to the laws of France or administrative practice after the date of this Prospectus. Furthermore, the Issuer operates in a heavily regulated environment and has to comply with extensive regulations in France and elsewhere. No assurance can be given as to the impact of any possible judicial decision or change to laws or administrative practices after the date of this Prospectus.

French insolvency law

Under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the "**Assembly**") in order to defend their common interests if a preservation procedure (*procédure de sauvegarde*), an accelerated financial preservation procedure (*procédure de sauvegarde financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer. The Assembly comprises holders of all debt securities issued by the Issuer (including the Bonds) regardless of their governing law. The Assembly deliberates on the proposed safeguard plan (*projet de plan de sauvegarde*), proposed accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) or judicial reorganisation plan (*projet de plan de redressement*) applicable to the Issuer and may further agree to:

- increase the liabilities (*charges*) of holders of debt securities (including the Bondholders) by rescheduling due payments and/or partially or totally writing off receivables in form of debt securities;
- establish an unequal treatment between holders of debt securities (including the Bondholders) as appropriate under the circumstances; and/or
- decide to convert debt securities (including the Bonds) into securities that give or may give right to share capital.

Decisions of the Assembly will be taken by a two-third majority (calculated as a proportion of the debt securities held by the holders attending such Assembly or represented thereat). No quorum is required to convoke the Assembly.

The procedures, as described above or as they will or may be amended, could have an adverse impact on holders of the Bonds seeking repayment in the event that the Issuer or its subsidiaries were to become insolvent.

Taxation

Potential purchasers and sellers of the Bonds should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for innovative financial instruments such as the Bonds. Potential investors are advised not to rely upon the tax summary contained in this Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Bonds. Only these advisors are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Prospectus.

EU Savings Directive

On 3 June 2003, the European Council of Economic and Finance Ministers adopted a directive 2003/48/CE regarding the taxation of savings income in the form of interest payments (the "**Directive**"). The Directive requires Member States, subject to a number of conditions being met, to provide to the tax authorities of other Member States details of payments of interest and other similar income made by a paying agent located within its jurisdiction to, or for the benefit of, an individual resident in that other Member State, except

that, for a transitional period, Luxembourg and Austria will instead withhold an amount on interest payments unless the relevant beneficial owner of such payment elects otherwise.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any paying agent nor any other person would be obliged to pay additional amounts with respect to any Bond as a result of the imposition of such withholding tax.

On 13 November 2008, the European Commission published a proposal for amendments to the Directive. The proposal included a number of suggested changes that, if implemented, would broaden the scope of the rules described above. The European Parliament approved an amended version of this proposal on 24 April 2009. Investors who are in any doubt as to their position should consult their professional advisers.

DOCUMENTS TO BE INCORPORATED BY REFERENCE

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

(i) the reference document in French language dated 15 April 2010, with the exception of the section entitled "*Attestation du responsable du document de référence*" (the "**2009 Reference Document**");

(ii) the reference document in French language dated 14 April 2011, with the exception of the section entitled "*Attestation du responsable du document de référence*" (the "**2010 Reference Document**");

(iii) the half-year review 2011 in French language dated 30 August 2011 for the period 1 January 2011 to 30 June 2011 (*Rapport financier semestriel 2011*) (the "**2011 Half-Year Review**");

(iv) the half-year interim financial statements for Bouygues and its subsidiaries in French language dated 30 August 2011 for the period 1 January 2011 to 30 June 2011 (*Présentation des résultats semestriels 2011 - Comptes de Bouygues et de ses filiales*) (the "**2011 First-Half Results**");

(v) the nine-month unaudited consolidated financial statements in French language dated 15 November 2011 for the period 1 January 2011 to 30 September 2011 (*Comptes consolidés du Groupe Bouyguesau 30 septembre 2011*) (the "**Nine-Month 2011 Results**");

(vi) the notes to the condensed consolidated financial statements nine months ended 30 September 2011 dated 15 November 2011 for the period 1 January 2011 to 30 September 2011 (*Comptes consolidés condensés au 30 septembre 2011 - Annexe*) (the "**Notes to the Nine-Month 2011 Results**"); and

(vii) statutory auditors' review report on interim condensed consolidated financial statements dated 15 November 2011 for the period from 1 January 2011 to 30 September 2011 (*Rapport d'examen limité des commissaires aux comptes sur les comptes intermédiaires consolidés condensés*) (the "**Statutory auditors' report on nine months ended 30 September 2011**").

So long as any of the Bonds are outstanding, this Prospectus and the documents incorporated by reference in this Prospectus will be available during usual business hours on any weekday (except Saturdays, Sundays and public holidays) for inspection and collection free of charge, at the specified office of the Paying Agents. The 2009 Reference Document contains, *inter alia*, the Annual Report of the Issuer (including the Audited Consolidated Financial Statements and related Notes and Audit Report) for the 2009 financial year ("**Bouygues 2009 Financial Review**"). The 2010 Reference Document contains, *inter alia*, the Annual Report of the Issuer (including the Audited Consolidated Financial Statements and related Notes and Audit Report) for the 2010 financial year ("**Bouygues 2010 Financial Review**").

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

2.	**STATUTORY AUDITORS**
2.1.	*See pages 171 and 271 of the Bouygues 2010 Financial Review.*
3.	**RISK FACTORS**
3.1.	*See pages 23, 34, 35, 139 to 159, 234 to 235, 253, 262 to 263, 282 of the Bouygues 2010 Financial Review.*

4.	**INFORMATION ABOUT THE ISSUER**
4.1.	*See pages 8 and 213 of the Bouygues 2010 Financial Review.*
4.1.1.	*See page 213 of the Bouygues 2010 Financial Review.*
4.1.2.	*See page 213 of the Bouygues 2010 Financial Review.*
4.1.3.	*See page 213 of the Bouygues 2010 Financial Review.*
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5.	**BUSINESS OVERVIEW**
5.1.	Principal activities:
5.1.1.	*See pages 52 to 137 of the Bouygues 2010 Financial Review.*
5.1.2.	*See pages 52 to 59, 70 to 76, 84 to 91, 102 to 107, 116 to 120 of the Bouygues 2010 Financial Review.*
6.	**ORGANISATIONAL STRUCTURE**
6.1.	*See page 9 of the Bouygues 2010 Financial Review.*
9.	**ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES**
9.1.	*See pages 12 to 13, 162 to 170, 172 to 192 of the Bouygues 2010 Financial Review.*
9.2	*See pages 179 and 180 of the Bouygues 2010 Financial Review*
10.	**MAJOR SHAREHOLDERS**
10.1.	*See pages 202 to 203 of the Bouygues 2010 Financial Review.*
11.	**FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES**
11.1.	Historical Financial Information
	For the year 2009: *consolidated balance sheet: see page 178 of the Bouygues 2009 Financial Review* *consolidated income statement: see page 179 of the Bouygues 2009 Financial Review*

	accounting policies and explanatory notes: see pages 182 to 230 of the Bouygues 2009 Financial Review *audit report: see page 253 of the Bouygues 2009 Financial Review*
	For the year 2010: *consolidated balance sheet: see page 222 of the Bouygues 2010 Financial Review* *consolidated income statement: see page 223 of the Bouygues 2010 Financial Review* *accounting policies and explanatory notes: see pages 226 to 274 of the Bouygues 2010 Financial Review* *audit report: see page 299 of the Bouygues 2010 Financial Review*
11.2.	Individual Financial statements
	For the year 2010: *balance sheet: see page 275 of the Bouygues 2010 Financial Review* *income statement: see page 276 of the Bouygues 2010 Financial Review* *accounting policies and explanatory notes: see pages 277 to 285 of the Bouygues 2010 Financial Review* *audit report: see pages 298 of the Bouygues 2010 Financial Review*
11.3.	Auditing of historical annual financial information
11.3.1.	*See pages 252 and 253 of the Bouygues 2009 Financial Review.* *See pages 298 and 299 of the Bouygues 2010 Financial Review.*
11.3.2.	*See pages 300 to 309 of the Bouygues 2010 Financial Review.*
14.	**DOCUMENTS ON DISPLAY**
14.1.	*See "General Information" in this Prospectus*.

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

COMPLEMENTARY INFORMATION ABOUT THE ISSUER

Board of Directors (*Conseil d'administration*) of the Issuer

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

9. Administrative, Management, and Supervisory Bodies

Name, address, position	*Principal activities performed outside the Issuer*
Martin Bouygues 32 avenue Hoche 75008 Paris **Chairman and CEO, Director**	Chairman, SCDM Director, TF1 Member of the supervisory board, Paris-Orléans Standing Representative of SCDM on the board of Actiby, SCDM Participations, SCDM Invest-3. Member of the Supervisory Board of the Francis Bouygues Foundation
Olivier Bouygues 32 avenue Hoche 75008 Paris **Deputy CEO** **Standing Representative of SCDM**	Managing Director, SCDM Chairman & CEO, Director, Seci, Director, TF1, Alstom, Bouygues Telecom, Colas, Bouygues Construction, Eurosport, Sodeci, CIE, Sénégalaise des Eaux and Finagestion Non-shareholder manager, SIR and SIB Chairman, SAGRI-E,SAGRI-F, SCDM ENERGIE and BOUYGUES EUROPE
SCDM 32 avenue Hoche 75008 Paris **Director**	Chairman, Actiby, SCDM Participations and SCDM Invest-3 Director, GIE 32 Hoche
Pierre Barberis 7 Pili Street, South Forbes Park Makati 1200 Metro Manilla Philippines **Director**	Manager, Amrom Director, François-Charles Oberthur Fiduciaire and WYDE Corp. Head of Wyde RHQ for Asia-Pacific
Patricia Barbizet 12 rue François 1er 75008 Paris **Director**	Vice Chairman of the Board of Directors PPR Managing Director and Director, Artemis CEO and member of the supervisory board, Financière Pinault Director, Total, Air France KLM, TF1, Fonds Stratégique d'Investissement Member of the supervisory board, Yves Saint Laurent Member of the management board, SC Vignoble de Château Latour Standing Representative of Artemis on the board of Sebdo Le Point and Agefi Managing Director, Palazzo Grassi Chairman and board member, Christies International Plc Board member, Gucci Group NV Non executive director, Tawa PLC Director of Société Nouvelle du Théâtre Marigny

Name, address, position	*Principal activities performed outside the Issuer*
François Bertière 3, Boulevard Gallieni 92130 Issy Les Moulineaux **Director**	Chairman and CEO, Bouygues Immobilier Director, Colas Chairman of the Supervisory Board of the Francis Bouygues Foundation
Mrs Francis Bouygues 50 rue Fabert 75007 Paris **Director**	
Georges Chodron de Courcel 3 rue d'Antin 75002 Paris **Director**	Deputy CEO, BNP Paribas Chairman, Compagnie d'Investissement de Paris and Financière BNP Paribas Director, Alstom, Nexans, FFP (Société Foncière Financière et de Participations) and Verner Investissements Supervisory Board Member, Lagardère SCA Non-voting Director, Scor and Exane Chairman, BNP Paribas SA (Suisse) Vice Chairman, Fortis Bank SA/NV Director, CNP (Compagnie Nationale à Portefeuille), Erbé SA, Groupe Bruxelles Lambert SA, Scor Global Life Rückversicherung Schweiz AG, Scor Switzerland AG and Scor Holding AG
Lucien Douroux 20 rue de la Baume 75008 Paris **Director**	Director, Banque de Gestion Privée Indosuez
Yves Gabriel 1 avenue Eugène Freyssinet 78280 Guyancourt **Director**	Chairman and CEO, Bouygues Construction Director, ETDE Standing Representative of Bouygues Construction on the board of Bouygues Bâtiment International, Bouygues Bâtiment Ile de France and Bouygues Travaux Publics Chairman and Director of Terre Plurielle, (the Bouygues Construction Foundation).
Patrick Kron 3 avenue Malraux 92300 Levallois Perret **Director**	Chairman and CEO, Alstom Chairman, Alstom Ressources Management Director, Alstom UK Holdings Ltd, "Les Arts Florissants" Director, AFEP

Name, address, position	*Principal activities performed outside the Issuer*
Hervé Le Bouc 7 place René Clair 92653 Boulogne Billancourt **Director**	Chairman and CEO, Colas Chairman and CEO, Colasie Standing Representative of Colas on the board of Cofiroute, Colas Midi Méditerranée, Société Parisienne d'Etudes d'Informatique et de Gestion, Aximum and Echangeur International, SCREG Est Standing Representative of SPARE on the board of Sacer Atlantique Standing Representative of IPF on the board of SPAC Director, Isco Industry (Korean Republic),Hindustan Colas Limited (India), Tipco Asphalt (Thailand), Colas Inc (USA), Colascanada (Canada) and Bouygues Immobilier Member of the Supervisory Board, La Société Maghrébienne d'Entreprises et de Travaux (Morocco), La Route Marocaine (Morocco) Standing Representative of Colas on the Supervisory Board of Colas Emulsions (Morocco) and Grands Travaux Routiers (Morocco) Chairman of the Colas Foundation
Helman le Pas de Sécheval 22 Rue Beaujon 75008 PARIS **Director**	
Colette Lewiner Tour Europlaza La Défense 4 20, Avenue André Prothin 92927 Paris La Défense Cedex **Director**	Vice President, Global Leader Energy, Utilities and Chemicals of Cap Gemini Director of Nexans, TGS NOPEC GEOPHYSICAL COMPANY, OCEAN RIG, Eurotunnel, Colas and Lafarge Chairman of the Board of Directors and Director, TDF
Nonce Paolini 1 quai du point du Jour 92656 Boulogne Billancourt **Director**	CEO and Director, TF1 Chairman, TF1 Management, NT1, H.O.P. – Holding Omega Participations and Programmes européens francophones audiovisuals spéciaux 4 Director, Bouygues Telecom Standing Representative of TF1 Management, Manager of La Chaine Info and TF1 D.S. Standing Representative of TF1 on the board of Extension TV, TF6 Gestion, TF1 Acquisitions de Droits Vice-Chairman and Director, Tele Monte Carlo Permanent Representative of TF1, Member of the Board of Directors of Groupe AB Chairman and Director of the TF1 Foundation and of Monte Carlo Participations Chairman, Association de défense des Grandes Chaînes Privées

Name, address, position	*Principal activities performed outside the Issuer*
Jean Peyrelevade 32 rue de Lisbonne 75008 Paris **Director**	Chairman of the Executive Board of Leonardo & Co Chairman, Leonardo Midcap Director, DNCA Finance, Bonnard et Gardel Holding SA Supervisory Board Member, KLM
François-Henri Pinault 10 avenue Hoche 75008 Paris **Director**	Chairman and CEO, PPR Manager, Financière Pinault Chairman of the Board of Directors, Artemis Chairman of the Supervisory Board, Gucci Group NV and Puma Vice Chairman of the Supervisory board, Boucheron Holding Director, Sapardis, Fnac SA, Soft Computing, and Stella Mc Cartney Chairman of the Supervisory Board of Yves Saint Laurent SAS Member of the management committee, SC du vignoble de Château Latour Board member of Christies International Plc Chairman and Director of the Board of Directors, Sowind Group Vice Chairman of the Supervisory Board, CFAO
Alain Pouyat 32 avenue Hoche 75008 Paris **Non-voting Director**	Director, Bouygues Telecom, TF1, Speig and ETDE Standing Representative of Bouygues on the Board of C2S
Sandra Nombret 1, avenue Eugène Freyssinet 78280 Guyancourt **Director** **Representative of employee shareholders**	Head of Legal Service, Bouygues Bâtiment International
Michèle Vilain 3, Avenue Gallieni 92130 Issy-Les-Moulineaux **Director** **Representative of employee shareholders**	Responsible of the clients mediation, Bouygues Immobilier

TERMS AND CONDITIONS OF THE BONDS

The issue of the EUR 800,000,000 4.50 per cent. Bonds due 2022 (the "**Bonds**") of Bouygues (the "**Issuer**") has been authorised pursuant to a decision of the chairman of the Board of Directors and CEO (*Président-Directeur général*) of the Issuer dated 30 January 2012 acting pursuant to a resolution of the Board of Directors (*Conseil d'administration*) of the Issuer dated 1 March 2011. A fiscal agency agreement dated 9 February 2012 (the "**Fiscal Agency Agreement**") has been agreed between the Issuer, BNP Paribas Securities Services as fiscal agent and principal paying agent (the "**Fiscal Agent**", which expression shall, where the context so admits, include any successor for the time being as Fiscal Agent) and the other paying agents named therein (together, the "**Paying Agents**", which expression shall, where the context so admits, include the Fiscal Agent and any successors for the time being of the Paying Agents or any additional paying agents appointed thereunder from time to time). Reference below to the "**Agents**" shall be to the Fiscal Agent and/or the Paying Agents, as the case may be. Copies of the Fiscal Agency Agreement are available for inspection at the specified offices of the Paying Agents. References below to "**Conditions**" are, unless the context otherwise requires, to the numbered paragraphs below.

