



**NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS FOR THE SIX MONTHS
ENDED 30 JUNE 2006**

(in millions of euros)

6 September 2006

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(Figures in millions of euros)

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- The consolidated financial statements of the Bouygues group are prepared using the principles and methods defined in International Financial Reporting Standards (IFRS) as adopted by the European Union (European Council Regulation 1606/2002 of 19 July 2002).

- They have been prepared in millions of euros, and comprise:
 - ✓ the balance sheet and income statement;
 - ✓ the statement of changes in shareholders' equity;
 - ✓ the cash flow statement;
 - ✓ the notes to the financial statements.

The comparatives presented are taken from the consolidated financial statements prepared at 31 December 2005 and 30 June 2005. In addition, second-quarter comparatives are provided for the income statement.

1.1. SCOPE OF CONSOLIDATION AS AT 30 JUNE 2006

- **Main changes in the scope of consolidation during the six months ended 30 June 2006:**

988 companies consolidated as at 30 June 2006 (compared with 983 as at 31 December 2005). The net change in the period relates primarily to:

- a) Bouygues Construction: ETDE subsidiaries – Thermal Transfer/UK, etc, plus various construction project partnerships.
- b) Various acquisitions by Colas.

- **Sale of Novasaur:**

At 31 December 2005, the Bouygues group held a 9.88% interest in Novasaur, the holding company of the Saur group. This entire interest (shares, and bonds redeemable for cash or shares) was sold for €41 million during the first quarter of 2006, generating a net gain of €27 million.

- **Sale of TPS:**

On 6 January 2006, TF1 and M6, which jointly control the TPS satellite package with interests of 66% and 34% respectively, signed an agreement with Vivendi Universal, the parent company of the Canal+ pay-TV group, intended to merge the French pay-TV activities of Canal+ and TPS.

Notification of the proposed deal was filed with the DGCCRF (the French government department with responsibility for competition matters) on 17 March 2006, and the deal was referred to the French Competition Commission on 14 April 2006. The Commission delivered its ruling on 13 July 2006, and a decision from the French Ministry of the Economy and Finance is expected at the end of August 2006.

The same treatment has been adopted for TPS as was applied in the consolidated financial statements at 31 December 2005. Income and expenses generated by TPS have been excluded from the operating activities shown in the income statement, in accordance with IFRS 5. Net profit for the six months ended 30 June 2006 relating to TPS, amounting to €30 million, is shown on the line “Net profit of discontinued and held-for-sale operations”. Assets and liabilities relating to TPS are also reported separately at the foot of the balance sheet, under “Held-for-sale assets” and “Liabilities on held-for-sale assets”.

1.2. SUPPLEMENTARY BOND ISSUE OF €250 MILLION

On 31 January 2006, Bouygues carried out a bond issue of €250 million, supplementary to the initial July 2005 issue of €750 million. The issue matures in 2020, was priced at 97.203%, and bears interest at 4.25%.

This issue extends the average maturity of the Group’s debt.

1.3. SALE OF BOUYGUES TELECOM CARAÏBE (BTC):

On 28 April 2006, following fulfilment of all the sale conditions, Bouygues Telecom sold its wholly-owned subsidiary BTC to Digicel Limited (Jamaica) for €155.4 million. The sale generated a gain of €110.2 million, reported in “Net profit of discontinued and held-for-sale operations” in the income statement.

1.4. ACQUISITION OF ALSTOM SHARES:

On 26 April 2006, ALSTOM and Bouygues signed a cooperation agreement approved by the Board of Directors of the two groups.

In light of the major development of transport infrastructure and power generation markets, ALSTOM and Bouygues wished to forge a partnership aimed at seizing new opportunities by combining their strengths.

In June 2006, the European Commission authorised the acquisition by Bouygues of the interest held by the French government in ALSTOM (29,051,244 shares, representing 21.01% of the capital). The terms of the transaction as announced in April are unchanged.

In accordance with French stock market regulations, Bouygues has declared its intentions for the next 12 months, primarily by indicating that it reserves the right to increase its stake in ALSTOM but has no intention of taking control of the company.

As at 30 June 2006, Bouygues held a 23.26% interest in the capital and voting rights of ALSTOM, having acquired additional shares on the market. This interest is accounted for using the equity method as at 30 June 2006; the amount recognised in the balance sheet is €2,192 million, comprising the Bouygues group's interests in the consolidated net assets of ALSTOM plus the goodwill arising on the acquisition.

