

PRESS RELEASE

STRONG INCREASE IN NET PROFIT AND IN MARGINS

FURTHER SALES GROWTH

After an increase of 11.5% in 2004, sales grew by 9.6% to €8,433 million in 2005, slightly above management guidance.

Construction benefited, as the year before, from a strong level of activity in France, particularly in Construction and Property that recorded increases of respectively 7.3% and 12.3%.

With work on the high-speed rail projects having drawn to an end, sales declined by 10% in Belgium. Pursuant to the rightsizing measures initiated in the second half of 2004, Poland reported stable sales compared with 2004 and manage to break even as forecast.

APPIA once again recorded strong growth both in France and in the rest of Europe, where the acquisition of an important gravel pit in Spain contributed to the development of its activity. In total, sales increased by 9.9% to €2,357 million.

FORCLUM continued to make acquisitions, which contributed 11.7% to the 16.4% growth recorded in 2005. Sales increased to €1,754 million, with 11% generated in the rest of Europe thanks to the acquisition of Limpens and Yvan Paque in Belgium.

EIFFEL recorded a 7.5% decrease in sales following the completion of the Millau viaduct which was offset partly by the contribution made by Goyer.

Concessions contributed revenues of €106 million thanks to the excellent performances recorded by the Millau viaduct and the satisfactory performance recorded by car parks. The sale of EIFFAGE PARKING at the start of 2006, accompanied by the acquisition of a controlling interest in APRR, will completely modify the profile of EIFFAGE CONCESSIONS. The activities of this division will now be concentrated on managing large road infrastructure (APRR, Norscut in Portugal, Millau viaduct, Prado Carénage Tunnel) and rail infrastructure (Perpignan-Figueras line, for which work is proceeding to plan).

ACCOMPANIED BY AN IMPROVEMENT IN MARGINS

For the first time, the current operating profit as determined under the new IFRS reached 5%, having increased by 25% year-on-year to €419 million.

Construction and Civil Engineering recorded a current operating profit of €210 million, i.e. 5.2% of sales. While Poland performed to plan, Benelux recorded a record margin of 8.6%.

Margins in APPIA and FORCLUM held at respectively 3.9% and 4.8%, with the current operating profit coming to €92 million and €84 million.

Concessions contributed an operating profit on ordinary activities of €29 million, of which €11 million for EIFFAGE PARKING and €18 million for the Millau Viaduct.

Net profit attributable to the shareholders of the parent company amounted to €302 million after taking into account income tax expense of €135 million.

Cash flow amounting to €413 million and a further decrease in working capital requirements of €64 million helped finance investing activities (€617 million, including the acquisition of a 4.48% shareholding in APRR), and limit the increase in net debt (up only €63 million to €327 million, i.e. 23% of consolidated equity).

The acquisition of APRR, assuming it becomes a 100% owned subsidiary, and the sale of EIFFAGE PARKING will have for effect to increase the Group's net debt with recourse against EIFFAGE by €140 million. EIFFAGE currently finances the Millau viaduct for €360 million until this is refinanced directly by COMPAGNIE EIFFAGE DU VIADUC DE MILLAU.

The Group therefore enjoys all the financial flexibility necessary to press ahead with its development.

Consolidated figures (€m)	2004	2005	%
Sales	7,765	8,433	+ 9%
Current operating profit	336	419	+ 25%
Cash flow *	316	413	+ 31%
Net profit	228	303	+33%

* Net result of fully integrated subsidiaries and amortisation excluding leases

DIVIDEND

EIFFAGE SA recorded a net profit of €187 million in 2005 compared with €171 million in 2004.

At the Shareholders' General Meeting, the company will propose the distribution of an unchanged dividend of €1.50 per share, which translates into a 50% increase in the payout rate given the one-for-two bonus issue. If approved, this dividend will be paid out on 28 April 2006. After payment of this dividend, the company proposes reducing the nominal value of the shares by two, in effect doubling the number of shares in issue, with the objective of increasing the stock's liquidity as in previous years.

2006 OUTLOOK

After two excellent years, marked by strong increases in sales and margins, 2006 will be marked by a major change in the profile of the Group's activities and their contribution to both operational result and cash flow.

The consolidation of APRR will boost EBITDA by more than €1 billion, with prospects of this contribution rising steadily in coming years. Construction should continue to grow, as the order book increased by 5.7% to a historically high level of €7,450 million, with all business lines continuing to enjoy strong commercial dynamism. As a result, 2006 sales are expected to total €10,300 million, of which €8,740 million contributed by Construction and €1,560m by Concessions, before taking into account any new acquisitions.

After seven years of steady growth in consolidated profit with a fourfold increase over the period, EIFFAGE is embarking on a new phase in its development that is expected to combine continued improvement in the margins of its divisions with the contribution of its Concessions division, making EIFFAGE a European leader in its businesses in terms of size, profitability and the strength of its performances. This major change will benefit EIFFAGE's stock market profile, opening new valuation perspectives after a fivefold increase in its share price in five years.

NEWS ITEM

EIFFAGE wishes to inform investors that it has been approached by SACYR VALLEHERMOSO, which said in a press release issued today that its shareholding in EIFFAGE had exceeded the 5% threshold.

SACYR VALLEHERMOSO told EIFFAGE that it wanted to examine the possibility of combining the two companies, ruling out any hostile move.

The Board of Directors stated unanimously that EIFFAGE had no merger plans whatsoever involving SACYR VALLEHERMOSO.

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