1. Form, Denomination and Title

The Bonds are issued in bearer form in the denomination of EUR 100,000 each. Title to the Bonds will be evidenced in accordance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier* by book-entries (*dématérialisation*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Bonds.

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

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

2. Status of the Bonds

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

3. Negative Pledge

So long as any of the Bonds remains outstanding (as defined below), the Issuer undertakes that it will not create or permit to subsist or to become effective any mortgage, lien, charge, pledge or other form of security interest (*sûreté réelle*) upon the whole or any part of its undertaking and any of its assets or revenues, present or future, to secure any Relevant Debt (as defined below) of the Issuer or a guarantee (including by way of joint liability) in respect of any Relevant Debt of others unless, at the same time or prior thereto, the Issuer's obligations under the Bonds are equally and rateably secured thereby or by such security interest as may be approved by the general assembly of the Masse (as defined below).

"**Relevant Debt**" means any present or future indebtedness for borrowed money which is in the form of, or represented by, debt securities (*titres de créance* within the meaning of Articles L.211-1,II,2 and L.213-1 A of the French *Code monétaire et financier*, including *titres* giving the right to receive (through conversion, exchange,

subscription or otherwise) equity securities or equivalent debt instruments issued under any law other than French law) which are for the time being, or capable of being, quoted, listed, or ordinarily dealt in on any stock exchange, over-the-counter market or other securities market.

"**outstanding**" means, in relation to the Bonds, all the Bonds issued other than: (a) those which have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys (including all interest accrued on such Bonds to the date for such redemption and any interest payable under Condition 4 after such date) have been duly paid to the Fiscal Agent,(c) those which have been purchased and cancelled as provided in Condition 5 and (d) those claims in respect of which have become prescribed under Condition 12.

4. Interest

Each Bond bears interest from, and including, 9 February 2012 (the "**Interest Commencement Date**") to, but excluding, 9 February 2022 at the annual rate of 4.50 per cent., payable annually in arrear on 9 February in each year (each an "**Interest Payment Date**"), commencing on 9 February 2013.

Each Bond will cease to bear interest from the due date for redemption unless payment of principal is improperly withheld or refused. In such event it shall continue to bear interest at the rate of 4.50 per cent. per annum until whichever is the earlier of (i) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant Bondholder, and (ii) the day after the Fiscal Agent has notified the Bondholders of receipt of all sums due in respect of all the Bonds up to that day (except to the extent that there is failure in the subsequent payment to the relevant Bondholder under these Conditions).

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

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

5. Redemption and Purchase

The Bonds may not be redeemed otherwise than in accordance with this Condition 5 and with Condition 7.

(a) Final Redemption

Unless previously redeemed or purchased and cancelled as provided below or in Condition 7, the Bonds will be redeemed in full at par by the Issuer on 9 February 2022.

(b) Redemption for Taxation Reasons

(A) If, by reason of any change in French law, or any change in the official application or interpretation of such law, becoming effective after 9 February 2012, the Issuer would, on the occasion of the next payment of principal or interest due in respect of the Bonds, not be able to make such payment without having to pay additional amounts as specified under Condition 8 below, the Issuer may at any time, subject to having given not more than 45 nor less than 30 days' notice to the Bondholders (which notice shall be irrevocable), in accordance with Condition 11, redeem all, but not some only, of the Bonds at their principal amount together with any interest accrued to the date set for redemption provided that the due date for redemption of which notice hereunder may be given shall be no earlier

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

(B) If the Issuer would on the occasion of the next payment in respect of the Bonds be prevented by French law from making payment to the Bondholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 8 below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and shall forthwith redeem all, but not some only, of the Bonds then outstanding at their principal amount plus any accrued interest thereon upon giving not less than seven nor more than 30 days' prior notice to the Bondholders (which notice shall be irrevocable) in accordance with Condition 11, provided that the due date for redemption of which notice hereunder shall be given shall be the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes or, if such date is past, as soon as practicable thereafter.

(c) Purchases

The Issuer may at any time purchase Bonds in the open market or otherwise at any price. Any Bonds so purchased by the Issuer may be held and resold for the purpose of enhancing the liquidity of the Bonds in accordance with Articles L.213-1 and D.213-1 A of the French *Code monétaire et financier* or cancelled in accordance with paragraph (d) of this Condition.

(d) Cancellation

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

6. Payments

(a) Method of Payment

Payments of principal and interest in respect of the Bonds will be made in euro by credit or transfer to a euro-denominated account (or any other account to which euro may be credited or transferred) specified by the payee in a city which banks have access to the TARGET2 System. "**TARGET2 System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System, or any successor thereto.

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

Payments of principal and interest on the Bonds will be subject in all cases to any fiscal or other laws and regulations applicable thereto, but without prejudice to the provisions of Condition 8.

(b) Payments on Business Days

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

In this Condition "**Business Day**" means a day (other than Saturday or Sunday) on which (i) Euroclear France, Euroclear and Clearstream, Luxembourg are open for business, and (ii) commercial banks and foreign exchange markets are open for general business in Paris and Luxembourg and (iii) the TARGET2 System is operating.

(c) Fiscal Agent and Paying Agents

The name and specified office of the initial Fiscal Agent and Principal Paying Agent is as follows:

Fiscal Agent and Principal Paying Agent:
BNP Paribas Securities Services
(Euroclear Affiliate number 29106)
Les Grands Moulins de Pantin
9, rue du Débarcadère
93500 Pantin
France

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or any Paying Agent and/or appoint another Fiscal Agent and additional or other Paying Agents or approve any change in the office through which the Fiscal Agent or any Paying Agent acts, provided that it will at all times maintain a Fiscal Agent having a specified office in a European city.

7. Change of Control

If at any time while any Bond remains outstanding there occurs a Change of Control and within the Change of Control Period a Rating Downgrade occurs as a result of that Change of Control or as a result of a Potential Change of Control (a "**Put Event**"), the holder of each Bond will have the option (the "**Put Option**") (unless, prior to the giving of the Put Event Notice (as defined below), the Issuer gives notice of its intention to redeem the Bonds under Condition 5(b)) to require the Issuer to redeem or, at the Issuer's option, to procure the purchase of that Bond on the Optional Redemption Date (as defined below) at its principal amount together with (or, where purchased, together with an amount equal to) accrued interest to but excluding the Optional Redemption Date.

A "**Change of Control**" shall be deemed to have occurred at each time that any person or persons acting in concert (other than a Permitted Holding Company (as defined below) acting alone or in concert) come(s) to own or acquire(s) such number of the shares in the capital of the Issuer carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of the Issuer. "Permitted Holding Company" means each and any company or other legal entity whose share capital (or equivalent) and associated voting rights are controlled by Martin Bouygues and/or Olivier Bouygues and/or any of their respective heirs, successors and/or beneficiaries through which any or all such persons at any time hold directly or indirectly shares in the capital of the Issuer.

"**Change of Control Period**" means :
(i) the period commencing on the date of the first public announcement of the result (*avis de résultat*) by the *Autorité des marchés financiers* (the "**AMF**") of the relevant Change of Control and ending on the date which is 90 days thereafter (inclusive) provided that (a) a Rating Downgrade occurs during that period and (b) such Rating Downgrade results from a Change of Control; or
(ii) the period commencing 180 days prior to the date of the first public announcement of the result (*avis de résultat*) by the AMF of the relevant Change of Control and ending on the date of such announcement (inclusive) provided that (a) a Rating Downgrade occurs during that period and (b) such Rating Downgrade results from a Potential Change of Control.

"**Rating Agency**" means any of the following: Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc., any other rating agency of equivalent international standing requested from time to time by the Issuer to grant a rating to the Bonds and, in each case, their respective successors or affiliates.

A "**Rating Downgrade**" shall be deemed to have occurred in respect of a Change of Control or in respect of a Potential Change of Control if within the Change of Control Period the rating previously assigned to the Bonds by any Rating Agency is (x) withdrawn or (y) changed from an investment grade rating (BBB-, or its respective equivalents for the time being, or better) to a non-investment grade rating (BB+, or their respective equivalents for

the time being, or worse) or (z) if the rating previously assigned to the Bonds by any Rating Agency was below an investment grade rating (as described above), lowered by at least one full rating notch (for example, from BB+ to BB or their respective equivalents), provided that (i) a Rating Downgrade otherwise arising by virtue of a particular change in rating shall be deemed not to have occurred in respect of a particular Change of Control or Potential Change of Control, as the case may be, if the Rating Agency making the change in rating does not publicly announce or publicly confirm that the reduction was the result of the Change of Control or the Potential Change of Control, as the case may be, and (ii) any Rating Downgrade has to be confirmed in a letter, or other form of written communication, sent to the Issuer and publicly disclosed.

"**Potential Change of Control**" means any public announcement or statement by the Issuer, any actual or potential bidder relating to any potential Change of Control of the Issuer.

Promptly upon the Issuer becoming aware that a Put Event has occurred, the Issuer shall give notice (a "**Put Event Notice**") to the Bondholders in accordance with Condition 11 specifying the nature of the Put Event and the circumstances giving rise to it and the procedure for exercising the Put Option contained in this Condition 7.

To exercise the Put Option to require redemption or, as the case may be, purchase of a Bond under this Condition 7, the holder of that Bond must transfer or cause to be transferred by its Account Holder its Bonds to be so redeemed or purchased to the account of the Fiscal Agent specified in the Put Option Notice for the account of the Issuer within the period (the "**Put Period**") of 45 days after the Put Event Notice is given together with a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent (a "**Put Option Notice**") and in which the holder may specify a bank account to which payment is to be made under this Condition 7.

The Issuer shall redeem or, at the option of the Issuer procure the purchase of, the Bonds in respect of which the Put Option has been validly exercised as provided above, and subject to the transfer of such Bonds the account of the Fiscal Agent for the account of the Issuer as described above on the date which is the fifth Business Day following the end of the Put Period (the "**Optional Redemption Date**"). Payment in respect of any Bond so transferred will be made in euros to the holder to the specified euros-denominated bank account in the Put Option Notice on the Optional Redemption Date via the relevant Account Holders.

8. Taxation

(a) Tax Exemption for Bonds

All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

(b) Additional Amounts

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

(i) to, or to on behalf of, a holder (or beneficial owner (*ayant droit*)) who is subject to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with the French Republic other than the mere holding of such Bond; or

(ii) to, or on behalf of, a holder (or beneficial owner (*ayant droit*)) who could avoid such deduction or withholding by making a declaration of non-residence or similar claim for exemption but fails to do so; or

(iii) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to the European Council Directive 2003/48/EC of 3 June 2003 or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of 26 and 27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive.

Any references in these Conditions to principal and interest in respect of the Bonds shall be deemed also to refer to any additional amounts which may be payable under the provisions of this Condition 8(b).

9. Events of Default

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

(a) any amount of principal of, or interest on, any Bond is not paid on the due date thereof and such default is not remedied within a period of 15 days from such due date; or

(b) any other obligation of the Issuer under the Bonds is not complied with or performed within the period of 30 days after receipt by the Fiscal Agent and the Issuer of written notice of such default given by the Representative (as defined in Condition 10 below); or

(c) in the event of default by the Issuer in the payment of the principal, interest or premium in respect of any Relevant Debt (as defined in Condition 3) or in respect of any guarantee by the Issuer of Relevant Debt of others, when and as the same shall become due and payable, if such default shall continue for more than the grace period, if any, applicable thereto, or in the event that any Relevant Debt of the Issuer shall have become repayable before the due date thereof as a result of acceleration of maturity caused by the occurrence of any event of default thereunder and shall not have been repaid or in the event that any such guarantee shall have been called and is not paid, it being understood for the purpose of this paragraph that, to the extent the Issuer contests in good faith that such Relevant Debt is due or that such guarantee is callable, no such event shall be deemed to have occurred until a competent court renders a final judgement that such Relevant Debt is due or that such guarantee is callable, provided that the aggregate amount of the Relevant Debt or guarantees in respect of which one or more of the events mentioned in this Condition 9 (c) have occurred equals or exceeds € 15,000,000 or its equivalent in other currencies; or

(d) if the Issuer makes any proposal for a general moratorium in relation to its debt or applies for the appointment of a *mandataire ad hoc* or enters into a conciliation procedure (*procédure de conciliation*) with its creditors or a judgement is issued for the judicial liquidation (*liquidation judiciaire*) or for a judicial transfer of the whole of the business (*cession totale de l'entreprise*) of the Issuer or, to the extent permitted by applicable law, if the Issuer is subject to any other insolvency or bankruptcy proceedings or the Issuer makes any judicial conveyance, assignment or other judicial arrangement for the benefit of its creditors or enters into a composition (*accord amiable*) with its creditors, provided that an event of default shall also occur under this paragraph (d) with respect to one or more Principal Subsidiaries (as defined below) if after excluding the value of the securities of one or more Principal Subsidiaries subject to proceedings of the type described in this paragraph (d) the total shareholders' equity appearing in the latest audited financial statements (*comptes individuels*) of the Issuer would become less than 66 per cent. of the total shareholders' equity appearing in such audited financial statements before such exclusion.

For the purposes of this paragraph (d):

(i) "**Principal Subsidiary**" means at any time relevant a Subsidiary of the Issuer:

(a) whose total fixed assets or operating income (or, where the Subsidiary in question prepares consolidated accounts, whose total consolidated fixed assets or consolidated operating income, as the case may be), attributable to the Issuer represent not less than 15 per cent. of the total consolidated fixed assets or the consolidated operating income, as the case may be, of the Issuer, all as calculated by reference to the then latest audited accounts (or consolidated accounts, as the case may be) of such Subsidiary and the then latest audited consolidated accounts of the Issuer and its consolidated Subsidiaries; or

(b) to which is transferred all or substantially all the assets and undertakings of a Subsidiary which immediately prior to such transfer is a Principal Subsidiary;

(ii) "**Subsidiary**" means in relation to any person or entity at any time, a "*filiale*" as defined in Article L.233-1 of the French *Code de commerce* (the "**Code**") or any other person or entity controlled directly or indirectly by such person or entity within the meaning of Article L.233-3 of the Code; or

(e) the Issuer ceases to carry on all or a material part of its business, except for the purposes of and followed by a merger or a reorganisation (*cession, scission* or *apport partiel d'actifs*) pursuant to which the surviving company assumes all of the obligations of the Issuer with respect to the Bonds. For the purpose of this paragraph (e), a part of the Issuer's business will be deemed material if the operating income (or, where the business in question is operated by one or more Subsidiaries which prepare consolidated financial statements, the total operating consolidated income) attributable to such business represents 50 per cent. or more of the total consolidated operating income of the Issuer, all as calculated by reference to the then latest audited financial statements (or consolidated financial statements, as the case may be) relating to the business in question and the then latest audited consolidated financial statements of the Issuer;

then each Bondholder acting through the Representative (as defined in Condition 10) may upon written notice to the Fiscal Agent given on behalf of the Bondholders before all defaults shall have been cured, cause the Bonds to become immediately due and payable, whereupon they shall become immediately due and payable at their principal amount together with any accrued interest thereon without further formality.

10. Representation of the Bondholders

(a) The Masse

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

The Bonds are issued abroad for the purposes of Article L.228-90 of the Code (as defined in Condition 9). Accordingly and pursuant to such Article, the *Masse* will be governed by the provisions of the Code (with the exception of the provisions of Articles L.228-48, L.228-59, L.228-65, L.228-71, R.228-63, R.228-67, R.228-69, R.228-72 and R.228-78 thereof), subject to the following provisions.

(b) Legal personality

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

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

(c) Representatives

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

(i) the Issuer and its Chief Executive Officers (*Directeurs Généraux*), the members of its board of directors, its statutory auditors, its employees as well as their ascendants, descendants and spouses;

(ii) companies possessing at least 10 per cent. of the share capital of the Issuer or of which the Issuer possesses at least 10 per cent. of the share capital;

(iii) companies guaranteeing all or part of the obligations of the Issuer;

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

The initial Representative will be:

Eric Noyer
10 Harewood Avenue,
London NW1 6AA,
United Kingdom.

