

BOARD OF DIRECTORS' MEETING OF 12 FEBRUARY 2015

# SNCF MOBILITÉS GROUP

(formerly Société Nationale des Chemins de fer Français)

31 December 2014

## ANNUAL MANAGEMENT REPORT

and

## CONSOLIDATED FINANCIAL STATEMENTS



# MANAGEMENT STATEMENT FOR FINANCIAL REPORT



La Plaine Saint-Denis, 12 February 2015

We attest that, to the best of our knowledge, the consolidated financial statements have been prepared in accordance with the applicable accounting principles and give a true and fair view of the assets and liabilities and the financial position of the Group as of 31 December 2014 and of the results of its operations for the year then ended, and that the accompanying management report fairly presents the changes in operations, results and financial position of the Group and a description of its main risks and uncertainties.

The Chairman

**Guillaume PEPY**

Executive Vice-President,  
Performance

**Mathias EMMERICH**

31 December 2014

# ANNUAL MANAGEMENT REPORT

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# SNCF MOBILITÉS GROUP IN 2014

In this report, the terms “SNCF Mobilités Group,” “Group” and “SNCF Mobilités” designate the parent company EPIC Société Nationale des Chemins de fer Français, known as SNCF Mobilités as of 1 January 2015, and its consolidated subsidiaries. The State-owned public institution “(EPIC) SNCF Mobilités,” “EPIC,” “EPIC Mobilités,” “Mobilités” and “EPIC SNCF Mobilités” refer solely to the parent company.

## 1. MAJOR EVENTS OF THE YEAR

### 1.1. IMPAIRMENT LOSS REVERSALS

Impairment loss reversals were recognised for €163 million for rail freight production resources within the SNCF Logistics division, formerly known as SNCF Geodis (all property, plant and equipment and intangible assets excluding land and buildings). These reversals follow the change in business models that resulted in the reallocation of production resources between the Rail freight and Rail freight fleet management cash generating units and the adaptation of impairment testing methods in accordance with IAS 36. They were recognised under “Impairment losses” in the income statement.

Detailed information is presented in Note 8 to the consolidated financial statements.

### 1.2. RAIL REFORM

The rail reform law definitively adopted on 22 July 2014 and enacted by the President of the French Republic on 4 August 2014, under number 2014-872, is based on five objectives:

- Confirmation of a public service that is strengthened and better managed;
- Creation of an integrated public industrial group;
- Introduction of a national agreement to ensure the financial future of the public service;
- Creation of a labour framework for all rail sector players by maintaining the status of railway employees and unifying their group;
- Greater regulatory authority to guarantee the impartiality of network accessibility.

The current organisation of the French rail system and specifically the State-owned industrial and commercial institution (or EPIC) Société Nationale des Chemins de fer Français was profoundly changed as of 1 January 2015, the effective date of the law, with the creation of a group organised according to three economically integrated EPICs:

- The current EPIC Société Nationale des Chemins de fer Français (SNCF until 30 November 2014), will become SNCF Mobilités and will continue to carry out all the transport activities for the SNCF Proximités, SNCF Voyages and SNCF Logistics (formerly SNCF Geodis) divisions, and manage the stations of the Gares & Connexions division.
- The current Réseau Ferré de France (RFF) will become SNCF Réseau and unify all the infrastructure management functions by combining SNCF Infra and Rail network operation and management currently part of the SNCF Infra division. It will guarantee fair access to the network for all rail companies.
- A “parent” EPIC, created on 1 December 2014 as part of the reform and called SNCF, will be responsible for strategic control and steering, economic coherence, and the public rail group’s industrial integration and social unity.

Accordingly, in accordance with IFRS 5 “Non-current assets held for sale and discontinued operations,” the profit or loss components of the SNCF Infra division, which must be transferred under the law of 4 August 2014, were reclassified under “Net profit/(loss) from transferred operations” in the 2014 and 2013 income statements. The assets and liabilities of this division that are to be transferred were reclassified under “Assets classified as held for sale” and “Liabilities associated with assets classified as held for sale” in the statement of financial position as of 31 December 2014.

The law also stipulates that non-current assets and entities will be transferred to the parent EPIC. Non-current assets and the assets of entities to be transferred as identified at the year-end were reclassified under “Assets classified as held for sale” in the statement of financial position as of 31 December 2014. The liabilities of these entities were reclassified under “Liabilities associated with assets classified as held for sale.” As the application decrees are still being drafted, the scope of the entities and assets to be ultimately transferred could be expanded.