Bouygues has a 12-month period, until the end of June 2007, in which to finalise the remeasurement of the acquired assets and liabilities at fair value and to adjust the amount of goodwill (calculated as the excess of the fair value of the acquired assets and liabilities over the acquisition price).

- In order to secure long-term refinancing for part of the investment in ALSTOM, Bouygues carried out a euro-denominated bond issue in May 2006, in two tranches:
 - a) €1,150 million maturing 2013, priced at 99.812% and bearing interest at 4.50%;
 - b) €600 million maturing 2016, priced at 99.657% and bearing interest at 4.75%.

1.5. SIGNIFICANT EVENTS AND CHANGES IN SCOPE OF CONSOLIDATION SUBSEQUENT TO 30 JUNE 2006

No significant events or transactions have occurred since 30 June 2006.

2.1. As required by European Council Regulation 1606/2002, adopted 19 July 2002, the Bouygues group has prepared its consolidated financial statements in accordance with the accounting standards issued by the International Accounting Standards Board (IASB) as adopted by the European Union.

These standards, collectively referred to as International Financial Reporting Standards (IFRS), also include International Accounting Standards (IAS) and interpretations issued by the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

- The accounting policies applied in the interim consolidated financial statements as at 30 June 2006 are the same as those applied in the consolidated financial statements as at 31 December 2005, except as indicated below. Consequently, they are not reproduced in detail in Note 2.

Roadbuilding (Colas) is a seasonal business. The depreciation charge for this business recognised in the income statement for the six months ended 30 June 2006 is proportional to monthly sales, as computed on the basis of annual forecasts.

Basis of preparation

- In accordance with IAS 34, "Interim Financial Reporting".
- Measurement at historical cost, except for certain items (in particular financial assets and financial liabilities) which are measured at fair value.

Preparing financial statements to comply with IFRS requires the use of estimates and assumptions which may have affected the amounts reported for assets, liabilities and contingent liabilities at the balance sheet date, and the amounts of income and expenses reported for the financial year.

These estimates and assumptions have been applied consistently on the basis of past experience and of various other factors regarded as reasonable forming the basis of assessments of the valuations of assets and liabilities for accounting purposes. Actual results may differ materially from these estimates if different assumptions or conditions apply.

Where no standard or interpretation applies to a specific transaction, Group management has exercised its judgement to define and apply accounting policies that will provide relevant and reliable financial information, such that the financial statements:

- give a true and fair view of the financial position, financial performance and cash flows of the Group;
- reflect the economic reality of the underlying transactions;
- are impartial, prudent, and complete in all material respects.

2.2. CONSOLIDATION METHODS

- Companies over which Bouygues exercises control are consolidated using the full consolidation method.
- Exclusive control over TF1:
 - Under French law (Article 39 of law no. 86-1067 of 30 September 1986), no single individual or corporation (acting alone or in concert) may directly or indirectly own more than 49% of the capital or voting rights of a company with a nationwide terrestrial television broadcasting licence.
 - Bouygues holds 42.89% of the capital and 42.94% of the voting rights of TF1.
 - Exclusive control by Bouygues over TF1 is demonstrated by the fact that:

Bouygues has consistently and regularly held a substantial majority of the voting rights exercised at TF1 shareholders' meetings, and no other shareholder directly or indirectly controls a higher share of voting rights than Bouygues.

Bouygues has clearly had exclusive power to determine decisions at TF1 shareholders' meetings during at least two consecutive financial years (article L233-16 II of the Commercial Code).

- Other factors indicating the existence of exclusive control include:
 - the large number of seats on the TF1 Board of Directors allocated to Bouygues;
 - the role of Bouygues in appointing key executives of TF1.

All these factors clearly establish that Bouygues exercises exclusive control over TF1.

- The relationship between Bouygues and TF1 also meets the criteria stipulated in articles L233-3 I & II of the Commercial Code relating to de facto control by one company over another.

Companies under the joint control of more than one shareholder are consolidated by the proportionate consolidation method, based on the percentage of control held.

Companies over which Bouygues exercises significant influence (associates) are consolidated using the equity method → ALSTOM.