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

Anne Besson-Imbert
10 Harewood Avenue,
London NW1 6AA,
United Kingdom.

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

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

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

The Representative and the Alternative Representative will not be entitled to any remuneration.

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

(d) Powers of the Representative

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

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

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

(e) General Assemblies

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

Notice of the date, hour, place, agenda and quorum requirements of any General Assembly will be published as provided under Condition 11 not less than 15 days on first call, and not less than 6 days on second call, prior to the date of the General Assembly.

Each Bondholder has the right to participate in General Assemblies in person or by proxy. Each Bond carries the right to one vote.

(f) Powers of General Assemblies

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

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

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

In accordance with Article R.228-71 of the Code, the right of each Bondholder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Bondholder as of 0:00, Paris time, on the third business day in Paris preceding the date set for the meeting of the relevant General Meeting.

(g) Notice of decisions

Decisions of the General Assemblies must be published in accordance with the provisions set out in Condition 11 not more than 90 days from the date thereof.

(h) Information to the Bondholders

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

(i) Expenses

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

(j) Single *Masse*

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

11. Notices

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

12. Prescription

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

13. Further Issues and Consolidation

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

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

The relevant fiscal agency agreement(s) will be amended accordingly and notice of such consolidation will be given to the Bondholders in accordance with Condition 11.

14. Governing Law and Jurisdiction

The Bonds are governed by and construed in accordance with French law.

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

USE OF PROCEEDS

The proceeds of the issue of the Bonds amount to EUR 797,280,000 and will be used for the Issuer's general corporate purposes.

LITIGATION

EXCEPTIONAL EVENTS – LITIGATION AND CLAIMS

Bouygues group companies are involved in a variety of litigation and claims in the normal course of their business. In particular, subsidiaries of Bouygues Construction and Colas are involved in competition law litigation and claims. Risks are assessed on the basis of past experience and analysis by the Group's in-house legal departments and external counsel. To the company's knowledge, there is at present no exceptional event, dispute or claim likely to have a substantial negative impact on the businesses, assets and liabilities, results or financial position of the Group as a whole. Disputes and claims are subject to regular review, especially when new facts arise. The provisions recorded in the financial statements appear to be adequate in light of these assessments. The Bouygues group uses all legal means to defend its legitimate interests.

1. Bouygues Construction

South Africa – Gautrain Project

Bouygues Travaux Publics, in association with two local partners and Bombardier in respect of rolling stock and electro-mechanical equipment, delivered the first phase of a large-scale rail infrastructure project in June 2010 linking the country's principal airport to Johannesburg and Pretoria. This phase has been in service since this date.

The delivery of phase 2 has been disrupted by disagreements between Bombela Ltd, the concession company holding the contract, in which Bouygues Travaux Publics owns a 17% equity stake, and Gauteng Province, regarding execution of the project works.

A problem has arisen in relation to the waterproofing of the tunnel in several sections of phase 2 against water inflow: water seepage levels were higher than those according to the Gauteng Province's reading of the contract technical specifications. This disagreement was referred to the Dispute Resolution Board ("DRB") provided for in the concession contract. The DRB found that the tunnel and its sealing against water inflow were in compliance with specifications in all sections other than the "Park Station to E2" section.

The water seepage for this section was found to be higher than the levels provided for in the contract technical specifications. Remedial works were carried out to rectify this problem at end 2011/beginning 2012.

This problem has delayed the full commissioning of this phase although most of the phase has been operational since 2 August 2011. The "Park Station to E2" section will be opened for service once the tunnel sealing works are complete and established as effective.

The parties have referred several other disputes to the DRB: the most important concerning the consequences of delays by the Province in making necessary land available, required for completion of the works. These delays have seriously disrupted contractual performance and their financial repercussions have been significant.

Given the magnitude and complexity of the dispute submitted to the Association of Arbitrators (Southern Africa), no settlement is likely to be reached before the end of 2013.

France – Flamanville EPR

Bouygues Travaux Publics was awarded the civil engineering contract to build the European Pressurised Reactor (EPR) at the Flamanville nuclear power plant, which it signed with EDF on 2 October 2006.

Technical difficulties since execution of this contract began have in the past already prompted the parties to amend its terms and conditions, in particular as regards price and delivery date.

An addendum was signed in 2011 agreeing an increase in the contract price, primarily covering difficulties encountered in (i) the design and construction of the metal liners of pools for some of the reactors and (ii) the cost of adapting the methods to be used, due mainly to the growing complexity of reinforcement and concreting works.

In addition, there was a fatal accident at work involving a temporary employee of a sub-contractor of the

consortium carrying out the works. A preliminary investigation for manslaughter is in progress and employees of the consortium have been interviewed as part of this investigation.

France – Île-de-France Regional Authority Contracts

Following a Competition Council (now Competition Authority) ruling of 9 May 2007, the Île-de-France Regional Authority filed a compensation claim in 2008 as relief for losses it claims to have incurred as a result of the anti-competitive practices of construction companies in connection with the award of public works contracts for the renovation of secondary school buildings in the region.

The Regional Authority's urgent summary application to the Paris District Court was denied in a ruling issued on 15 January 2009 on the grounds that, prima facie, there were genuine reasons for objecting to the very principle of the compensation claim.

Invited to revisit the substantive issues of the claim, the Regional Authority filed a further application to the Paris District Court in February 2010, this time claiming damages for a loss it estimated at €358,000,000 based on the joint and several liability of the parties collectively responsible for the loss, i.e. the companies and individuals found to have engaged in anti-competitive practices.

The construction companies involved, which dispute both the reality of any loss and its quantum, have in turn applied to the Court to compel the Regional Authority to disclose a number of documents so that the decision-making process behind the award of each of the contracts can be reconstructed as precisely as possible, thus providing evidence of the alleged loss.

In an injunction dated 3 March 2011, the District Court ordered the Île-de-France Regional Authority to individualise its claims (loss suffered and contractor against which the action is directed) for each of the 88 packages involved in this case and to disclose archived documents not yet adduced in evidence.

France – EOLE

Following a Competition Council (now Competition Authority) ruling of 21 March 2006, which found several companies guilty, generally, of acting as a cartel to share contracts and, specifically, of an anti-competitive agreement in relation to packages 34B and 37B of the East-West Express Rail Link (EOLE) project, on 21 March 2011 SNCF brought an action in damages before the Paris Administrative Court seeking relief for losses that it claims to have suffered as a result of the anti-competitive behaviour of construction companies when the project's job packages were awarded.

The Group is challenging the reality of the alleged loss suffered by SNCF. It considers the action to be faltering, compromised and potentially time-barred.

USA – Port of Miami Tunnel

Bouygues Travaux Publics has been awarded a contract to finance, design, build and maintain a major road tunnel in the port of Miami.

Before starting excavation work, Bouygues Travaux Publics conducted additional geological surveys highlighting significant differences to the geological data originally supplied by the client (Florida Department of Transportation).

The client has been officially notified of the results of these additional surveys to warn it that disruption to excavation works can be expected.

To ensure that the project continues to progress satisfactorily, Bouygues Travaux Publics immediately undertook the relevant additional works involving (i) technical modifications to the tunnel boring machine and (ii) preparatory injection works for excavation to commence under optimal technical conditions.

Bouygues Travaux Publics made a simultaneous submission to the Dispute Resolution Board ("DRB") provided for under the concession contract for it to recognise the inaccuracy of the sub-soil geology data contained in contractual documents supplied by the client and confirm the client's liability for the financial impact of this finding.

The DRB has just given its ruling, which opens a period of negotiation with the client.

2. Bouygues Immobilier

Claims and litigation

The legal department indentifies all the litigation in which Bouygues Immobilier is involved. Disputes are monitored by operational structures, assisted by a lawyer. The legal department has implemented a policy for consulting lawyers to improve efficiency. The legal department directly oversees important cases. There are currently no significant claims or disputes other than the case relating to decontamination works at the "Grand Sillon" project in Saint-Malo, France.

3. Colas

Significant litigation and claims

Claims for civil damages

- Hungary: some Hungarian sub-subsidiaries (Egut, Debmut and Alterra) are facing various civil damages claims following decisions by the Hungarian Competition Authority. Collectively, these claims amount to some €25 million. The largest single claim, for €19 million, involves Hungary's national highways company. A report submitted on 22 April 2010 by a court-appointed expert concluded that the client had suffered no loss. The client contested this finding but the expert reaffirmed his conclusion in court on 10 December 2010. However, the court did appoint another construction expert and an accounting expert in September 2011 in answer to the motorway company's requests. The next hearing is scheduled for March 2012.
- France: the Seine-Maritime Council is claiming civil damages from the subsidiary, Colas Île-de-France Normandie. Following a ruling that Colas Île-de-France Normandie and five other companies had been guilty of price-fixing on asphalt mix contracts in Seine-Maritime between March 1991 and December 1998, the Council filed an application on 25 February 2010 seeking a ruling, in principal, that the contracts were invalid and for amounts paid under them to be refunded and, in the alternative, an order for the contractors to pay financial relief for the losses suffered. The principal claim against the six companies is for €133.7 million and the alternative claim is for €35.6 million. Colas Île-de-France Normandie is contesting the claims. Defence submissions were filed with the Administrative Court and served in November 2011.
- France: many of the companies in the Colas group undergo regular audits by URSSAF (French Social Security Agency). The provisions made to cover potential exposure as a result of all these audits are considered to be adequate. At the end of 2009, URSSAF issued a substantial reassessment notice regarding relief from social security contributions under the Work, Employment and Purchasing Power Promotion Act of 21 August 2007 (the "Tepa Act") and under the Fillon Plan for the years 2006 to 2008. URSSAF is demanding payment in full on the ground of failure to file information electronically as required (according to URSSAF) under the French Social Security Code. The company and its subsidiaries believe that there are no grounds for levying the flat-rate tax charge provided for in Article R. 242-5 of the French Social Security Code, arguing that they supplied the documents and other evidence necessary for the audit in a usable format. It is difficult to estimate the potential financial consequences of this reassessment notice at present, since it turns on a question of principle, i.e. whether all the Tepa Act and Fillon Plan relief can be denied solely on the grounds that Colas supplied its supporting documentation in hard copy rather than electronically. The reassessment is estimated at €46.6 million. The challenges have been referred to the relevant mediation and settlement commissions (CRA) which have not yet issued their findings (except in the case of Colas Ile-de France Normandie, which has been referred for hearing before the Social Security Tribunal).

- Romania: contract for the A2 motorway (Cernavoda to Constanta)

  Negotiations with the Romanian government following disagreements regarding the contract for the construction of the A2 motorway linking Cernavoda to Constanta (20 km to be constructed under a design-build contract at a contract price of €175 million) have not been satisfactorily resolved. Colas terminated the agreement on 28 March 2011 claiming breaches of contract by the project owner. Colas filed a request for arbitration with the International Chamber of Commerce on 19 December 2011 claiming damages of more than RON 150 million (a little more than €35 million), plus interest, as relief for the contractual losses suffered. The Romanian government may potentially file a counterclaim in these arbitration proceedings.

4. TF1

Intellectual property litigation (copyright, neighbouring rights)

The TF1 group has been affected by the pirating of content in which it owns rights. Legal action was taken in 2008 to put a halt to these acts and claim damages from platforms such as Dailymotion and YouTube. The corresponding proceedings, initially brought in the Paris Commercial Court, have been transferred to the Paris District Court, which following legislative changes is now the only French court with jurisdiction over copyright infringements. The TF1 group has been compelled to update its claims in these two cases as the infringements have been continuing since the claims were filed and served. Oral submissions are likely to be made in the YouTube case at the beginning of 2012. In the Dailymotion case, a hearing for such submissions should be held in the first half of 2012. The TF1 group has also taken legal action against the website Wizzgo, which was offering an online video copying service. The Paris District Court held that this service was unlawful on 25 November 2008. Wizzgo appealed against this judgment before an order was issued on 22 January 2009 for its compulsory liquidation. The TF1 group companies filed proof of their debt claims with the liquidator in April 2009. However, the liquidator opted to proceed with the appeal. The case was heard by the Paris Court of Appeal on 19 October 2011. In a ruling handed down on 14 December 2011, the Paris Court of Appeal upheld the lower court judgment and held that the service in question had indeed infringed the television channels' intellectual property rights and set the quantum of their debt claims in the Wizzgo liquidation (TF1: €1,120,418 and NT1: €482,566).

Reality TV show litigation

A number of lawsuits have been brought against TF1's audiovisual production subsidiary, Glem (that changed its name to TF1 Production, effective on 1 February 2009), in relation to the *Île de la Tentation* reality TV show, arguing (i) that contestants' "participation contracts" should be reclassified as "employment contracts" and (ii) that contestants should be granted performing artist status. The various actions gave rise to divergent rulings by the French courts in 2008. Three Paris Court of Appeal rulings (handed down on 11 February 2008) held that three show contestants had indeed been employees of the production company (Glem) but denied their claim for performing artist status. Yet, on 22 December 2008, the Saint Étienne Employment Tribunal ruled that there was no employment contract.

Glem filed an appeal petition to the *Cour de Cassation* (the French Supreme Court) against the three appellate judgments.

In a ruling of 3 June 2009, the *Cour de Cassation* held that there had been contracts of employment but rejected the appellate court finding that the arrangements for the show had constituted undeclared employment because there was no evidence that there had been any intention to conceal.

Other claims have been filed with the Boulogne-Billancourt Employment Tribunal regarding other seasons of *Île de la Tentation* and other contestants in the show. Proceedings have also been brought in relation to other shows, such as *Koh Lanta*, in which TF1 acquired rights from third party producers. Some claimants joined TF1 (as purchaser of broadcasting rights in the show) in the proceedings, alongside the producer, as their joint employer.

The Employment Tribunal issued contrasting rulings in the various cases submitted to it: either (i) it found against

the producer but awarded relatively modest damages (a few thousand euros per claimant) rejecting the undeclared employment claims or (ii) the case was referred for a stalemate-breaking decision where the members of the Employment Tribunal were unable to reach a conclusive decision. In any event, (iii) no adverse court ruling against TF1 SA has yet been made in any of these cases.

In decisions issued on 15 September 2009, the tribunal applied the solution adopted in the *Île de le Tentation* cases to the *Koh Lanta* show. It also ordered one of the claimants – who had been declared the winner of the show – to repay the prize money to TF1.

A number of contestants, dissatisfied with the sums obtained at first instance, have appealed against the judgments in their cases.

In rulings handed down on 9 November 2010, the Versailles Court of Appeal judged only the claims of contestants whose actions alleging employee status were time-barred. It awarded them damages for the losses they claimed to have suffered due to the conditions in which the programme was recorded. TF1 Production appealed these rulings. On 5 April 2011, the appellate court handed down its first decisions concerning contestants whose actions alleging employee status were not time-barred. After reclassifying their show participation contracts as employment contracts, it awarded them damages that were slightly higher than those awarded to the time-barred contestants. However, it persisted in its refusal to grant contestants performing artist status and to construe TF1 as a joint employer with the production company. TF1 has consistently been excluded as a party to these proceedings.

Appeal petitions against these two sets of rulings have been filed by both the contestants and TF1 Production. The *Cour de Cassation* will probably make its position known before the end of 2012.

On 13 December 2011, the Versailles Court of Appeal handed down a new set of rulings in relation to these disputes. Aside from the decisions regarding programmes produced by TF1 Production, which are no different to those discussed above, the rulings relate particularly to *Koh Lanta* contestants. The Court of Appeal also upheld the reclassification of the contestants' participation in the show as an employment relationship and the damages awarded to contestants as a result of this reclassification. It is still, however, ruling out any possibility of the contestants being granted performing artist status and is still refusing to consider TF1 as their joint employer.

The TF1 group continues to maintain that its subsidiary, TF1 Production, does not specialise in reality TV shows (although it produced *Île de la Tentation* and *Greg le Millionnaire)*. It is more generally known for its studio-based entertainment shows, magazines and drama.

The financial impact of these cases, although not zero, is still relatively limited in the light of the most recent judgments. The judgments in the cases of contestants whose actions alleging employee status are not time-barred do not detract from this analysis of the financial impact of such litigation on the company. Current case law trends in this area are already prompting broadcasters to review reality TV show terms and conditions. This is impacting on the cost of this type of programming.

Competition law litigation

On 12 January 2009, TF1 received a complaint notice from the French Competition Authority investigations service relating to practices in the pay-TV sector.