Detailed information is presented in Note 27 to the consolidated financial statements.

### **1.3. LABOUR MOVEMENT**

A strike involving a portion of SNCF employees took place between 11 and 23 June 2014 in opposition to the rail reform bill and to debate the future of the rail sector. Despite a significant mobilisation of SNCF resources to limit customer impacts, the strike had repercussions in almost all Group divisions, particularly in terms of revenue losses and additional costs for customer compensation.

### **1.4. ASSIGNMENT OF A RECEIVABLE**

The receivable generated in the period by the Competitiveness and Employment Tax Credit set up by the French government (see Note 1.1.2.3) and recorded for French tax consolidation groups was assigned under the Dailly Law. As this involves an operating receivable, its assignment led to a posting of a net receipt of €306 million in “Net cash from operating activities” on the cash flow statement.

Details are provided in Note 28.3 to the consolidated financial statements.

## 2. KEY FIGURES

<i>In € millions</i>	<b>2014</b>	<b>2013 (1)</b>
Revenue	27,243	27,030
Gross profit	2,383	2,486
Current operating profit	678	721
Operating profit after share of net profit of companies consolidated under the equity method	1,050	-528
Finance costs	-412	-284
Net profit attributable to equity holders of the parent company	605	-180
Cash from operations	2,058	2,181
Net investments	2,168	2,240
Current operating profit after share of net profit of companies consolidated under the equity method	685	726
ROCE (2)	3.9%	4.1%
Employees	245,763	244,570

(1) The 2013 income statement was restated for the reclassification of the SNCF Infra division's net profit under the heading "Net profit/(loss) from transferred operations" pursuant to IFRS 5 (see Notes 3 and 27 to the consolidated financial statements).

(2) ROCE or return on capital employed = the ratio between current operating profit after share of net profit of companies consolidated under the equity method and average capital employed.

The capital entering into this calculation is the algebraic sum of equity (including non-controlling interests - minority interests) and net indebtedness. They are adjusted for asset impairment. The average with the prior year's equity gives the average equity.

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>
Net debt	7,405	7,383
Net debt of continuing operations adjusted for the net debt of the SNCF Infra division	7,125	7,012

### 3. SUBSEQUENT EVENTS

Other than the coming into force of the rail reform law on 1 January 2015 (see Note 3 to the consolidated financial statements), the main subsequent events are as follows:

#### 3.1. A NEW ORGANISATION BY BUSINESS LINE

The new SNCF set up with the coming into force of the rail reform law (see Note 3) is organised into five business lines, of which three within SNCF Mobilités:

- SNCF Voyageurs which handles operations for all passenger rail transport activities based on the Transilien, Voyages SNCF, Intercités and TER activities, and Gares et Connexions, which covers station management and development.
- Keolis, which handles passenger mass transit operations.
- SNCF Logistics, which specialises in freight transport and logistics.

In 2015, the organisational change will bring about a new presentation for SNCF Mobilités Group's segment reporting in accordance with IFRS 8.

#### 3.2. DECISION OF THE FRENCH RAIL REGULATORY AUTHORITY (ARAF)

Following the referral procedure of the Syndicat des Transports d'Ile de France (STIF) with respect to a dispute with the Gares & Connexions division of SNCF Mobilités, the French Rail Regulatory Authority (ARAF) handed down its decision on 3 February 2015. The claim relating to the allocation of the cash flow from operations generated by the Ile-de-France stations was dismissed. Among the other components of the decision, only the following three could impact the consolidated financial statements:

- The ARAF's order that SNCF Mobilités limit the capital investment rate to a range of 5.5% to 6.9% before tax, compared to the 9.2% currently applied, with respect to regulated services (passenger information facilities for example).
- The request to classify the underground stations of Paris Austerlitz, Paris Gare du Nord and Paris Gare de Lyon as Category B stations (regional stations) as of the 2015 service schedule. This classification will determine fee levels.
- The set-up of a new fee modulation system by no later than the 2017 service schedule, to better reflect the use of services by each carrier.

SNCF has one month to file an appeal with the Paris Court of Appeal.

In addition to representing indications of impairment pursuant to IAS 36 "Impairment of Assets," these decisions will require Gares & Connexions to adapt its business model and prepare new earnings forecasts.

It is only once this process has been completed that impairment tests can be concluded to determine any accounting consequences on the property, plant and equipment and intangible assets of this cash-generating unit, which amounted to €1.8 billion as at 31 December 2014. There are no indefinite-life intangible assets or goodwill in this CGU.



