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BOUYGUES PRESS RELEASE

OPERATIONAL AND COMMERCIAL COOPERATION FRAMEWORK AGREEMENT ACQUISITION BY BOUYGUES OF FRENCH STATE'S 21% STAKE IN ALSTOM

ALSTOM and Bouygues on 26 April 2006 concluded a major cooperation agreement which has been approved by both groups' boards of directors.

A partnership to face the challenges on global transport and power markets

The growing complexity of major infrastructure construction projects is leading some clients to seek turnkey contracts covering financing, design, construction, risk management and operation. In this context, ALSTOM and Bouygues face common challenges: the need to identify client requirements and provide support at an early stage of the project, to ensure tight control over commercial costs, to respond to the pressure of meeting deadlines and providing performance guarantees, and to handle increasingly complex contract management.

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

Commercial cooperation between ALSTOM and Bouygues will range from sharing analysis of specific markets to designing integrated services on a case by case basis.

From the operational standpoint, the two groups will share their experience and practices in contract negotiation and in the management of projects and associated risks, and will jointly provide financing solutions.

However, the cooperation agreement will not contain any exclusivity clause. ALSTOM and Bouygues will continue to work with the partners that are best suited to each project in the interest of their clients.

Acquisition by Bouygues of the French state's 21%-stake in ALSTOM

In addition to this partnership, Bouygues will purchase the 21% stake owned by the French state in ALSTOM, subject to approval by the European Commission in accordance with competition law and to the closing of the disposal of ALSTOM's Marine activity, due to take place in the coming weeks. Once these conditions have been met, Bouygues will become a shareholder of ALSTOM for the long term, strengthening its development. In this respect, Bouygues has undertaken to keep ALSTOM shares thus acquired from the French state for at least three years.

As Bouygues does not plan to cross the threshold of one third of ALSTOM's capital or voting rights, it will not make a tender offer for the remaining shares.

Shares will be acquired at a price of €68.21 per share, representing an investment of €2 billion for Bouygues. The Group has the necessary available cash to make this investment. Long-term financing will be provided without capital increase.

When consulted, Standard & Poor's maintained its rating for Bouygues (A- with stable outlook).

The stake in ALSTOM will be consolidated by the equity method. The transaction will have a relative effect as early as 2006.

Plan to create a joint company operating in the hydro power market

ALSTOM and Bouygues are exploring the possibility of creating a joint venture in the hydro power market. ALSTOM may contribute its entire hydro power division to the new company in which Bouygues would take a 50% stake.

The deal would enable both groups to join forces and take part in the strong development of this global market and would also allow ALSTOM to meet its commitment to the European Commission.

This cooperation agreement with ALSTOM should enable Bouygues to expand into new high-growth business lines in which it will make the most of its entrepreneurial skills and its capacity to manage complex projects in the interest of clients.

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