A complaint was upheld against TF1 SA for anti-competitive practices regarding the exclusive distribution of some of its pay-TV theme channels.

In a ruling of 16 November 2010, the Competition Authority rejected the complaint on the grounds that the decision to authorise the "CERES" deal, under which TF1 had agreed exclusivity clauses, constituted vested rights for the parties.

However, the Authority referred certain issues back to the investigations service:

- definition of the relevant fibre optic and catch-up TV markets;
- whether or not the cumulative impact of these exclusive arrangements produced a foreclosure effect on the pay-TV market against competition.

Acquisition of 100% of NT1 and the 40% of TMC owned by Groupe AB

On 11 June 2009, the TF1 group and Groupe AB signed an agreement whereby TF1 was to acquire 100% of NT1 and the 40% of TMC owned by Groupe AB.

This acquisition received clearance from the Competition Authority on 26 January 2010, subject to undertakings by the TF1 group as to its future conduct.

TF1's undertakings

In its decision of 26 January 2010, the Competition Authority held that the acquisition would strengthen TF1's position on the rights and advertising markets. To mitigate these anti-competitive risks, TF1 made a number of important undertakings to the Authority.

These commitments were made at the date the decision clearing the transaction was issued and were due to be implemented as soon as the decision was formally announced. They will remain in place for five years and may be re-examined at the request of TF1 or at the behest of the Authority in the event of a material change in the *de jure* or *de facto* circumstances prevailing when clearance was granted.

The undertakings with regard to rights and audiences are aimed at facilitating the free movement of rights to the benefit of competing channels and to restrict the right to rebroadcast programmes to no more than two non-scrambled channels.

TF1 also undertook not to engage in any cross-promotion on the TF1 channel of programmes aired on the channels acquired by TF1.

In the advertising market, the commitments aim to maintain the independence of advertising slots on TF1 from those on TMC and NT1. In particular, TF1 undertook not to engage in any form of coupling, not to impose subordinate conditions, grant rebates or quid pro quos between its own advertising slots and those on TMC and NT1. TF1 also promised that TMC's and NT1's slots would be marketed by a company independent from the one managing TF1's advertising sales company.

An independent commissioner, approved by the Competition Authority, will ensure that TF1 complies fully with all of its undertakings.

The undertakings are available for consultation (in French only) on the Competition Authority website at:
http://www.autoritedelaconcurrence.fr/pdf/engag/10DCC11engagementsversionpublication.pdf

Any failure by TF1 to comply with these undertakings may incur penalties under Article L. 430-8 of the French Commercial Code.

The CSA (French Broadcasting Authority) examined the acquisition to see whether it complied with the Freedom of Communication Act of 30 September 1986. It found that the proposal complied with rules restricting mergers of Digital Terrestrial Television channels and required commitments from TF1 to guarantee the pluralism and diversity of programming in the interests of television viewers:

- inclusion in the channels' agreements of some of the undertakings given to the Competition Authority for the same term (no cross-promotion; rebroadcasting of programmes already aired on TF1 limited to one of the two other channels; ban on bidding for the same sporting rights for more than two non-scrambled channels);
- commitments in terms of broadcasting regulation for the duration of the agreements (with a period review clause); these include:
    - extending TF1's production obligations (through a Group agreement) with a guarantee of original programming on TMC and NT1;
    - revising NT1's primetime slot from noon to midnight in 2010 to 6pm to 11pm from 2011;
    - obliging TMC and NT1 to broadcast 365 and 456 hours respectively of original programmes yearly;

- enhancing NT1's content with innovative programmes, cultural broadcasts and live shows;
- allowing for the early release of rights in audiovisual works on final broadcast;
- making NT1's programmes more easily accessible to individuals with partial or total hearing disabilities.

The undertakings given by the TF1 group to the two authorities do not undermine either the financial or industry appeal of this deal, which will give TF1 a prime position in free-to-air DTT.

The deal was finally completed on 11 June 2010.

Métropole Télévision (part of the M6 group) appealed to the *Conseil d'État* (Supreme Administrative Court) against the Competition Authority and CSA rulings using both the summary procedure and on the substantive issues. The *Conseil d'État* dismissed the summary appeal on 22 April 2010 and the appeal on the merits on 30 December 2010.

These decisions have finally validated the acquisition of TMC and NT1 by the TF1 group. The commissioners are continuing their assignment. Since 26 January 2010, TF1 has been implementing the training programmes and procedures necessary to ensure full compliance with all the undertakings given to the Competition Authority.

The independent commissioners responsible for overseeing due compliance are regularly monitoring TF1's adherence to its commitments to the Competition Authority.

The commissioners have established various procedures to be implemented by the TF1 group to facilitate verification of due compliance with undertakings. They have conducted a number of tests from which it has been possible to confirm that all the commitments have been respected. Reports on the procedures and tests have been submitted to the Competition Authority.

5. Bouygues Telecom

Competition

- Bouygues and Bouygues Telecom brought suit before the Court of Justice of the European Union ("ECJ") challenging the State aid (of approximately €9 billion) provided when France Telecom was recapitalised in 2002. In a decision issued in August 2004, the European Commission confirmed that State aid incompatible with the common market had indeed been granted but it decided not to order its repayment. The Court of First Instance later annulled the Commission's decision in May 2010, holding that there was no clear proof of the granting of State aid. The European Commission appealed the Court of First Instance's ruling to the ECJ. Bouygues and Bouygues Telecom also applied to the ECJ challenging this ruling. Furthermore Germany made voluntary submissions in the proceedings in support of France. The written procedure is now closed. A hearing for oral submissions will be held before the ECJ on 12 March 2012.
- The European authorities recently found in favour of Bouygues and Bouygues Telecom in relation to two other instances of State aid granted to the France Telecom group after the opening up of the electronic communications market to competition. The ECJ ordered France Telecom to repay the fiscal aid it enjoyed between 1994 and 2002 in the form of exceptions to the rules on business tax liability (saving it around €1 billion). The European Commission has also just issued a decision approving the financing of the pensions of civil servants working for France Telecom, introduced in 2006 when the State operator became a private company, conditional upon full alignment of the employer's contributions paid by the France Telecom group on behalf of its staff with civil service status with that of its competitors before 31 July 2012 to re-establish the competitive balance.
- Bouygues Telecom also filed a complaint about the practices of Orange, which dominates the French mobile telephone market, in terms of its business offers. This complaint to the Competition Authority is still being investigated.

- Bouygues Telecom also filed a complaint with the Competition Council alleging abuse by Orange France and SFR of their joint dominant position by virtue of their unlimited on-net offers. The Competition Council (now the Competition Authority) issued a decision on 15 May 2009 and referred the case back for more detailed investigation of the discriminatory pricing complaint. Orange France appealed and then filed an appeal petition to the *Cour de Cassation* challenging this decision. The *Cour de Cassation* upheld the Competition Authority, ruling that no appeal was available against a decision to refer a case back for more detailed investigation. The Competition Authority is expected to issue its final report in the first six months of 2012.

- Bouygues Telecom filed a complaint with the European Commission against State aid granted in connection with the award of the fourth 3G licence. The complaint was rejected in May 2011.

- Following incidents that occurred on New Year's Eve disrupting the multimedia messaging service (MMS) and short message service (SMS), Orange brought suit against Bouygues Telecom on 17 February 2011 using the fast track procedure before the Paris Commercial Court (seeking an immediate hearing), seeking a ruling that Bouygues Telecom was liable for this disruption and an order for it to pay Orange damages. The Paris Commercial Court found in favour of Bouygues Telecom on 15 November 2011 dismissing the claims of Orange in their entirety. It ordered Orange to pay Bouygues Telecom 1 euro in symbolic damages as relief for disparagement and 1 euro in symbolic damages for abuse of legal process.

- At the end of December 2010, Bouygues Telecom used the fast track procedure (seeking an immediate hearing) to bring suit against Iliad for a series of disparaging comments made by its director, Xavier Niel, between May 2009 and December 2010. In his most recent comments, Mr Niel had described Bouygues Telecom as a "parasite". Such disparaging comments are regarded as unfair competition. Free and Free Mobile responded by bringing suit against Bouygues SA and Bouygues Telecom in the same court for alleged historic disparaging comments. In a judgment of 17 June 2011, the Paris Commercial Court threw out both companies holding that disparaging comments had been made on both sides.

- SFR is suing Bouygues Telecom in relation to its "Bbox Fibre" offer before the Paris Commercial Court alleging that this offer competes unfairly with SFR's FTTH (Fibre To The Home) offer. In its claims, it is attempting to prohibit use of the terms "fibre", "very high speed" and "up to 100 MB" which are key elements in the marketing of this offer based on Numericable's FTTLA (Fibre To The Last Amplifier) network. Bouygues Telecom was to file defence submissions on 20 January 2012.

Regulatory matters

- The European Commission commenced infringement proceedings against France in relation to its new tax on the sales revenues of electronic communications operators intended to contribute towards the funding of public service broadcasting. France has been requested to abolish this tax but the government has refused.

  Bouygues Telecom has also challenged this tax in the domestic courts. The claims are currently being examined.

- Legal challenges were also filed in December 2011 with the tax authorities to contest the legality of various taxes and duties.

- As an internet service provider (ISP), Bouygues Telecom is the target of numerous legal actions to block access to contentious websites. Operators have appealed against a Paris District Court injunction issued on 6 August 2010 ordering various ISPs to impede access to contentious sites on the grounds that action should be taken against companies hosting such websites before action is taken against ISPs. The ISPs withdrew their appeal before the ruling was handed down. These proceedings have been brought in an attempt to establish the limits of ISPs' duties under the Trust in the Digital Economy Act (*LCEN*). The Court of Justice of the European Union has just held website filtering illegal on the grounds that it constitutes an infringement of the right to freedom of expression, a violation of the private lives of Internet users and a breach of the fundamental rights of European citizens.

- Bouygues Telecom has commenced dispute settlement proceedings before Arcep in an attempt to obtain fair rights of access to the vertical fibre optic network being rolled out by France Telecom. In its decision of 16 November 2010, Arcep accepted some of Bouygues Telecom's claims. Consequently, the terms of the rollout require amendment to suit Bouygues Telecom as a new market entrant and a significant portion of the cost has to be spread more equitably between operators. France Telecom has appealed to the Paris Court of Appeal to have these findings overturned. The ruling is due to be made on 19 January 2012. The Paris Court of Appeal upheld Arcep's decision.

Consumer protection – Customers

- After judgment was handed down in the "mobile phone operator cartel" case, over 3,500 compensation claims were filed against Bouygues Telecom by customers and the UFC-Que Choisir consumer protection association. In December 2007, the court accepted Bouygues Telecom's arguments and held that such claims were invalid. UFC-Que Choisir appealed. This appeal was dismissed by the Paris Court of Appeal on 22 January 2010. UFC-Que Choisir filed an appeal petition to the *Cour de Cassation*. In a judgment of 26 May 2011, the *Cour de Cassation* dismissed the damages claims filed by UFC-Que Choisir and the 3,500 consumers.
- The financial and IT crimes unit of the Marseille Police, acting under powers delegated to officers by the investigating magistrate, notified Bouygues Telecom that an investigation has been launched into alleged hacking into automated data processing systems in an attempt to bypass SIM card locking codes. This investigation follows a claim filed by SFR and has uncovered a large-scale scam that is also targeted at Bouygues Telecom and Orange France. Bouygues Telecom has joined itself as a civil party in the criminal proceedings to obtain access to the case file so that it can assess the extent of its financial loss. The investigation is in progress.
- Bouygues Telecom is being sued in the Paris District Court by the UFC-Que Choisir consumer protection association alleging that it is an unfair contract term to impose time limits on the validity of prepaid call cards. Similar cases are pending against Orange France and SFR. The date of the hearing has been set for 6 March 2012.

Distribution

Bouygues Telecom and its subsidiaries may be held liable on various grounds in connection with their distribution businesses and may be required to pay penalties under various contracts.

Contracts

- Following the commencement of insolvency proceedings against Nortel, an equipment manufacturer, in January 2009, an agreement was signed on 25 November 2009 with a view to selling the entire worldwide assets of Nortel's GSM and GSM-R businesses. Bouygues Telecom filed proof of its debt claims and laid claim to product stocks in which title was still vested in Bouygues Telecom. Bouygues Telecom is also facing direct payment claims (amounting to about €375 000) from Nortel subcontractors whose invoices have not been paid by Nortel. The proceedings are ongoing and a hearing is due to be held on 13 February 2012.
- Bouygues Telecom received a claim concerning a GHT white chrome KP handset whose battery allegedly exploded while it was being recharged. As a precaution, Bouygues Telecom recalled all the potentially defective handsets. Bouygues Telecom also applied to the Paris Commercial Court in connection with this case for it to appoint an expert. The expert confirmed the precautionary measures taken by Bouygues Telecom.

Radio waves

- In relation to court cases, the challenge to the jurisdiction of the ordinary (rather than administrative) courts is continuing before both first instance and appellate courts. This issue has been referred to the *Cour de Cassation*, which has decided to submit the question on whether the ordinary courts have jurisdiction to order the dismantling of base stations to the Jurisdiction Court (*Tribunal des Conflits*).

A ruling should be made in the first quarter of 2012.

On the substantive issues, the track record is globally positive for the operators even if, in the absence of clarification by the *Cour de Cassation*, civil court decisions are still contradictory.

- A noteworthy case is pending before the *Cour de Cassation*: a pensioner applied in summary proceedings for the base station erected only a few metres from his retirement home to be dismantled. His application was rejected by the summary hearings judge, and this ruling upheld on appeal, due to a lack of evidence of there being any imminent danger. An appeal petition has been filed and process served on Bouygues Telecom on the substantive issues. The proceedings should be draw to a conclusion in the first half of 2012.
- Two Bouygues Telecom cases concerning prohibition orders issued by a mayor, based on the precautionary principle, were examined before the *Conseil d'Etat* (Supreme Administrative Court). In its judgments of 26 October 2011, the *Conseil d'Etat* ruled that mayors were no longer entitled to prevent the erection of base stations on health grounds nor to rely on the precautionary principle to prohibit them and that only the State authorities designated by law (Minister, ANFR and Arcep) had jurisdiction in this field.

Patents

A US corporation has brought suit against Bouygues Telecom and all telecoms operators worldwide alleging infringement of a patent covering an application used for international SMS messaging. The US court rejected the claim on grounds of lack of geographical jurisdiction. However, US mobile operators have been ordered to disclose relevant documents (discovery). At the end of this procedure, the claimant decided to appeal.

6. Bouygues SA

- Bouygues SA is in dispute with the French tax authorities following an increase in the capital of Bouygues Partage that was reserved for employees. The dispute relates to the tax deductibility of the difference between the value of the shares at the date of the increase in capital and the subscription price of the shares.
- On 18 January 2012, the Paris District Court heard the claim for libel brought by Bouygues, Bouygues Construction and Bouygues Bâtiment Ile-de-France against *Le Canard Enchaîné*, its editors and the two journalists responsible for the articles in connection with the award of the contract for the French Ministry of Defense's new headquarters in Paris. The Bouygues group is claiming a total amount of €9 million in damages for the false and thoroughly libellous accusations. The ruling of the court is expected by mid-March 2012.

RECENT DEVELOPMENTS

BOUYGUES

Press release dated 15 November 2011:

Paris, 15 November 2011

Bouygues press release

Nine-month 2011 results

- **Sales: €23.7 billion (+3%)**
- **Current operating profit: €1,338 million (+1%)**
- **Good commercial activity and high order book for the Construction businesses**
- **Very healthy financial structure**
- **Sales target revised upwards to €32.2 billion**

The operating performance in the first nine months of 2011 was robust, in keeping with the first half of 2011 and in line with the 2011 roadmap.

The Bouygues group reported a 3% increase in consolidated sales (up 1% like-for-like and at constant exchange rates) to €23.7 billion. Current operating profit was up 1% to €1,338 million. Net profit attributable to the Group stood at €794 million. The change in net profit compared with the first nine months of 2010 (-€129 million) was mainly due to the lower contribution from Alstom.

The financial structure is very healthy, with net debt stable vs. end-September 2010 and substantial liquidity.