Cofiroute:

- Although less than 20% owned (16.7%), Cofiroute is consolidated using the equity method, as Bouygues exercises significant influence through its seats on the Board of Directors.

In accordance with IAS 39 on financial instruments, investments in non-consolidated companies are recognised at fair value and are subject to impairment tests.

Changes in scope of consolidation:

	30 June 2006	31 December 2005
Fully consolidated	759	760
Proportionately consolidated	202	197
Equity method	27	26
	988	983

The main changes during the first six months of 2006 are described in "Significant Events".

2.3. FINANCIAL INDICATORS

Definitions of key financial indicators:

2.3.1. EBITDA

Current operating profit plus net amortisation expense plus net charges to provisions and depreciation expense minus reversals of provisions no longer required minus investment grants released to income.

2.3.2. Free cash flow

Cash flow minus cost of net debt minus income tax expense for the period minus net capital expenditure for the period.

2.3.3. Net debt

This represents the aggregate of:

- cash and equivalents;
- overdrafts and short-term bank borrowings;
- non-current and current debt;
- financial instruments (used to hedge financial liabilities measured at fair value).

2.4. OTHER INFORMATION

Comparability of the financial statements for the six months ended 30 June 2006:

- As explained in Note 2.1, the accounting policies applied at 30 June 2006 do not impair comparability of balance sheet, income statement and cash flow statement items with 2005.
- In accordance with IFRS 5, TPS, which is in process of divestment, is shown on the separate lines used to report held-for-sale assets and operations in the consolidated balance sheet as at 30 June 2006 and the income statement for the six months then ended.
- The gain arising on the disposal of Bouygues Telecom Caraïbes, sold in April 2006, is reported in “Net profit of discontinued and held-for-sale operations” in the consolidated income statement.
- The impact of changes in the scope of consolidation during the six months ended 30 June 2006 does not affect the comparability of the financial statements with the restated 2005 figures.

3.1. PROPERTY, PLANT AND EQUIPMENT

Carrying amount	Land and buildings	Industrial plant and equipment	Other property, plant and equipment	PP&E under construction and advance payments	Total
31 December 2005	949	2,975	539	152	4,615
of which finance leases	20	29	48		97
30 June 2006	1,031	2,845	576	245	4,697
of which finance leases	19	22	38		79

Analyses of the carrying amount of intangible assets, of property, plant and equipment, and of investment in operating assets by business segment are provided in Note 13, "Segment Information".

3.2. INTANGIBLE ASSETS

Carrying amount	Concessions, patents and similar rights	Other intangible assets	Total
31 December 2005	807	249	1,056
30 June 2006	772	266	1,038

3.3. NON-CURRENT FINANCIAL ASSETS

Carrying amount	Associates	Investments in non-consolidated companies	Other non-current assets	Total
31 December 2005	497	114	169	780
30 June 2006	2,723 (1) (2)	105	171	2,999

(1) Acquisition of 23.26% of ALSTOM, effect +€2,192; see "Significant Events"

(2) Including goodwill relating to associates

3.4. GOODWILL

3.4.1. Movement in carrying amount of goodwill in the six months to 30 June 2006

	Gross value	Impairment	Carrying amount
1 January 2006	4,641	(23)	4,618
Change in scope of consolidation	55		55
Impairment losses			
Translation and other movements	(7)		(7)
30 June 2006	4,689	(23)	4,666

3.4.2. Split of goodwill by cash generating unit (CGU)

<u>Segment</u>	30 June 2006		31 December 2005	
	Total	% of parent	Total	% of parent
Bouygues Construction	149	99.97%	106	99.97%
Colas	817	96.49%	805	96.42%
TF1	1,052	42.93%	1,047	42.93%
Bouygues Telecom	2,644	89.55%	2,655	89.55%
Other activities	4		5	
TOTAL	4,666		4,618	

3.5. CONSOLIDATED PURCHASE PRICE OF LISTED SHARES (TF1 AND COLAS)

	Consolidated purchase price per share (1)	Average quoted share price 30 June 2006 (2)
TF1	10.90	24.99
Colas	63.70	161.17

(1) Carrying amount per share in the consolidated financial statements

(2) Average of quoted share prices between 1 June 2006 and 30 June 2006

3.6. NON-CURRENT TAX ASSETS

See Note 6 for details.

