

**TRANSACTIONS CARRIED OUT BY BOUYGUES IN ITS OWN SHARES IN 2016**

Number of treasury shares held by the company at 31 December 2015	40,000
Shares purchased in 2016	1,465,715
Shares cancelled in 2016	
Shares sold in 2016	1,488,293
Number of treasury shares held by the company at 31 December 2016	17,422
Value (purchase price) of treasury shares held by the company at 31 December 2016	€567,532

**BREAKDOWN OF TRANSACTIONS BY PURPOSE****Cancellation of shares**

Shares cancelled in 2016

Shares reallocated for other purposes

Number of treasury shares held by the company at 31 December 2016 outside the liquidity contract

**Liquidity contract**

Shares purchased in 2016 1,465,715

Shares sold in 2016 1,488,293

Shares reallocated for other purposes

Number of treasury shares held by the company at 31 December 2016 under the liquidity contract 17,422

#### 6.2.4.2 Description of the new share buyback programme submitted for approval by the Combined Annual General Meeting of 27 April 2017

Pursuant to Articles 241-2 and 241-3 of the AMF General Regulation, a description is provided below of the share buyback programme to be submitted for approval by the Combined Annual General Meeting of 27 April 2017. This programme is intended to replace the one authorised by the Combined Annual General Meeting of 21 April 2016.

#### Number of shares and proportion of share capital held by Bouygues – Open derivatives positions

At 31 December 2016, the company's capital was made up of 345,908,547 shares, including 17,422 held by Bouygues under the liquidity contract, representing 0.005% of the share capital.

At that date, the company's open derivatives positions were as follows:

	Intermediary	Purchase/ sale	Number of shares	Type of contract	Expiry	Exercise price	Premium	Organised market/OTC
22 January 2015	Natixis		14,846	Forward <sup>a</sup>	No later than 15 December 2017			OTC
22 January 2015	Natixis		29,693	Forward <sup>a</sup>	No later than 17 December 2018			OTC
30 December 2016	Crédit Agricole CIB	Purchase	37,411	Call option <sup>b</sup>	29 November 2019	29.9624	4.40	OTC

(a) As part of the acquisition of the Canadian company Plan Group Inc. by Bouygues Energies & Services in 2014, Bouygues Energies & Services undertook to incentivise key managers of Plan Group Inc. by awarding them a Bouygues phantom shares plan. On the effective date of that undertaking (22 January 2015), Bouygues took out two cash-settled forward contracts in Bouygues shares with Natixis in order to hedge its payment obligations under the plan.

(b) Purchase of call option pursuant to a contractual obligation arising out of a Bouygues group employee savings scheme.

## Authorisation submitted for approval at the Annual General Meeting of 27 April 2017

The company is asking the Annual General Meeting convened for 27 April 2017 to authorise it to buy back its own shares up to a maximum of 5% of the share capital. This authorisation would cover a number of objectives, including those contained in Article 5 of Commission Regulation (EU) No. 596/2014 on market abuse ("MAR") and market practice as currently accepted by the AMF. Those objectives are as follows:

- reduce the share capital by cancelling shares on the terms laid down by law, subject to authorisation by the Extraordinary General Meeting;
- fulfil the obligations arising from debt securities, in particular securities that grant the right to the allotment of company shares via redemption, conversion, exchange, presentation of a warrant or otherwise;
- grant or sell shares to employees or corporate officers of the company or related companies on the terms and conditions laid down by law, in particular as part of profit-sharing schemes, stock option plans, company savings schemes or Group savings schemes, or through allotment of free shares;
- ensure the liquidity of and organise trading in the company's shares, through an investment services provider acting under the terms of a liquidity agreement that complies with a code of conduct recognised by the AMF;
- retain shares and, where applicable, deliver them subsequently by way of payment or exchange in an acquisition, merger, spin-off or asset-for-share exchange, in accordance with applicable regulations;
- implement any market practice accepted by the AMF and generally carry out any other transaction in compliance with prevailing regulations.

## Objectives of the new share buyback programme

Subject to approval by the Annual General Meeting of the resolution relating to the company buying back its own shares, the Board of Directors decided at its meeting of 22 February 2017 to define the objectives of the new share buyback programme as follows:

- reduce the share capital by cancelling shares on the terms laid down by law, subject to authorisation by the Extraordinary General Meeting;
- ensure the liquidity of and organise trading in the company's shares, through an investment services provider acting under the terms of a liquidity agreement that complies with a code of conduct recognised by the AMF.

The Board reserved the right to extend the programme to include other objectives submitted for approval by the Annual General Meeting of 27 April 2017, in which case the company would issue a press release to inform the market.

## Maximum proportion of share capital, maximum quantity and characteristics of shares that may be bought back under the new share buyback programme

Under this new share buyback programme, Bouygues may acquire shares representing no more than 5% of its share capital, with the caveat that where shares are bought back to stimulate liquidity the number of shares included for the purposes of calculating 5% of the share capital is the number of shares purchased less the number of shares resold during the authorisation period.

The company may purchase its own shares under the programme either on- or off-market. The purchase price may not exceed €50 per share, subject to any adjustments in connection with share capital transactions.

Consequently, the Board of Directors has set the maximum amount of funds that may be set aside for the new share buyback programme at €875 million (eight hundred and seventy-five million euros), representing a maximum quantity of 17,500,000 shares purchased at the price of €50 per share submitted to the Annual General Meeting for approval.

By law, the total number of shares held at a given date may not exceed 10% of the share capital at that date.

Shares acquired may be reallocated or sold on the conditions laid down by the AMF in Position-Recommendation DOC-2017-04 entitled "Guide to trading by listed issuers in their own securities and to stabilisation measures".

Shares repurchased and retained by Bouygues will be stripped of voting and dividend rights. The shares may be acquired, sold, transferred or exchanged by any means whether on- or off-market subject to compliance with AMF rules, including via a multilateral trading facility (MTF) or systematic internaliser or over-the-counter, including via block trades and via the use of derivative financial instruments, and at any time, including during the period of a public tender offer or public exchange offer for the company's shares. All or part of the programme may be carried out through block trades.

## Term of the share buyback programme

Eighteen months with effect from the Combined Annual General Meeting of 27 April 2017, i.e. until 27 October 2018.