Key figures

(€ million)	9-month 2010	9-month 2011	Change
Sales	23,067	23,719	+3%
Current operating profit	1,328	1,338	+1%
Operating profit	1,398[1]	1,376[2]	-2%
Net profit attributable to the Group	923	794	-14%
Net debt[3]	3,770	3,808	+€38m
Net gearing[3]	37%	36%	-1 pt

[1]Including €70 million of other operating income and expenses, or +€96 million at TF1 and -€26 million at Colas
[2]Including €38 million of other operating income and expenses at Bouygues Telecom
[3]End of period

Business areas

The Construction businesses recorded good commercial activity and improved profitability. Third-quarter 2011 order intake remained buoyant in an uncertain economic environment. The order book remained at a high level, despite sales growth.

Bouygues Construction posted a 4% increase in sales to €7,086 million (up 3% in France and 6% on international markets). The operating margin stood at 3.8%, reflecting the smooth execution of contracts in progress. Net profit rose 11% to €159 million.
Order intake remained at a high level (€8.3 billion over the first nine months of 2011). An order book of €15.3 billion (up 7% vs. end-September 2010) offers Bouygues Construction good visibility on future activity.

Bouygues Immobilier reported a 12% decline in sales to €1,548 million (down 1% in residential property and down 52% in commercial property). While the commercial property business remained affected by a tough comparison basis, the pick-up in residential property was confirmed with a third-quarter rise in sales of 11%, vs. 2% in the second quarter and -14% in the first quarter of 2011. The operating margin was firm at 8.2% and net profit amounted to €78 million.
After a record 2010, residential property reservations remained at a high level and reached €1,530 million with sharp third-quarter 2011 growth of 12%. Overall reservations grew 8% to €1,868 million in the first nine months of 2011. The order book was up 20% on end-September 2010 to €2.6 billion.

Colas recorded a 4% rise in sales to €9,168 million (up 9% in France and down 1% on international markets). As expected, profitability is improving gradually. Current operating profit came to €274 million (up 17%) and the current operating margin to 3%, up 0.3 points. While operating profit increased 31% to €274 million, net profit advanced 33% to €209 million.
Business activity remained strong in the third quarter. Thanks to a good level of order intake, the order book was up 2% vs. end-September 2010, despite sales growth.

TF1: strategic decisions pay off

In the first nine months of 2011, **TF1's** sales came to 1,839 million (up 1%), the contraction in the TF1 TV channel's advertising revenues being offset by the rise in the sales of the other activities. The current operating margin increased to 10.6% (up 3.8 points vs. the first nine months of 2010). Current operating profit at end-September 2011 rose €70 million to €195 million. Net profit attributable to the Group reached €125 million in the first nine months of 2011, a decrease of €45 million due to an exceptional item of €96 million in third quarter 2010, related to the takeover of TMC.

Bouygues Telecom continues to expand its fixed line activity and is experiencing intense competition in the mobile market. Nine-month 2011 results are in line with expectations

Bouygues Telecom's sales advanced 3% to €4,285 million and sales from the network were up 2% to €3,831 million. As expected, EBITDA was negatively impacted by the cut in mobile termination rate differentials. It came to €1,035 million (-6%). Operating profit amounted to €550 million and this included €38 million of non-current income relating to an asset disposal. Net profit was down 10% to €353 million.
In a fiercely competitive mobile market, Bouygues Telecom gained 275,000 new mobile plan customers in the first nine months of 2011. At end-September 2011, the total customer base came to 11,217,000, of whom 80.4% were on mobile plans (a yoy increase of 1.5 points). Moreover, thanks to the strong momentum in the year to date, the MVNO[1] customer base stood at 1.3 million at the end of third quarter 2011.
The performances on the broadband market were very good. Bouygues Telecom is leader in terms of net market growth with 311,000 new customers in the first nine months of 2011[2]. The operator's total fixed broadband customer base stood at 1,119,000 at 30 September 2011.

[1] An estimate of the MVNO active customer base. Customers who have carried out an outgoing operation during the last month.
[2] Encompasses both broadband and very-high-speed subscriptions.

Alstom

Alstom's contribution to Bouygues' net profit came to €134 million in the first nine months of 2011 (vs. €239 million for the first nine months of 2010). In third quarter 2011, it improved €17 million to a total of €40 million.
Confirming the recovery achieved in the second part of FY2010/11, order intake grew 45% in the first half of FY2011/12 to €10.2 billion. Alstom confirmed its operating margin target of between 7% and 8% for FY2011/12.

Financial situation

Cash flow was up slightly to €2,483 million. The free cash flow figure[1] of €886 million was almost stable despite the expected increase in net capital expenditure (€997 million, up €133 million vs. the first nine months of 2010).
Cash flow generation has kept net debt at the same level as in September 2010 (€3.8 billion), before factoring in two major operations in the fourth quarter, namely the 2.6 GHz frequencies bought by Bouygues Telecom (€228 million) and the share repurchase tender offer (€1,250 million).

[1]Before change in the working capital requirement

Significant events since 30 June 2011

- 18 July 2011: Bouygues Telecom launched its new mobile plan "B&YOU".
- 27 July 2011: Bouygues Construction started works on a new development on the site of the former Laennec hospital in Paris for a total of €150 million.
- 28 July 2011: TF1 acquired the 65.7% stake held by Metro International in Metro France, bringing its total interest in the latter to 100%.
- 30 September 2011: Bouygues Telecom announced the launch of Eden, its new simplified range of plans.
- 13 October 2011: Colas won a number of contracts in Canada for an overall amount of €140 million (contract to build a rail intermodal site as well as a number of motorway contracts).
- 10 October 2011: An Extraordinary General Meeting of shareholders authorised the Board of Directors to carry out a reduction in the share capital through a share repurchase tender offer for a maximum of 41.7 million Bouygues shares (11.7% of the share capital), at a price of €30 per share.
- 20 October 2011: Colas Rail was awarded metro contracts as part of a consortium in Los Teques, Venezuela (€96 million) and Kelana Jaya, Malaysia (€96 million).

Full-year 2011 sales target

Based on the performances of the first nine months of 2011, the sales target for 2011 has been revised up to €32.2 billion (+3%).

Sales by business area (€ million)	**2010 actual**	**2011 target**				**% change**
		Reported in March	Reported in May	Reported in August	Reported in November	
Bouygues Construction	9,235	9,400	9,600	9,600	9,700	+5%
Bouygues Immobilier	2,418	2,440	2,440	2,440	2,440	+1%
Colas	11,661	11,800	11,800	11,900	12,050	+3%
TF1	2,622	2,630	2,630	2,630	2,590	-1%
Bouygues Telecom	5,636	5,730	5,730	5,730	5,730	+2%
Holding company and other	132	120	120	120	120	nm
Intra-Group elimination	(479)	(420)	(420)	(420)	(430)	nm
TOTAL	**31,225**	**31,700**	**31,900**	**32,000**	**32,200**	**+3%**
o/w France	*21,576*[1]	*22,000*	*22,100*	*22,400*	*22,400*	*+4%*
o/w international	*9,649*[1]	*9,700*	*9,800*	*9,600*	*9,800*	*+2%*

[1]Following the change in status of Mayotte, which has become a French department, sales were reclassified to France.

Financial calendar:
28 February 2012: full-year 2011 results (5.45pm CET)
29 February 2012: full-year 2011 results presentation

The financial statements have been subject to a limited review by the statutory auditors and the corresponding report has been issued.
You will find the full financial statements and notes to the financial statements on www.bouygues.com

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Condensed consolidated income statement (€ million)	9-month 2010	9-month 2011	% change
Sales	**23,067**	**23,719**	**+3%**
Current operating profit	**1,328**	**1,338**	**+1%**
Other operating income and expenses	70[1]	38[2]	-46%
Operating profit	**1,398**	**1,376**	**-2%**
Cost of net debt	(251)	(205)	-18%
Other operating income and expenses	24	(1)	nm
Income tax expense	(376)	(395)	+5%
Share of profits and losses from associates	279	143	-49%
Net profit	**1,074**	**918**	**-15%**
Minority interests	(151)	(124)	-18%
Net profit attributable to the Group	**923**	**794**	**-14%**

[1] Other operating income and expenses include:
- TF1: exceptional income of €96 million generated by the restatement of the previously-held equity interest following the takeover of TMC
- Colas: non-current items of -€26 million relating to charges for former competition-related matters and write-downs of goodwill in Central Europe

[2] Non-current income relating to an asset disposal at Bouygues Telecom

Third-quarter consolidated income statement (€ million)	Third quarter 2010	Third quarter 2011	% change
Sales	8,412	8,505	+1%
Current operating profit	617[1]	586	-5%
Operating profit	700[2]	624[3]	-11%
Net profit attributable to the Group	391	403	+3%

[1] The figure reported on 2 December 2010 was €630 million, before the reclassification of other operating income and expenses at Colas.

[2] Including €83 million of other operating income and expenses, or +€96 million at TF1 and -€13 million at Colas

[3] Including €38 million of non-current income relating to an asset disposal at Bouygues Telecom

Sales by business area (€ million)	9-month 2010	9-month 2011	% change	Change like-for-like and at constant exchange rates
Bouygues Construction	6,801	7,086	+4%	=
Bouygues Immobilier	1,769	1,548	-12%	-12%
Colas	8,785	9,168	+4%	+3%
TF1	1,826	1,839	+1%	-2%
Bouygues Telecom	4,146	4,285	+3%	+3%
Holding company and other	99	90	nm	nm
Intra-Group elimination	(359)	(297)	nm	nm
TOTAL	**23,067**	**23,719**	**+3%**	**+1%**
o/w France	*15,890*[1]	*16,498*	*+4%*	*+2%*
o/w international	*7,177*[1]	*7,221*	*+1%*	*-3%*

[1] Following the change in status of Mayotte which has become a French department, sales were reclassified to France

Contribution of business areas to EBITDA (€ million)	9-month		% change
	2010	2011	
Bouygues Construction	433	370	-15%
Bouygues Immobilier	144	126	-13%
Colas	565	595	+5%
TF1	172	229	+33%
Bouygues Telecom	1,100	1,035	-6%
Holding company and other	(23)	(41)	nm
TOTAL	**2,391**	**2,314**	**-3%**

Contribution of business areas to Current operating profit (€ million)	9-month		% change
	2010	2011	
Bouygues Construction	237	266	+12%
Bouygues Immobilier	150	127	-15%
Colas	235	274	+17%
TF1	125	195	+56%
Bouygues Telecom	611	512	-16%
Holding company and other	(30)	(36)	nm
TOTAL	**1,328**	**1,338**	**+1%**

Contribution of business areas to Net profit attributable to the Group (€ million)	9-month		% change
	2010	2011	
Bouygues Construction	143	159	+11%
Bouygues Immobilier	77	78	+1%
Colas	152	201	+32%
TF1	73	55	-25%
Bouygues Telecom	351	316	-10%
Alstom	239	134	-44%
Holding company and other	(112)	(149)	nm
TOTAL	**923**	**794**	**-14%**

Net cash by business area (€ million)	9-month		Change (€m)
	2010	2011	
Bouygues Construction	2,905	2,393	-€512m
Bouygues Immobilier	93	275	+€182m
Colas	(666)	(823)	-€157m
TF1	(9)	87	+€96m
Bouygues Telecom	(339)	(440)	-€101m
Holding company and other	(5,754)	(5,300)	+€454m
TOTAL	**(3,770)**	**(3,808)**	**-€38m**

Contribution of business areas to Cash flow (€ million)	9-month		% change
	2010	2011	
Bouygues Construction	375	400	+7%
Bouygues Immobilier	145	129	-11%
Colas	572	620	+8%
TF1	160	242	+51%
Bouygues Telecom	1,073	1,052	-2%
Holding company and other	103	40	nm
TOTAL	**2,428**	**2,483**	**+2%**

Contribution of business areas to Net capital expenditure (€ million)	9-month		Change (€m)
	2010	2011	
Bouygues Construction	145	177	+€32m
Bouygues Immobilier	3	7	+€4m
Colas	275	252	-€23m
TF1	35	29	-€6m
Bouygues Telecom	400	536	+€136m
Holding company and other	6	(4)	-€10m
TOTAL	**864**	**997**	**+€133m**

Press release dated 15 November 2011:

Paris, 15 November 2011

Bouygues press release

The share repurchase tender offer is a success

- **163,121,437 shares were tendered to the operation**
- **41,666,666 shares were repurchased by Bouygues**

Results of the operation

On 14 November 2011, the AMF (the French securities regulator) published an official notice in which it announced that 163,121,437 shares had been tendered to the share repurchase tender offer that opened on 17 October 2011.

Repurchase of the shares tendered to the offer

After applying the reduction mechanism[1], Bouygues has repurchased, for €1.25 billion, 41,666,666 of its own shares, representing 11.69% of its capital (on the basis of a share capital of 356,535,745 shares and 480,145,821 voting rights at 31 October 2011).

Cancellation of the repurchased shares

On 15 November 2011, Bouygues' Board of Directors decided to cancel the 41,666,666 shares repurchased. As a result of this cancellation, the total number of Bouygues shares amounts to 314,869,079.

The number of voting rights remaining after cancellation will only be known once all the Statements of Registered References (BRN), which notify the number of registered shares tendered to the offer, have been received. Note that these Statements of Registered References (BRN) must be sent to Bouygues' registered share service department by the financial intermediaries[2].

The impacts of the operation on the ownership structure

As announced on 31 August 2011, SCDM did not tender its shares to this offer. Following the operation, it has a 21.08% stake in Bouygues vs. 18.62% at 31 October 2011. The Bouygues group employee share ownership funds did tender their shares to the offer. All of the proceeds from tendering these shares were reinvested in Bouygues shares. As a result, employees have increased their share in the ownership of the Group and now hold 23.3% of the share capital vs. 20.47% at 31 October 2011.

[1]The reduction mechanism is set forth by Article R. 225-155 of the French Commercial Code.
[2]Bouygues will publish the total number of shares and voting rights existing at 30 November 2011 at the beginning of December. Before cancelling the 41,666,666 shares repurchased, the SCDM group, a company controlled by Martin and Olivier Bouygues, cancelled 2,091,123 voting rights via the conversion of previously-owned registered shares into bearer shares, in order to remain below the threshold of 30% of voting rights.

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Press release dated 17 November 2011:

Thursday, 17 November 2011

BOUYGUES CONSTRUCTION

BOUYGUES CONSTRUCTION WINS CONTRACTS IN SWITZERLAND WORTH ALMOST €200 MILLION

Losinger Marazzi, a Swiss subsidiary of Bouygues Construction, has recently signed a number of substantial contracts worth a total of over €190 million (237 million Swiss francs).

In Monthey, in south-western Switzerland, the firm will build a commercial property development consisting of 6,000 m^2 of retail premises and 1,300 m^2 of offices. The complex will also include two apartment buildings, a retirement home and a 450-place car park.
The development, which is located in the Trollietta district and will be known as M Central, will be built according to the principles of sustainable construction and will be compliant with the Minergie® standard[1]. The buildings will be hooked up to the long-distance heating system installed by the city of Monthey, which uses heat produced by the incineration of household waste. The works will be launched early next year and are scheduled to last 24 months. Roughly 200 employees will be working on-site at peak periods.

Losinger Marazzi is also due to construct two complexes with a combined surface area of 12,400 m^2 in Thoune, in the canton of Bern. They will incorporate offices, apartments, a retirement home, shops and a multi-screen cinema. The project, which is being developed with the architects Holzer Kobler, will also qualify for the Minergie®[1] label.
The works will take more than 24 months to complete, and will start in spring 2012.

Both these contracts have been developed by Losinger Marazzi, which will be the lead company. The sites are located in city centres in confined locations. Particular attention will be given to minimizing disturbance for local residents.

Meanwhile, Losinger Marazzi has signed a contract worth 31 million Swiss francs (roughly €25 million) as the main contractor building a shopping centre in Nyon for Migros, the leading supermarket chain in Switzerland.

Losinger Marazzi specialises in developing and constructing high value-added projects. The company possesses acknowledged know-how in "multi-product" operations, which include offices, shops, housing or premises serving other functions.
Sustainable construction is central to Losinger Marazzi's strategy. It is currently developing the country's three largest eco-neighbourhoods (Eikenøtt in Gland, GreenCity in Zurich and Gleis Nord in Lenzburg).
It has also constructed buildings of great architectural complexity, such as the Rolex Learning Center at the Ecole Polytechnique Fédérale de Lausanne, handed over in September 2009, and the Maison de l'Ecriture, currently under construction in Montricher. Losinger Marazzi recorded sales of approximately €510 million (700 million Swiss francs) in 2010 and employs 760 people.

Other Bouygues Construction subsidiaries also operate in Switzerland. These include Prader-Losinger, in public works, and ETDE, the Group's energy and services division, which acquired Mibag, a local company specialising in maintenance and facilities management, in 2007. In addition, the head office and R&D teams of VSL, a subsidiary specialising in post-tensioning systems, are located in Switzerland.