4.1. SHARE CAPITAL OF BOUYGUES SA (IN EUROS)

€ 338,937,899

As at 30 June 2006, the share capital of Bouygues SA consisted of 338,937,899 shares.
Movements in the six months ended 30 June 2006 were as follows:

	1 January 2006	Movements during the period		30 June 2006
		Reductions	Increases	
Shares	336,289,029		2,648,870	338,937,899
Investment certificates	473,867	(473,867)		
Number of shares and certificates	336,762,896	(473,867)	2,648,870	338,937,899
Par value	€ 1	-	-	€ 1
Share capital (in euros)	336,762,896	(473,867)	2,648,870	338,937,899

4.2. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2006
(GROUP AND MINORITY INTERESTS)

Position at 30 June 2006	Share capital and share premium	Reserves related to capital	Retained earnings	Consolidated reserves and profit for period	Treasury shares	Profits recognised directly in equity	Total 30 June 2006
Attributable to the Group	2,284	805	235	1,551	(116)	100	4,859
Minority interests				940		7	947
Total shareholders' equity	2,284	805	235	2,491	(116)	107	5,806

4.2.1. Changes in shareholders' equity attributable to the Group and to minority interests

An analysis of movements during the period is presented in the 30 June 2006 consolidated financial statements.

4.3. ANALYSIS OF MOVEMENTS IN PROFITS TAKEN DIRECTLY TO EQUITY IN THE SIX MONTHS ENDED 30 JUNE 2006
(AMOUNTS ATTRIBUTABLE TO THE GROUP)

	Note	6 months to 30 June 2006
Translation reserve	4.3.1.	(32)
Financial instruments (changes in fair value)		86
Share-based payment		5
Other movements		(30)
Total		29

4.3.1. Translation reserve

- Principal translation differences at 30 June 2006 on companies reporting in:

	31/12/05	Movements during the period	30/06/06
US dollar	18	(19)	(1)
Canadian dollar	14	(3)	11
Other	12	(10)	2
Total	44	(32)	12

5.1. NON-CURRENT PROVISIONS = 1,260

	Long-term employee benefits (1)	Litigation and claims (2)	Guarantees given (3)	Other non- current provisions (4)	TOTAL
1 January 2006	368	309	232	356	1,265
Translation adjustment			(1)	(1)	(2)
Transfers between items and other	1		1	7	9
Changes in scope of consolidation	(2)	(1)		3	
Charges to provisions	23	41	29	28	121
Provisions utilised	(5)	(14)	(17)	(33)	(69)
Provisions no longer required	(2)	(45)	(5)	(12)	(64)
30 June 2006	383	290	239	348	1,260

(1) **Long-term employee benefits:**

- Lump-sum retirement benefits and long-service awards 361
- Other long-term employee benefits 22

(2) **Litigation and claims:**

- Provisions for customer disputes and subcontractor claims 153
- Other litigation and claims 137

(3) **Guarantees given**

- Provisions for additional building and civil works guarantees 69
- Other litigation and claims 170

(4) **Other non-current provisions:**

- Risks related to tax and other official inspections 111
- Provisions for subsidiaries and associates 22
- Provisions for site remediation costs 66
- Other provisions for non-current risks 149

5.2. CURRENT PROVISIONS = 651

- Provisions related to the operating cycle

	Provisions for customer warranties	Provisions for project risks and project completion	Provisions for losses to completion	Provisions for customer loyalty programmes	Other current provisions	Total
1 January 2006	31	153	132	174	186	676
Translation adjustments		(2)	(1)		(1)	(4)
Transfers between items and other		(1)	2		1	2
Changes in scope of consolidation	(1)	(4)	1	(5)	(4)	(13)
Charges to provisions	7	22	27	81	35	172
Provisions utilised	(7)	(18)	(35)	(69)	(37)	(166)
Provisions no longer required		(6)	(5)	(1)	(4)	(16)
30 June 2006	30	144	(1) 121	(2) 180	176	(3) 651

(1) including:

- provisions for risks on completed projects 76
- provisions for final settlement on projects 68

(2) Provisions relating to the construction segment.