[1] The Minergie® standard is a quality label created in Switzerland intended for both new and renovated buildings.

Press release dated 17 November 2011:

Boulogne, November 17, 2011

PRESS RELEASE

Plessentiel awarded a PPP contract for city streets and lighting in Le Plessis-Robinson, France

Plessentiel, a company held by three Colas subsidiaries (Screg Ile-de-France Normandie, Colas Ile-de-France Normandie, Aximum) and ETDE (Energy and Services subsidiary of Bouygues Construction), was awarded a 20-year Public-Private Partnership (PPP) in the city of Le Plessis-Robinson, near Paris, involving the financing, upgrading and maintenance of city street networks and public lighting in a section of the town.

This is the first ever PPP contract in France to combine the upgrading and maintenance of city streets and lighting networks.

The total contract value amounts to 52 million euros, including 21 million euros for the initial upgrading phase.

The initial upgrading phase covers the total refurbishment of 17 km of streets in continuity with the existing network and in compliance with the city's design charter, including street lighting and the redesign of certain streets and sidewalks to improve user safety and comfort. The work will be performed by a consortium comprised of Screg Ile-de-France Normandie, Colas Ile-de-France Normandie, Aximum and ETDE, in partnership with Sorec Ingénierie and Jardin Service. Slated for completion in 30 months' time, the initial phase is scheduled to begin at the end of November.

Plessentiel is also in charge of renewing and maintaining the network as of the contract start date for a duration of 20 years.

For further information: Delphine Lombard (tel. 33 1 47 61 76 17) lombard@siege.colas.fr

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Press release dated 30 November 2011:

Wednesday, 30 November 2011

BOUYGUES CONSTRUCTION WINS TWO CONTRACTS IN SINGAPORE WORTH AROUND €160 MILLION

Dragages Singapore, a subsidiary of Bouygues Construction, has recently signed two contracts worth a combined total of approximately €160 million.

The company will construct a 90,000 m^2 residential complex called Blossom Residences, consisting of three buildings of 16 to 18 floors. These buildings are part of a housing development that will benefit from financial aid from the local government to promote home-ownership among Singaporeans.
The contract, worth roughly €93 million (164 million Singapore dollars), was signed with property developer CDL.
The project will require a sustained effort from the company's teams, because the three buildings are being constructed simultaneously. Work has just got under way, and it will last until Spring 2014. Some 500 people will be working on-site at peak periods.

Dragages Singapore has also signed a contract worth around €64 million (116 million Singapore dollars) with the property developer SC Global for the construction of a prestigious high-rise apartment block in Singapore.
Designed by the architect Carlos Zapata and located in Ardmore Park, one of the most exclusive districts of Singapore, the 17,400 m^2 tower will comprise 35 apartments on 36 levels. One of the difficulties of the project resides in the construction of four private 15-metre swimming pools cantilevered on the facade. The curtain wall incorporates a sophisticated system of directional sun screens intended to regulate light and heat according to the position of the sun. Work is due to begin in the next few weeks, and handover is scheduled for March 2014. 250 people will be working on-site at peak periods.

Both of these projects subscribe to the principle of sustainable construction, and will be granted Green Mark[1] certification by the Singapore authorities.

These new successes are proof of the versatility of Bouygues Construction's offer. It is capable of producing high quality buildings adapted to the needs of the affordable housing sector as well as those of property developers requiring luxury features.

The Group is currently building the Sports Hub in Singapore, a multisport facility which is the world's large public-private partnership in the sport sector.

Bouygues Construction has operated in Southeast Asia for roughly 25 years. The region constituted 13% of its consolidated sales in 2010 (Pacific included).

[1] Label launched in 2005 by the Singapore Building and Construction Authority to encourage more environmentally-friendly design and construction.

Press release dated 7 December 2011:

Wednesday, 7 December 2011

STATEMENT BY BOUYGUES CONSTRUCTION ABOUT THE AWARD OF THE FRENCH MINISTRY OF DEFENCE HEADQUARTERS CONTRACT

On 6 December 2011, Bouygues Construction learned in the press that a judicial investigation is currently under way into the conditions surrounding the award of the contract for the future French Ministry of Defence headquarters in Paris.

Bouygues Construction wishes to state that, to the best of its knowledge, no offences were committed during the consultation process, which was carried out with the utmost rigour.

Bouygues Construction is surprised by the allegations in certain press articles, particularly as no inquiry or investigation has been initiated against it and no employee of Bouygues Construction has been summoned, interviewed or received a notice in relation to the above-mentioned judicial investigation.

Press release dated 13 December 2011:

Paris, 13 December 2011

Press information

Bouygues denies having invested in LuxAlpha, an open-end investment fund that owned shares in funds managed by Bernard Madoff

The Bouygues group formally denies a report published on Monday 12 December 2011 in the French daily *La Tribune* whereby it is alleged to have invested in LuxAlpha, an open-end investment fund that owned shares in funds managed by Bernard Madoff.

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Press release dated 15 December 2011:

Thursday, 15 December 2011

BOUYGUES CONSTRUCTION

BOUYGUES CONSTRUCTION WINS TWO PUBLIC-PRIVATE PARTNERSHIP SCHOOLS CONTRACTS WORTH NEARLY 120 MILLION EUROS

Bouygues Construction, within the Lylopolis[1] bidding group, has just signed a public-private partnership contract (PPP) with the Lorraine Regional Council covering the design, finance, construction and operation/maintenance of two *lycées* in Pont-à-Mousson.

Designed by architect Christian Laroche, this project, with a works value of around 60 million euros, includes demolition then reconstruction of these establishments by Pertuy Construction, a Group subsidiary operating in Eastern France.
The Hanzelet lycée, with a capacity of 1,000 pupils, will be completely demolished and rebuilt.
As far as the Marquette lycée is concerned, two of its three buildings will be refurbished. One is listed as a historic building and its facades will therefore be preserved. The third building will be demolished and rebuilt.
Special attention will be given to organising the work site so as not to interfere with school activities.
The works will begin in summer 2012 and will, at peak, mobilise 300 people. Delivery will be in three phases, between September 2013 and March 2016. Maintenance of the lycées, pupil accommodation and canteen areas will then be managed by Exprimm, an ETDE subsidiary (Bouygues Construction Energy and Services division) for 20 years, in a contract worth 20 million euros.

This announcement comes not long after the signing of another PPP contract for two schools near Metz. This contract, worth 25 million euros in works and 12 million euros for operation/maintenance, was agreed between Pertuy Construction and the Moselle Regional Council. Designed by architects from Agence Casari and Atelier Malisan, the project includes finance, construction and 18 years' maintenance of these establishments. Exprimm will be responsible for the entire operation/maintenance period, the major maintenance-renewal as well as a commitment to energy efficiency equivalent to low consumption buildings (*BBC*). These new schools will operate using mixed energy including 70% renewable energy sources.
The work will begin in summer 2012 and involve 180 people at its peak. The first school will be delivered in October 2013 and the second in April 2014.

These new successes confirm the expertise of Bouygues Construction in the schools sector. The Group has wide-ranging experience in building educational establishments, both in the Paris region and the rest of France, as part of PPPs or conventional design & build contracts. The Group is currently building a lycée in Drap (Alpes-Maritimes) to accommodate 900 pupils.
Furthermore, in the United Kingdom, Bouygues UK has built or renovated 24 school buildings over the past six years.

[1] *Project company comprises Pertuy Construction and Exprimm (both subsidiaries of Bouygues Construction) and Barclays*

Press release dated 20 December 2011:

Paris, 20 December 2011

Bouygues press release

The Bouygues group is suing *Le Canard Enchaîné* for libel

Following the publication on 7 and 14 December 2011 of articles accusing Bouygues of corruption and favouritism in connection with the award of the contract for the French Ministry of Defence's new headquarters in Paris, Bouygues Bâtiment Ile-de-France, the successful bidder, Bouygues Construction and Bouygues SA, the parent company of the Group, are today bringing a libel suit against *Le Canard Enchaîné* and its editor, Michel Gaillard, as well as against the two journalists responsible for the articles, Hervé Liffran and Christophe Nobili.

From the outset, the Bouygues group was offended by these allegations, which it has formally denied, particularly as no inquiry or investigation has been initiated against it and none of its employees has been summoned, interviewed or received a notice in relation to the judicial investigation. As a result and in order to defend its image and reputation, the Bouygues group has decided to initiate legal proceedings in reaction to these false and thoroughly libellous accusations which have caused considerable harm to it both in France and abroad.

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presse@bouygues.com

Press release dated 22 December 2011:

Paris, 22 December 2011

Press release

Bouygues Telecom is awarded a 10 MHz block of "golden" mobile frequencies

We are particularly happy that Bouygues Telecom has been awarded a 10 MHz block of "golden" fourth generation mobile frequencies in the 800 MHz band.

This block of frequencies, which will boost the company's development over next 20 years, was acquired at a reasonable price and will allow Bouygues Telecom to become an all-round mobile operator able to provide the best technologies available over the long term.

These new frequencies will enable us to offer our clients, wherever they may be in France, the best possible very-high-speed mobile services.

Furthermore, this block will help us to improve our coverage of urban areas even further, when added to the block of frequencies in 2.6 MHz band that we already have.

Bouygues Telecom therefore confirms its aim of rolling out its very-high-speed mobile services throughout France very quickly in order to satisfy the very strong growth in traffic, which is set to continue over the long term as a result of the increase in new usages and ever more powerful handsets.

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Press release dated 22 December 2011:

Thursday, 22 December 2011

BOUYGUES CONSTRUCTION

BOUYGUES CONSTRUCTION RECEIVES AN AWARD FOR "TUNNELLING PROJECT OF THE YEAR" IN HONG KONG

Dragages Hong Kong, a Bouygues Construction subsidiary, has just won an award for the "tunnelling project of the year", for a drainage tunnel currently under construction.

This prestigious award was granted as part of the International Tunnelling Awards organised each year by the International Tunnelling Association and *New Civil Engineer*, a trade journal, to reward a model project built under adverse conditions. Their study's criteria are design, execution, innovation, teamwork, commitment to local residents and authorities, plus the ability to go beyond the client's requirements and expectations. This drainage tunnel to the west of Hong Kong won the prize in the category of contracts ranging between USD 100 million and 1 billion.

Under construction jointly with Nishimatsu, a Japanese company, the 10.5 kilometre tunnel is designed to solve seasonal flooding problems by carrying storm water directly to the sea. Two tunnelling machines were needed to cut through the area's granite and volcanic terrain. Designed to pierce hard rock, they are largest of their kind ever used in Hong Kong.

In addition, the raise-boring technique[1] was used to sink 32 shafts from 40 to 175 metres deep in a highly urban environment, a first for Hong Kong.

Delivery of the tunnel, which mobilized 1,000 staff at its peak, is scheduled for June 2012.

Dragages Hong Kong is currently boring several railway tunnels, working on building projects and a cruise-ship terminal.

[1] *A technique used to dig very deep shafts through solid rock in record time.*

Press release dated 10 January 2012:

Boulogne-Billancourt – January 10, 2012

Distribution of TF1 theme channels

The TF1 Group hereby announces that it has reached agreements with the principal xDSL, satellite and cable operators (Orange, SFR, Bouygues Telecom, CanalSat and Numericable) on the distribution of its theme channels (Eurosport, Eurosport 2, LCI, TV Breizh, Histoire, and Ushuaïa TV), which were previously distributed on an exclusive basis.

These new non-exclusive distribution arrangements, effective for 3 years from January 1, 2012, will enable the Group's theme channels to broaden their reach and strengthen their business model.

TF1 is delighted with these agreements, which confirm the attractiveness of its theme channel offering.

Press release dated 12 January 2012:

Thursday, 12 January 2012

PRESS RELEASE

Réseau Ferré de France names Bouygues consortium preferred bidder for Nîmes-Montpellier railway bypass (CNM) public-private partnership

The consortium made up of Bouygues Construction (Bouygues Travaux Publics, as lead firm, and DTP Terrassement), Colas (Colas Rail and Colas Midi-Méditerranée), Alstom Transport, Spie batignolles, and financial investors (Meridiam and Fideppp) has been named by French rail infrastructure manager Réseau Ferré de France (RFF) as the preferred bidder for the partnership deal concerning the railway bypass around France's southern cities of Nîmes and Montpellier.

The public-private-partnership (PPP) deal to be concluded for a 25-year term concerns the design, financing, construction, operation, servicing and the maintenance of a new shared-track rail infrastructure (freight and passenger trains) between Nîmes and Montpellier. Of the total track length of 80 km, 60 km will be main line and 20 km will be connecting track. The works will mobilise not only the in-house staff of the consortium members and their engineering consultants (Systra, Setec and SGTE) but also the employees of many small regional businesses who will be brought in to assist in the project.

The members of the consortium were delighted to learn the decision and wish to thank RFF for the trust it has shown in them. They are already working on financial closing so that the PPP can come into effect in the first half of 2012.

Press contact for the Bouygues consortium:
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About Bouygues Construction
Bouygues Construction is a global leader with top-ranking positions in the building, civil works, energy and services. 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 54,000 people in 60 countries and generated sales of 9.2 billion euros in 2010.

About the Colas Group
The Colas Group is a leader in the construction and maintenance of infrastructure for transport, urban development and recreational facilities. With nearly 70,000 employees throughout more than 800 works centers and 1,400 materials production sites (aggregates, emulsion, bitumen, asphalt mix) in 40 countries on five continents, the Group carries out some 100,000 projects each year.
In 2010, Colas posted 11.7 billion euros of consolidated revenue (43% outside of France). The Group share of net profit amounted to 224 million euros.

About Alstom Transport
Alstom Transport develops and offers the most complete range of products and services for the rail industry, from rolling stock and signalling systems to infrastructure, services and turnkey solutions. Alstom Transport is present in over 60 countries with 25,500 employees and has announced sales of €5.6 billion for the year 2010/2011. With 8,500 employees across nine sites in France, Alstom Transport is the leading French rail manufacturing company and makes a major contribution to the vitality of local economies. One job at Alstom generates around three jobs for its suppliers. Alstom Transport people in France have the skills and know-how to serve both French and international clients. Alstom has won important infrastucture contracts such as the driverless metro in Singapore, the Shi-Tai high-speed line in China, the London-Paris high-speed line as well as the new Rhine-Rhône high-speed line.

About Spie batignolles
Spie Batignolles is a major player in construction and public works, and also leads its market in customer relations. The group develops services packages, including Concertance®, Performance® and Présance®, that are unique to the construction industry.
Spie batignolles operates in five main sectors: construction of private and public buildings; civil engineering and foundations; public works; and property development and public service outsourcing contracts.
With 8,300 employees, the Spie Batignolles group generated revenue of €1.8 billion in 2010. It was awarded an AAA+ rating in 2009 for its sustainable development policy.

About Meridiam
Founded in 2005, Meridiam is an independant investment fund specialised in the financing and management of long term public infrastructure projects. Meridiam currently manages around € 2,2 billion of assets in North America and continental Europe. Meridiam is the majority shareholder of the consortium led by Bouygues Travaux Publics for the Nîmes-Montpellier railway bypass.

About Fideppp
FIDEPPP, a public-private partnership development and investment fund, was set up in October 2005. The aim is to enable the French government and local authorities to carry out their infrastructure projects with the support of the BPCE group and the Caisse d'Épargne network as lender and investor. FIDEPPP is the first French fund set up for this purpose. It is managed and represented by its management company, Natixis Environnement & Infrastructures, a subsidiary of Natixis Alternative Assets, itself wholly owned by Natixis.

Press release dated 13 January 2012:

B&YOU: two new call plans

Paris, 13 January 2012

- **B&YOU is modifying its offering and will be launching two new commitment-free call plans on 16 January, designed to replace the existing range.**

The 2H plan

- 2 hours of voice calls,
- unlimited SMS/MMS in mainland France,
- 20 MB of 3G data, then €0.05/MB,
- visual voicemail.
- Unlimited Wi-Fi in Bouygues Telecom hotspots.

-> €9.99 per month

The 24/7 & 3GB Internet plan

- Unlimited calls in France
- Unlimited calls to fixed lines in more than 40 different countries and fixed/mobile calls to the US and Canada.
- Unlimited SMS/MMS in mainland France,
- 3GB of 3G data (reduced bandwidth over this limit),
- Conference call service,
- visual voicemail.
- Unlimited Wi-Fi in Bouygues Telecom hotspots.

-> €19.99€ per month

The 24/7 & 3GB Internet plan will be automatically applied to all current B&YOU subscribers, who do not need to take any action, after their next monthly bill.

Customers will benefit from Bouygues Telecom's 3G coverage which covers more than 90% of the population and be able to use their mobile in roaming in more than 260 different countries.

Finally, at B&YOU, handsets are offered at cost price, with unlocked SIM cards and without operator customisation. For example, the iPhone 4S 16 GB is available for €603.

About B&YOU

Based on an idea by Bouygues Telecom, B&YOU invented mobile telephony 2.0 back in July 2011 to meet the needs of the Internet generation. Users are able to subscribe to the service and carry out all other operations exclusively on line. The B&YOU website provides a very user-friendly interface, plus collaborative spaces that make it easy to obtain assistance as part of a vibrant community. Via their suggestions, users can contribute directly to enhancing B&YOU and its offers.
www.b-and-you.fr

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Press release dated 17 January 2012:

Paris, 17 January 2012

Press release

Bouygues Telecom and France Télécom-Orange have signed an agreement to roll out optical fibre in high-density and lower density areas.

The agreement signed between Bouygues Telecom and France Télécom-Orange relates to the roll out of fibre in both high-density* and lower density areas.

In the lower density areas, Bouygues Telecom has signed up to the FTTH (Fibre-To-The-Home) network access service offered by France Télécom-Orange to third-party operators. This service enables operators to pool networks outside high-density areas and allows end-users to choose their service provider. It will also enable Bouygues Telecom to extend its FTTH coverage to a large number of municipalities, representing a potential 8.9 million additional households.

In high-density areas, the contract signed with France Télécom-Orange means that Bouygues Telecom will be able to share optical fibre networks on the horizontal part of the network. This contract covers up to 1.7 million households.

This agreement, in addition to the previous ones with other partners (SFR, Numericable), underlines Bouygues Telecom's commitment to rolling out very-high-speed services over the whole of France. Bouygues Telecom will thus be able to offer very-high-speed fixed broadband services to potentially more than 13 million households. Bouygues Telecom is therefore reaffirming its ambition to be a key operator on the very-high-speed fixed broadband market in France.

About Bouygues Telecom

Founded in 1994, Bouygues Telecom has 11,217,000 mobile customers and 119,000 fixed broadband customers. Bouygues Telecom is committed to continually enhancing the customer experience for its mobile and fixed telephone, TV and Internet services: each day, the company's 9,200 employees develop solutions aligned with changing customer needs and deliver efficient support.
After pioneering the mobile talk-plan concept in France in 1996, Bouygues Telecom introduced groundbreaking unlimited call plans: Millennium (1999) and neo (2006).
Bouygues Telecom acquired its own fixed network in 2008 and became an Internet Service Provider (ISP), launching the Bbox broadband router.
In 2009, Bouygues Telecom invented the "all-in-one" solution with ideo the first quadruple play offer in the market.
In 2010, Bouygues Telecom launched Bbox fibre, its very-high-speed offer and began investing in fibre-to-the-home in high-density areas.

*i.e. the 148 most important municipalities, as defined by the French regulator.

Bouygues Telecom's mobile network covers 99% of the population. Its 3G+ network provides mobile Internet access for 90% of the population.
Bouygues Telecom is the only operator to be awarded "NF Service Centre de Relation Client" certification from French standards agency AFNOR Certification for all its consumer activities (mobile and fixed) and in 2011 it was also ranked No. 1 for its customer relations in both its mobile (the 5th year running) and fixed activities. Customer relations centres, a distribution network of 630 Clubs Bouygues Telecom stores and a website available 24/7 combine to ensure optimum customer service.*

** BearingPoint-TNS Sofres Customer Relations Quality League Table (April 2011)*

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Press release dated 19 January 2012:

Press Release

19 January 2012

During the third quarter of 2011/12,

Alstom's orders remained sound whilst sales are gradually recovering

Over the third quarter 2011/12 (from 1 October to 31 December 2011), Alstom registered orders of €4.9 billion, confirming the sustained commercial activity of the past four quarters. Thermal Power booked the same level of orders as in the previous quarter (€1.9 billion), benefiting from successes in Iraq and Poland. Renewable Power booked €0.3 billion of orders, in the absence of large projects. Transport recorded a high number of small and medium sized contracts, reaching an order level of €1.5 billion. Lastly, Grid achieved its best quarter since its acquisition, with orders totaling €1.2 billion. Sales are, as expected, sequentially rebounding in all Sectors, with the exception of Renewable Power which recorded no significant revenue milestones on large hydro projects during the third quarter.

For the first nine months of 2011/12 (from 1 April to 31 December 2011), Alstom's order intake came up to €15.1 billion, a 20% increase compared to the first nine months of 2010/11. Orders growth continued to be supported by emerging markets, representing around 60% of the total orders at the end of December 2011. The Group's sales reached €14.3 billion, down 9% compared to the first nine months of 2010/11.

At €48 billion on 31 December 2011, the backlog represented 30 months of sales.

Key figures

Actual figures	2010/11				2011/12			2010/11	2011/12	Var. %	
(in € million)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	9 months	9 months	Act.	Org.
Orders received	3,491*	3,547	5,490	6,526	5,010	5,173	4,894	12,528*	15,077	+20%	+18%
Sales	5,166*	5,266	5,244	5,247	4,526	4,863	4,874	15,676*	14,263	-9%	-11%

** Grid was consolidated over 1 month in Q1 2010/11.*
The reported figures by Sector are presented in Appendix 1. A geographic breakdown of reported orders and sales is provided in Appendix 2. All figures mentioned in this release are unaudited.

"With orders close to €5 billion, the third quarter 2011/12 extended the positive trend observed since the middle of last fiscal year. The book-to-bill ratio is above 1 for the fifth quarter in a row. Demand continues to be active in emerging markets for all Sectors, whilst Transport booked a large number of contracts in Europe during the period. With over €1 billion of announced awards to be booked before fiscal year end as well as the prospects on which we are working, we expect a strong fourth quarter of orders. Concerning sales, we anticipate the fourth quarter to show a marked progress over the previous ones", said Patrick Kron, Alstom's Chairman & Chief Executive Officer.

Sector Review

Thermal Power

During the third quarter of 2011/12, Thermal Power registered orders of €1,872 million, in line with the previous quarter. Commercial performance was supported by demand for new equipment in emerging countries as well as by service activity in mature markets. In particular, the Sector booked a contract including four GT13 gas turbines in Iraq as well as the first phase of a coal power plant in Poland and the renewal of an operation and maintenance contract for GT24 gas turbines in the USA. Sales grew at €2,247 million, confirming the expected sequential improvement since the beginning of the fiscal year.

For the first nine months of 2011/12, Thermal Power's order intake amounted to €6,522 million, up 20% compared to the same period last year. Sales were at €6,294 million, recording a 14% decrease in comparison to last year, still impacted by the low volume of orders taken during the crisis.

Renewable Power

During the third quarter of 2011/12, Renewable Power recorded €309 million of new contracts, up 10% compared to the same period last year. This quarter, the Sector's order book was mainly fuelled by small orders, including two hydro retrofit projects in Brazil and Canada as well as a wind contract in Morocco. Sales amounted to €369 million in the third quarter 2011/12, down 26% compared to last year over the same period. This decrease was mainly due to the absence, during this quarter, of revenue milestones in large hydro projects under execution in Brazil.

Over the first nine months, Renewable Power's orders reached a 26% increase to €1,324 million from €1,049 million for the first nine months of last year. During the same period, the Sector registered €1,406 million of sales, up 6% compared to the same period of 2010/11.

Transport

During the third quarter 2011/12, the orders booked by Transport amounted to €1,545 million, a sound level in the absence of very large projects. The main successes included tramways in the UK, regional trains in Sweden, a maintenance contract in Italy as well as a signaling system in Turkey. Sales at €1,277 million were slightly up compared to the first two quarters of the fiscal year.

Over the first nine months of 2011/12, Transport's orders stood at €4,210 million, a 16% increase compared to the same period last year. Sales reached €3,738 million, down 13% compared to the first nine months 2010/11.

Grid

During the third quarter of 2011/12, Grid achieved its best level of orders (€1,168 million) since its acquisition. Not only did the Sector book a large number of small contracts worldwide, but it successfully sold a large project for its new HVDC (High Voltage Direct Current) technology in Sweden, which represents a major step forward for Grid's strategy. Sales amounted to the sound level of €981 million in the third quarter.

Over the first nine months of 2011/12, Grid's orders came up to €3,021 million, whilst sales reached €2,825 million.

Key events of the third quarter 2011/12

During the third quarter of fiscal year 2011/12, Alstom continued to develop its presence in fast growing countries by strengthening partnerships and building industrial capabilities.

In China, on 26 October, Grid completed a cooperation agreement with China Electric Power Equipment and Technology Co. Ltd (CET), a subsidiary of State Grid Corporation of China (SGCC), to develop Ultra High Voltage technology. On 10 November, Alstom and China Datang Corporation signed a feasibility study agreement for a 350 MW oxy-combustion CCS demonstration project located in Daqing, the first large scale CCS demonstration project in Asia.

In Russia, following its long-term strategy to establish a strong local presence, Alstom created a 50/50 joint venture with KER in view of future HVDC projects, whilst Transport consolidated its partnership with Transmashholding by signing a Memorandum of Understanding for the development of a modern tramway network in the city of Saint Petersburg.

In Brazil, Grid inaugurated on 6 October a new production line at its plant in Itajubá to manufacture power capacitors. On 30 November, the Group unveiled its first wind turbine assembly facility located in Camaçari in the state of Bahia. It will be used to assemble equipment for key ECO 80 and ECO 100 wind projects in Latin America.

In parallel, during the third quarter, the Group set significant milestones in launching new products. With regards to its offshore programme, Alstom announced on 4 November it would establish up to two sites in France dedicated to production and assembly of a new 6 MW offshore wind turbine. The dimensioning of the investment will depend on the success of the consortium led by EDF EN, to which Alstom belongs, in the offshore call for tender launched by the French Government. On 13 December, Alstom and the private Italian operator NTV unveiled the new .italo AGV very high-speed train, planned to operate on the Turin-Salerno and Rome-Venice lines.

Financial situation

Alstom's financial situation remains strong. During the third quarter, a new syndicated revolving credit facility of €1.35 billion with a 5-year maturity was signed to refinance an existing undrawn line of €1 billion. The Group confirms the expected positive free cash flow for the second half of the current fiscal year.

Outlook

With the expected strong orders for the fourth quarter, the Group should show a solid commercial performance over the current fiscal year. As already announced, sales are progressively recovering from the low point of the start of the year; this recovery, combined with the positive impact of the on-going actions on costs, should lead to an improvement of the operational performance in the second half of the current fiscal year. On this basis, the Group confirms the operating margin for March 2012 should be between 7% and 8%.

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This press release contains forward-looking statements which are based on current plans and forecasts of Alstom's management. Such forward-looking statements are relevant to the current scope of activity and are by their nature subject to a number of important risk and uncertainty factors (such as those described in the documents filed by Alstom with the French AMF) that could cause actual results to differ from the plans, objectives and expectations expressed in such forward-looking statements. These such forward-looking statements speak only as of the date on which they are made, and Alstom undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

Appendix 1 – Sector Breakdown by Quarter

Orders received (in € million)	2010/11 Q1	2010/11 Q2	2010/11 Q3	2010/11 Q4	2011/12 Q1	2011/12 Q2	2011/12 Q3	2010/11 9 months	2011/12 9 months	Var. % Var. Actual	Var. % Var. Org.*
Thermal Power	1,590	1,274	2,553	2,558	2,811	1,839	1,872	5,417	6,522	+20%	+23%
Renewable Power	360	407	282	887	328	687	309	1,049	1,324	+26%	+29%
Transport	1,119	888	1,632	2,070	980	1,685	1,545	3,639	4,210	+16%	+17%
Grid	422**	978	1,023	1,011	891	962	1,168	2,423**	3,021	+25%	+3%
Alstom	**3,491**	**3,547**	**5,490**	**6,526**	**5,010**	**5,173**	**4,894**	**12,528**	**15,077**	**+20%**	**+18%**

Sales (in € million)	2010/11 Q1	2010/11 Q2	2010/11 Q3	2010/11 Q4	2011/12 Q1	2011/12 Q2	2011/12 Q3	2010/11 9 months	2011/12 9 months	Var. % Var. Actual	Var. % Var. Org.*
Thermal Power	2,741	2,423	2,159	2,402	1,945	2,102	2,247	7,323	6,294	-14%	-12%
Renewable Power	429	395	500	617	473	564	369	1,324	1,406	+6%	+8%
Transport	1,573	1,344	1,399	1,288	1,221	1,240	1,277	4,316	3,738	-13%	-13%
Grid	423**	1,104	1,186	940	887	957	981	2,713**	2,825	+4%	-13%
Alstom	**5,166**	**5,266**	**5,244**	**5,247**	**4,526**	**4,863**	**4,874**	**15,676**	**14,263**	**-9%**	**-11%**

(*) Organic are excluding any currency & scope impacts.
(**) Grid was consolidated over 1 month in Q1 2010/11.

Appendix 2 – Geographic Breakdown

Orders received by destination (in € million)	2010/11 9 months	% Contrib.	2011/12 9 months	% Contrib.
Western Europe	3,585	28%	4,135	27%
North America	1,952	16%	1,778	12%
Eastern Europe	1,098	9%	2,696	18%
South & Central America	1,075	9%	896	6%
Africa / Middle East	1,689	13%	2,125	14%
Asia / Pacific	3,129	25%	3,447	23%
TOTAL	**12,528**	**100%**	**15,077**	**100%**

Sales by destination (in € million)	2010/11 9 months	% Contrib.	2011/12 9 months	% Contrib.
Western Europe	6,106	39%	5,255	37%
North America	1,842	12%	1,767	12%
Eastern Europe	1,091	7%	1,109	8%
South & Central America	1,276	8%	1,188	8%
Africa / Middle East	2,681	17%	1,977	14%
Asia / Pacific	2,680	17%	2,967	21%
TOTAL	**15,676**	**100%**	**14,263**	**100%**

Press release dated 27 January 2012:

Friday, 27 January 2012

BOUYGUES CONSTRUCTION

BOUYGUES CONSTRUCTION IS TO BUILD A NEW OFFICE TOWER IN HONG KONG WORTH MORE THAN €200 MILLION

Dragages Hong Kong, a subsidiary of Bouygues Construction, has won a design-build contract valued at around 2 billion Hong Kong dollars (roughly €207 million) for a new office tower called the Trade and Industry Tower.

This 22-storey building, which offers roughly 67,000 m^2 of floor area, will house various government agencies, primarily departments of the Ministry of Trade and Industry.

Works are just getting under way. They will last a little over two and a half years (33 months), with completion scheduled for 2014. At peak periods, approximately 1,200 people will be active onsite.

The tower will implement high environmental standards and will seek to qualify for LEED gold certification [(1)]. The project will incorporate some of the latest energy-efficiency technologies, paying particular attention to renewable energy technologies, with the installation of photovoltaic panels, thermal solar panels, natural lighting throughout the building thanks to daylight suntubes [(2)], solar chimneys, etc. In addition, the building will be connected to the District Cooling System (under construction) for air-conditioning.

Landscaping is a crucial part of the project. The ground floor, the roof and an elevated walkway will incorporate greenery, and vertical greening will be used for part of the facade of the tower. In all, more than 30% of the total site area will be planted.

The project is located in the former Kai Tak airport district, where Dragages Hong Kong is currently building a major cruise terminal, designed by Norman Foster. Other current company projects in Hong Kong include the construction of several underground structures, and the handover of a building that will house the headquarters of the Civil Aviation Department is under way.

(1) The LEED (Leadership in Energy and Environmental Design) is the North American high-performance green building certification system. The rating criteria include energy, water use and heating efficiency, the use of local building materials and the reuse of any surplus. Buildings can achieve four levels: certified, silver, gold or platinum.

(2) A "suntube" system makes it possible to transport natural sunlight into windowless rooms.

Bouygues Telecom

- *Frequencies*

  On 22 December 2011, Bouygues Telecom has been awarded, in exchange for €683 million, a 10 MHz block of « golden » fourth generation mobile frequencies in the 800 MHz band for a period of 20 years. This block of frequencies will enable Bouygues Telecom to offer its clients very-high-speed mobile services (LTE).