(3) including:

- reinsurance technical reserves (claims reserves, etc.) 52
- other provisions for current risks 114

6.1. NON-CURRENT TAX ASSETS = 310

	31/12/05	Change	30/06/06
Deferred tax assets	375	(86)	289
- Bouygues Telecom (1)	203	(105)	98
- Other business areas	172	19	191
Other non-current tax assets	0	21	21
Total non-current tax assets	375	(65)	310

(1) - Bouygues Telecom : Deferred tax assets on tax losses available for carry-forward, mainly depreciation deferred for tax purposes, the recoverability of which is linked to 2006 profits (deferred tax assets are recognised in line with the latest business plans presented to the Board of Directors).

6.2. NON-CURRENT TAX LIABILITIES = 76

	31/12/05	Change	30/06/06
Deferred tax liabilities	89	(13)	76
Other non-current tax liabilities	0	0	0
Total non-current tax liabilities	89	(13)	76

7.1. INTEREST-BEARING DEBT BY MATURITY

	Current debt < 1 year	Non-current debt							Total non-current debt 30/06/06	Total non-current debt 31/12/05
		1-2 years	2-3 years	3-4 years	4-5 years	5-6 years	6 years or more	Other		
- Bond issues	615		1,002		1,256		3,718		5,976	4,008
- Bank borrowings	176	65	46	136	11	7	34		299	176
- Finance lease obligations	28	16	11	8	4	3	6		48	57
- Other debt	11	52	7	2	269	1	2		333	20
Total interest-bearing debt	830	133	1,066	146	1,540	11	3,760		6,656	4,261
Option to buy 6.5% of Bouygues Telecom		444							444	460
Total incl. Bouygues Telecom call option	830	577	1,066	146	1,540	11	3,760		7,100	4,721
<i>Comparative: 31 December 2005</i>	694	549	35	1,036	526	782	1,793			4,721

7.2. COVENANTS AND TRIGGER EVENTS

The bank loans contracted by Bouygues and its subsidiaries do not include any covenants or trigger events.

The 10-year bond issue maturing May 2016 and the 7-year bond issue maturing May 2013 include a change of control clause.

8.1. CHANGE IN NET DEBT

	31/12/05	Movement in the period	30/06/06
Cash and equivalents	3,215	(136)	3,079
Overdrafts and short-term bank borrowings	(178)	(95) ⁽¹⁾	(273)
Net cash and equivalents	3,037	(231)	2,806
Non-current debt	(4,721)	(2,379)	(7,100)
Current debt	(694)	(136)	(830)
Financial instruments, net	26	(17)	9
Gross debt	(5,389)	(2,532)	(7,921)
Net debt	(2,352)	(2,763)	(5,115)

(1) Cash and equivalents as analysed in the cash flow statement for the period (net cash flows + non-monetary movements)

8.2. PRINCIPAL TRANSACTIONS IN THE SIX MONTHS ENDED 30 JUNE 2006

Net debt at 31 December 2005	(2,352)
Changes in scope of consolidation	72
Dividends paid	(437)
Bouygues Confiance 3 capital increase	125
Purchase of treasury shares	(92)
Sale of BTC	121
Principal acquisitions and disposals of investments involving third parties (excluding BTC)	(48)
Operating and other items	(312)
Net debt at 30 June 2006 before Alstom acquisition	(2,923)
Acquisition of ALSTOM shares	(2,192)
Net debt at 30 June 2006	(5,115)

9.1. ANALYSIS BY ACCOUNTING CLASSIFICATION

	first half 2006	first half 2005
Sales of goods	1,125	989
Sales of services	4,865	5,252
Construction contracts	6,062	4,802
Sales	12,052	11,043
Other revenues from operations	89	74
Total	12,141	11,117

9.2. ANALYSIS BY BUSINESS AREA

BUSINESS AREA	first-half 2006 sales				first-half 2005 sales			
	France	International	Total	%	France	International	Total	%
Construction	1,989	1,166	3,155	26	1,593	1,197	2,790	25
Property	636	85	721	6	693	65	758	7
Roads	2,821	1,675	4,496	37	2,499	1,429	3,928	36
Media	1,241	136	1,377	12	1,165	112	1,277	12
Telecoms	2,175		2,175	18	2,144		2,144	19
Bouygues SA & other activities	3	125	128	1	6	140	146	1
Consolidated sales	8,865	3,187	12,052	100	8,100	2,943	11,043	100
% change 2006 vs. 2005	9%	8%	9%					