- *Competition*

  On 12 January 2012, Free Mobile, the fourth French mobile operator, launched its mobile phone services. As a result, Bouygues Telecom has decided to launch on 16 January 2012 two new commitment-free call plans commercialized under the trademark "B&YOU": a 2 H plan for €9.99 per month and a 24/7 & 3 GB Internet plan for €19.99 per month. Bouygues Telecom has further amended on 27 January 2012 the prices of the "Eden" offers (i.e a simplified range of plans which are tailored to the expectations of customers who want maximum flexibility, simplicity and support from their operator).

Bouygues Construction

On 25 November 2011, Bouygues Bâtiment Ile-de-France has been selected as preferred bidder for the €650 million Paris Courthouse PPP (partenariat-public-privé).

Bouygues

- *Share capital breakdown*

  On 31 December 2011, the share capital of Bouygues amounted to €314,869,079, divided into 314,869,079 shares of €1 par value each.

  As of 31 December 2011, the main shareholders of Bouygues are respectively SCDM (a company controlled by Martin and Olivier Bouygues), which held 21.08 % of the share capital of Bouygues representing 29.55 % of the total voting rights of Bouygues and the Bouygues Employee Share Ownership Funds, which held 23.33 % of the share capital of Bouygues representing 28.09 % of the total voting rights of Bouygues.

- *Credit rating*

  On 30 November 2011, Standard & Poor's downgraded Bouygues' rating by one notch from A- to BBB+/Stable/A-2.

TAXATION

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

EU Directive on the Taxation of Savings Income

On 3 June 2003, the European Council of Economic and Finance Ministers adopted the Directive 2003/48/EC regarding the taxation of savings income (the "**Directive**"). Pursuant to the Directive and subject to a number of conditions being met, Member States are required, since 1 July 2005, to provide to the tax authorities of another Member State, *inter alia*, details of payments of interest within the meaning of the Directive (interest, premiums or other debt income) made by a paying agent located within its jurisdiction to, or for the benefit of, an individual resident in that other Member State (the "**Disclosure of Information Method**").

For these purposes, the term "paying agent" is widely defined and includes in particular any economic operator who is responsible for making interest payments, within the meaning of the Directive, for the immediate benefit of individuals.

However, throughout a transitional period, certain Member States (the Grand-Duchy of Luxembourg and Austria), instead of using the Disclosure of Information Method used by other Member States, withhold an amount on interest payments. The rate of such withholding is currently 35%. Such transitional period will end at the end of the first full fiscal year following the later of (i) the date of entry into force of an agreement between the European Community, following a unanimous decision of the European Council, and the last of several jurisdictions (Switzerland, Liechtenstein, San Marino, Monaco and Andorra), providing for the exchange of information upon request as defined in the OECD Model Agreement on Exchange of Information on Tax Matters released on 18 April 2002 (the "**OECD Model Agreement**") with respect to interest payments within the meaning of the Directive, in addition to the simultaneous application by those same countries of a withholding tax on such payments at the rates applicable for the corresponding periods mentioned above and (ii) the date on which the European Council unanimously agrees that the United States of America is committed to exchange of information upon request as defined in the OECD Model Agreement with respect to interest payments within the meaning of the Directive.

A number of non-EU countries and dependent or associated territories have agreed to adopt similar measures (transitional withholding or exchange of information) with effect since 1 July 2005.

On 13 November 2008, the European Commission published a proposal for amendments to the Directive. The proposal included a number of suggested changes that, if implemented, would broaden the scope of the rules described above. The European Parliament approved an amended version of this proposal on 24 April 2009. Investors who are in any doubt as to their position should consult their professional advisers.

Luxembourg Taxation

Under Luxembourg tax law currently in effect and with the possible exception of interest paid to individual Bondholders and to certain residual entities (as described below) there is no Luxembourg withholding tax on payments of interest, including accrued but unpaid interest. There is also no Luxembourg withholding tax, with the possible exception of payments made to individual Bondholders, and to certain residual entities (as described below) upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Bonds.

Individuals

Luxembourg non-residents

Under the Luxembourg laws dated 21 June 2005 implementing the Directive and related agreements concluded between Luxembourg and certain dependent or associated territories of the European Union

("**EU**") (i.e. Aruba, British Virgin Islands, Guernsey, Isle of Man, Jersey, Montserrat, as well as the former Netherlands Antilles, i.e. Bonaire, Curaçao, Saba, Sint Eustatius and Sint Maarten), a Luxembourg based paying agent (within the meaning of the Directive) is required since 1 July 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual resident in another Member State or in certain EU dependent or associated territories, unless the beneficiary of the interest payments elects for an exchange of information or for the tax certificate procedure. The same regime applies to payments of interest and other similar income made to certain so-called "residual entities" within the meaning of Article 4.2 of the Directive (i.e. an entity (i) established in a Member State or in certain EU dependent or associated territories (ii) without legal personality (the Finnish and Swedish companies listed in Article 4.5 of the Directive are not considered as legal persons for this purpose), (iii) whose profits are not taxed under the general arrangements for the business taxation and (iv) that is not, or has not opted to be considered as, an undertaking for collective investment in transferable securities ("**UCITS**") recognised in accordance with Council Directive 2009/65/EC, unless the beneficiary of the interest payments elects for the exchange of information procedure or for the tax certificate procedure..

The withholding tax rate is 35%. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries.

Luxembourg residents

Under the Luxembourg law dated 23 December 2005, a 10% withholding tax is levied on payments of interest or similar income made by Luxembourg paying agents (defined in the same way as in the Directive) to (or for the benefit of) Luxembourg resident individuals or to certain foreign residual entities (as described below) that secure interest payments on behalf of such individuals (unless such entities have opted either to be treated as UCITS recognised in accordance with the Council Directive 2009/65/EC or for the exchange of information regime). Such withholding tax is in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth who does not hold the Bonds as business assets.

Luxembourg resident individuals beneficial owners of payments of interest or similar income made by a paying agent established outside Luxembourg in a Member State of the European Union or the European Economic Area or in a jurisdiction having concluded an agreement with Luxembourg in connection with the EU Savings Directive may opt for a final 10% levy. In such case, the 10% levy is calculated on the same amounts as for the payments made by Luxembourg paying agents. The option for the 10% final levy must cover all interest payments made by paying agents to the beneficial owner during the entire civil year.

Interest income from current and sight accounts (*comptes courants et à vue*) provided that the remuneration on these accounts is not higher than 0.75% are exempt from the withholding tax. Furthermore, interest which is accrued once a year on savings accounts (short and long term) and which does not exceed Euro 250 per person and per paying agent is exempt from the withholding tax.

Corporations

There is no Luxembourg withholding tax for Luxembourg resident and non-resident corporations holders of the Bonds on payments of interest (including accrued but unpaid interest).

Luxembourg resident corporate Bondholders must include any interest received or accrued, as well as any gain realised on the disposal of the Bonds, in their taxable income for Luxembourg corporate income tax purposes (at 28.8% in 2012 for Luxembourg City).

Luxembourg resident corporate Bondholders benefiting from a special tax regime, such as (i) undertakings for collective investment governed by the law of 17 December 2010, (ii) specialised investment funds governed by the amended law of 13 February 2007 or (iii) family wealth management companies governed by the law of 11 May 2007, are exempt from income tax in Luxembourg. Interest, paid or accrued on the Bonds, as well as gains realised thereon, are thus not subject to Luxembourg income taxes in their hands.

French Taxation

The following is a summary of certain tax considerations that may be relevant to holders of Bonds who (i) are non-French residents, (ii) do not hold their Bonds in connection with a business or profession conducted in France, as a permanent establishment or fixed base situated in France, and (iii) do not currently hold shares of the Issuer.

The Directive was implemented into French law under Article 242 *ter* of the French *Code Général des Impôts*, which imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.

Following the introduction of the French *loi de finances rectificative* pour 2009 no. 3 (n° 2009-1674 dated 30 December 2009) (the "**Law**"), payments of interest and other revenues made by the Issuer with respect to the Bonds will not be subject to the withholding tax set out under Article 125 A III of the French *Code Général des Impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code Général des Impôts* (a "**Non-Cooperative State**"). If such payments under the Bonds are made in a Non-Cooperative State, a 50% withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French *Code Général des Impôts*.

The 50% withholding tax is applicable irrespective of the tax residence of the Bondholder. The list of Non-Cooperative States is published by a ministerial executive order, which is updated on a yearly basis.

Furthermore, interest and other revenues on such Bonds will no longer be deductible from the Issuer's taxable income if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to a bank account opened in a financial institution located in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Article 109 *et seq*. of the French *Code Général des Impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax at a rate of 30% or 50%, subject to more favourable provisions of any applicable double tax treaty, but by virtue of Article 119 *bis* of the French *Code Général des Impôts*,.

Notwithstanding the foregoing, neither the 50% withholding tax provided by Article 125 A III of the French *Code Général des Impôts*, or by Article 119 *bis* 2 of the French *Code Général des Impôts* nor the non-deductibility of the interest and other revenues, to the extent the relevant interest or revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, will apply in respect of a particular issue of bonds provided that the Issuer can prove that the main purpose and effect of such issue of bonds is not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the "**Exception**").

In addition, under ruling (*rescrit*) 2010/11 (FP and FE) of the *Direction générale des finances publiques* dated 22 February 2010, an issue of bonds benefits from the Exception without the Issuer having to provide any evidence supporting the main purpose and effect of such issue of bonds, if such bonds are:

offered by means of a public offer within the meaning of Article L.411.1 of the French *Code monétaire et financier* or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or

admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

admitted, at the time of their issue, to the clearing operations of a central depositary or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositaries or operators provided that such depositary or operator is not located in a Non-Cooperative State.

As the Bonds are admitted at the time of their issue to the operations of a central depositary, payments of interest or other revenues made by or on behalf of the Issuer with respect to the Bonds will not be subject to the withholding tax set out under article 125 A III of the *Code général des impôts* or under Article 119 *bis* 2 of the same Code and they will be subject neither to the non-deductibility set out under article 238 A of the *Code général des impôts*.

SUBSCRIPTION AND SALE

Pursuant to a subscription agreement dated 7 February 2012 (the "**Subscription Agreement**"), BNP Paribas, Crédit Agricole Corporate and Investment Bank, HSBC Bank plc, Mitsubishi UFJ Securities International plc, Natixis, and Société Générale (the "**Joint Lead Managers**") have jointly and severally agreed with the Issuer, subject to the satisfaction of certain conditions contained therein, to subscribe and pay for the Bonds at an issue price of 99.660 per cent. of the aggregate principal amount of the Bonds. The Subscription Agreement entitles the Joint Lead Managers to terminate it in certain circumstances prior to payment being made to the Issuer.

General Restrictions

Each Joint Lead Manager has agreed to observe all applicable laws and regulations in each jurisdiction in or from which it may acquire, offer, sell or deliver Bonds or have in its possession or distribute this Prospectus or any other offering material relating to the Bonds. No action has been, or will be, taken in any country or jurisdiction that would permit a public offering of the Bonds, or the possession or distribution of this Prospectus or any other offering material relating to the Bonds, in any country or jurisdiction where action for that purpose is required. Accordingly, the Bonds may not be offered or sold, directly or indirectly, and neither this Prospectus nor any circular, prospectus, form of application, advertisement or other offering material relating to the Bonds may be distributed in or from, or published in, any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations and all offers and sales of Bonds by it will be made on the same terms.

France

Each of the Joint Lead Managers has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any Bonds to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, directly or indirectly, the Prospectus or any other offering material relating to the Bonds and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties, and/or (b) qualified investors (*investisseurs qualifiés*) acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French *Code monétaire et financier*.

This document has not been and will not be submitted to, nor approved by, the *Autorité des marchés financiers* (AMF).

United Kingdom

Each Joint Lead Manager has represented and agreed that:

(i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the “FSMA”)) received by it in connection with the issue or sale of the Bonds in circumstances in which section 21(1) of the FSMA would not, if the Issuer were not an authorised person, apply to the Issuer; and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

United States

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or the securities law of any U.S. state, and may not be offered or sold, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or such state securities laws. The Bonds are being offered and sold only outside of the United States to non-U.S. persons in reliance upon an exemption from registration under the Securities Act pursuant to Regulation S.

Each Joint Lead Manager has represented and agreed that:

(i) it has not offered or sold, and will not offer or sell, the Bonds (a) as part of their distribution at any time or (b) otherwise until 40 days after the later of the commencement of the offering and the issue date of the Bonds, within the United States or to, or for the account or benefit of, U.S. persons; and

(ii) it will have sent to each distributor or dealer to which it sells Bonds during such 40-day period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons.

Terms used in this paragraph and not otherwise defined in this Prospectus have the meanings given to them in Regulation S.

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

GENERAL INFORMATION

1. The estimated costs for the admission to trading are EUR 8,800.

2. The Bonds have been accepted for clearance through Euroclear France and Clearstream, Luxembourg and Euroclear with the Common Code number of 074062431. The International Securities Identification Number (ISIN) for the Bonds is FR0011193515. The address of Euroclear France is 155, rue Réaumur, 75081 Paris Cedex 02, France.

3. The issue of the Bonds has been authorised pursuant to a decision of the Chairman of the Board of Directors and CEO (*Président-Directeur général*) of the Issuer dated 30 January 2012, acting pursuant to a resolution of the Board of Directors (*Conseil d'Administration*) of the Issuer dated 1 March 2011.

4. The Issuer publishes (i) audited annual consolidated and non-consolidated accounts, (ii) semi-annual unaudited consolidated accounts and (iii) quarterly unaudited consolidated accounts. The Issuer's statutory auditors carry out a limited review of such semi-annual accounts. The Issuer does not currently publish semi-annual or quarterly non-consolidated accounts.

5. In accordance with French law, the Issuer is required to have a minimum of two statutory auditors (*commissaires aux comptes*) and two substitute statutory auditors. The statutory auditors are currently Ernst & Young Audit (represented by Jean Bouquot) and Mazars (represented by Gilles Rainaut). The consolidated and unconsolidated financial statements of the Issuer have been audited without qualification by Ernst & Young Audit and Mazars for the years ended 31 December 2009 and 2010. Ernst & Young Audit and Mazars are regulated by the *Haut Conseil du Commissariat aux Comptes* and are duly authorised as *Commissaires aux comptes*. The latest audited financial information is the December 2010 audited financial statements.

6. Except as otherwise disclosed in this Prospectus on pages 38 to 66, the Issuer certifies that there has been no material adverse change in the prospects of the Issuer since 31 December 2010.

7. Except as otherwise disclosed in this Prospectus on pages 38 to 66, the Issuer certifies that there has been no significant change in the financial or trading position of the Group, which has occurred since 30 September 2011.

8. Except as otherwise disclosed in this Prospectus on pages 28 to 37, the Issuer certifies that, to the best of its knowledge, during a period covering at least the previous 12 months, there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have, or have had in the recent past, significant effects on the Issuer and/or Group's financial position or profitability.

9. The following documents will be available during the life of this Prospectus and during usual business hours on any weekday (except Saturdays, Sundays and public holidays) for inspection and collection free of charge, at the specified office of each of the Paying Agents:

   (i) the Fiscal Agency Agreement;

   (ii) the documents incorporated by reference in this Prospectus.

10. The following documents will be available during the life of this Prospectus and during usual business hours on any weekday (except Saturdays, Sundays and public holidays) for inspection at the head office of the Issuer at 32, avenue Hoche, 75008 Paris and may also be consulted online in the 'Finance' section of the *www.bouygues.com* website:

    (i) the *statuts* of the Issuer;

    (ii) all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in the documents incorporated by reference;

(iii) the historical financial information of the Issuer and its subsidiary undertakings for each of the two financial years preceding the publication of the 2010 Reference Document; and

(iv) the latest interim financial information.

11. The phone number of the Issuer at its registered office is +33 1 44 20 10 00.

12. The yield of the Bonds is 4.543 per cent. per annum and is calculated at the issue date on the basis of the issue price. It is not an indication of future yield.

13. Except as otherwise disclosed in the 2010 Reference Document on pages 179 and 180, which is incorporated by reference in this Prospectus, there are no conflicts of interests between any duties of the members of the Board of Directors (*Conseil d'Administration*) to the Issuer and their private interests and/or their other duties.

14. Save as discussed in “Subscription and Sale” and item 9.1 in “Documents to be Incorporated by Reference”, so far as the Issuer is aware, no person involved in the offer of the Bonds has an interest material to the offer.

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