9.3. ANALYSIS BY GEOGRAPHICAL AREA

	first-half 2006 sales		first-half 2005 sales	
	Total	%	Total	%
France	8,865	73	8,100	73
European Union	1,123	9	1,111	10
Rest of Europe	440	4	336	3
Africa	473	4	509	5
Middle East	25		8	
United States and Canada	703	6	567	5
Central and South America	76	1	55	1
Asia-Pacific	347	3	357	3
Total	12,052	100	11,043	100

	Period ended:	
	30/06/06	30/06/05
<u>Current operating profit:</u>		
Sales	12,052	11,043
Other revenues from operations	89	74
Purchases used in production and external charges	(8,146)	(7,161)
Taxes other than income tax	(282)	(271)
Personnel costs	(2,555)	(2,353)
Net depreciation, amortisation, provisions and impairment losses		
- Depreciation and amortisation	(576)	(556)
- Provisions and impairment losses	(108)	(131)
Changes in production and property development inventories	125	4
Other income and expenses from operations	249	195
- Reversals of unused provisions and impairment losses	109	102
- Investment grants released to income in the period	1	2
- Gains on disposals of non-current assets	62	39
- Other income and expenses	77	52
Current operating profit	848	844
Other operating income and expenses	14 ⁽¹⁾	
Operating profit	862	844

No impairment losses were taken in the period ended 30 June 2006 against assets with indefinite useful lives, as there was no evidence of impairment.

(See Note 13 for a split by segment)

(1) Reversal of provisions for fines for anti-competitive practices, originally booked at 31 December 2005.

Cost of net debt	Period ended:	30 June 2006	30 June 2005
Cost of gross debt		(130)	(107)
Interest and other income on cash and equivalents		53	17
Total		(77)	(90)

The cost of net debt breaks down as follows:

- Net interest charges on debt	(123)	(107)
- Interest charges on finance leases	(2)	(2)
- Net interest related to cash	1	0
- Positive and negative effects of financial instruments on net debt	(5)	6
- Income from available-for-sale securities and cash equivalents	52	13
	<u>(77)</u>	<u>(90)</u>

ANALYSIS OF NET INCOME TAX EXPENSE

	Period ended:					
	30 June 2006			30 June 2005		
	France	Other countries	Total	France	Other countries	Total
Tax payable to the tax authorities	(123)	(41)	(164)	(98)	(35)	(133)
Deferred tax liabilities	11	1	12	12	1	13
Deferred tax assets (1)	(97)		(97)	(138)		(138)
Total	(209)	(40)	(249)	(224)	(34)	(258)
(1) includes:						
Bouygues Telecom	(107)			(120)		

See Note 13 for an analysis by business area.

Segment information is presented by business area:

- . Construction (Bouygues Construction)
- . Property (Bouygues Immobilier)
- . Roads (Colas)
- . Media (TF1)
- . Telecoms (Bouygues Telecom)
- . Bouygues SA and other activities

Inter-business sales are usually conducted on an arm's-length basis.

13.1. ANALYSIS BY BUSINESS AREA: SIX MONTHS ENDED 30 JUNE 2006

	Construction	Property	Roads	Media	Telecoms	Bouygues SA & other activities	TOTAL
Income statement for the six months ended 30 June 2006							
Third-party sales	3,155	721	4,496	1,377	2,175	128	12,052
Operating profit	152	80	74	209	298	49	862
Cost of net debt	22	1	(3)	(5)	(5)	(87)	(77)
Net profit attributable to the Group	121	52	68	74	273	(23)	565
Balance sheet as at 30 June 2006							
Property, plant and equipment	332	9	1,666	156	2,145	389	4,697
Goodwill (1)	149		817	1,053	2,644	3	4,666
Investments in associates	71		411	49		2,192 ⁽²⁾	2,723
Cash and equivalents	239	39	177	270	9	2,345	3,079
Non-current debt	22	61	231	544	21	6,221	7,100
Non-current provisions	539	80	452	53	39	97	1,260
Current debt	3	33	44	117	9	624	830
Cash flow statement for the six months ended 30 June 2006							
Net acquisitions of property, plant & equipment and intangible assets (after deducting investment grants)	94	(1)	199	50	210	155	707
Net acquisitions of investments in consolidated companies and other investments	64	(9)	22	7	(121)	2,146 ⁽³⁾	2,109
Other indicators for the six months ended 30 June 2006							
EBITDA	215	69	215	246	618	59	1,422

(1) See analysis in Note 3

(2) Including ALSTOM consolidated under the equity method = €2,192

(3) Includes acquisition of stake in ALSTOM = €2,192

NOTE 14

OFF BALANCE SHEET COMMITMENTS

	TOTAL (1)	Construction	Property	Roads	Media	Telecoms	Bouygues SA & other activities	Maturity			
								under 1 year	1 to 5 years	over 5 years	Total
Total commitments given 30/06/06	3,087	168	616	256	594	1,402	51	1,243	1,283	561	3,087
Comparative: 31/12/05	2,754	154	614	172	556	1,190	68	917	1,359	478	2,754
Total commitments received 30/06/06	2,501	21	595	155	724	977	29	906	1,133	462	2,501
Comparative: 31/12/05	2,132	20	579	93	515	901	24	675	1,110	347	2,132

(1) comprising:

	Commitments given		Commitments received	
	30/06/06	31/12/05	30/06/06	31/12/05
Image transmission	343	387	343	387
Operating leases	1,212	1,040	1,212	1,040
Irrevocable purchase obligations	706	645	667	605
Collateral	15	34		
Other	811	648	279	100
Total	3,087	2,754	2,501	2,132

Operations held for sale or sold:

Income statement: Income and expenses for the period are eliminated, and the net profit from these operations is shown separately on the line "Net profit of discontinued and held-for-sale operations".

Balance sheet: The net assets and liabilities of these operations are reported on separate lines in the balance sheet.

Impact on the balance sheet and income statement:

1. Assets and liabilities of discontinued and held-for-sale operations:

	30/06/06 TPS	31/12/05 TPS
Non-current assets		
Property, plant and equipment and intangible assets	61	53
Goodwill	420	420
Other non-current assets	4	4
Current assets		
Cash and equivalents	3	(57)
Other current assets	155	144
Total assets of discontinued and held-for-sale operations	643	564
Non-current liabilities		
Non-current debt	9	10
Other non-current liabilities	2	1
Current liabilities		
Current debt	98	38
Other current liabilities	290	301
Total liabilities of discontinued and held-for-sale operations	399	350
Net assets of discontinued and held-for-sale operations	244	214

2. Income and expenses generated by discontinued and held-for-sale operations during the period:

	Period ended:			30 June 2005		(Proforma) Total
	TPS	BTC	Total	TPS	BTC	
SALES	178	40	218	182	43	225
OPERATING PROFIT	33	114	147	5	4	9
COST OF NET DEBT	(1)		(1)	(3)	(1)	(4)
Other financial income and expenses	(1)		(1)	1		1
Income tax expense	(1)	(4)	(5)	(1)	(1)	(2)
NET PROFIT OF DISCONTINUED & HELD-FOR-SALE OPERATIONS	30	110	(1) 140	2	2	4

(1) BTC: Net gain on disposal

NOTE 16**PRINCIPAL EXCHANGE RATES**

Convention: 1 local currency unit =x euros

Country	Currency	Closing rate		Average rate for the period	
		30/06/06	31/12/05	30/06/06	31/12/05
<u>EUROPE</u>					
Denmark	Danish krone	0.134063	0.134039	0.134033	0.134183
United Kingdom	Pound sterling	1.444878	1.459215	1.451906	1.464040
Hungary	Hungarian forint	0.003529	0.003955	0.003795	0.004023
Poland	Polish zloty	0.246633	0.259067	0.256041	0.248636
Czech Republic	Czech koruna	0.035096	0.034483	0.035202	0.033563
Romania	Romanian leu	0.280089	0.271724	0.283002	0.275932
Switzerland	Swiss franc	0.638081	0.643045	0.638338	0.646064
<u>NORTH AMERICA</u>					
United States	US dollar	0.786596	0.847673	0.808462	0.807765
Canada	Canadian dollar	0.707614	0.728597	0.715803	0.666800
<u>REST OF THE WORLD</u>					
Morocco	Moroccan dirham	0.090285	0.091672	0.090819	0.090819
Thailand	Thai baht	0.020587	0.020645	0.021018	0.020027
Hong Kong	Hong Kong dollar	0.101271	0.109321	0.104198	0.103872
African Financial Community	CFA franc	0.001524	0.001524	0.001524	0.001524
South Africa	South African rand	0.108876	0.133973	0.125837	0.126888