# GROUP RESULTS AND FINANCIAL POSITION

## 1. GENERAL OBSERVATIONS ON GROUP RESULTS

<i>In € millions</i>	<b>2014</b>	<b>2013 (1)</b>	<b>2014 vs. 2013 change</b>	
<b>Revenue</b>	<b>27,243</b>	<b>27,030</b>	<b>213</b>	<b>0.8%</b>
Infrastructure fees	-3,702	-3,592	-110	3.1%
Purchases and external charges excluding infrastructure fees	-10,397	-10,318	-80	0.8%
Taxes and duties other than income tax	-990	-990	0	0.0%
Employee benefit expense	-10,167	-9,955	-212	2.1%
Other income and expenses	396	309	87	28.0%
<b>Gross profit</b>	<b>2,383</b>	<b>2,486</b>	<b>-102</b>	<b>-4.1%</b>
Depreciation and amortisation	-1,498	-1,492	-6	0.4%
Net movements in provisions	-207	-273	65	-24.0%
<b>Current operating profit</b>	<b>678</b>	<b>721</b>	<b>-43</b>	<b>-5.9%</b>
Net proceeds from asset disposals	238	179	59	33.0%
Fair value remeasurement of the previously held interest	0	-1	1	-186.0%
Impairment losses	126	-1,432	1,559	-108.8%
<b>Operating profit/(loss)</b>	<b>1,043</b>	<b>-533</b>	<b>1,576</b>	<b>-295.6%</b>
Share of net profit of companies consolidated under the equity method	7	5	2	40.7%
<b>Operating profit/(loss) after share of net profit of companies consolidated under the equity method</b>	<b>1,050</b>	<b>-528</b>	<b>1,578</b>	<b>-298.9%</b>
Net finance cost of employee benefits	-102	-79	-23	29.1%
Net borrowing costs and other costs	-309	-204	-105	51.5%
<b>Finance cost</b>	<b>-412</b>	<b>-284</b>	<b>-128</b>	<b>45.2%</b>
<b>Net profit/(loss) before tax</b>	<b>638</b>	<b>-812</b>	<b>1,450</b>	<b>-178.6%</b>
Income tax expense	-241	-166	-75	45.3%
<b>Net profit/(loss) from ordinary activities</b>	<b>397</b>	<b>-978</b>	<b>1,375</b>	<b>-140.6%</b>
Net profit/(loss) from transferred operations	227	815	-588	-72.2%
<b>Net profit/(loss) for the year</b>	<b>624</b>	<b>-162</b>	<b>786</b>	<b>-483.8%</b>
<b>Net profit/(loss) attributable to equity holders of the parent</b>	<b>605</b>	<b>-180</b>	<b>785</b>	<b>-436.7%</b>
Net loss attributable to non-controlling interests (minority interests)	19	17	1	8.3%
<i>Gross profit/revenue</i>	<i>8.7%</i>	<i>9.2%</i>		
<i>Current operating profit/revenue</i>	<i>2.5%</i>	<i>2.7%</i>		
<i>ROCE (2)</i>	<i>3.9%</i>	<i>4.1%</i>		

(1) Adjusted for the reclassification of the profit or loss of the SNCF Infra division to a single line item pursuant to IFRS 5 (see Notes 3 and 27 to the consolidated financial statements). The normative wording for this line item "Net profit/(loss) from discontinued operations" has been modified since it only includes the net profit of operations transferred as part of the rail reform.

(2) See definition of ROCE in key figures.

## 1.1. Comparability of the financial statements

The comparability of the 2014 results with those of 2013 was impacted by the following changes:

<i>In € millions</i>		<b>Impact on changes in revenue</b>
<b>SNCF Proximités division</b>	<b>Change in 2013 Group structure</b> <sup>(1)</sup>	
	Acquisition of Pirnay	0.5
	<b>Changes in 2014 Group structure</b>	
	Acquisition of De Turck BVBA	4.3
	Acquisition of Picavet	1.8
	Acquisition of STACA	5.8
	Acquisition of Nettbus Danemark	13.5
	<b>Exchange rate fluctuations</b>	-51.8
<b>SNCF Voyages division</b>	<b>Changes in 2013 Group structure</b> <sup>(1)</sup>	
	Sale of Findworks	-6.9
	Other changes in Group structure	0.4
	<b>Change in 2014 Group structure</b>	
	Sale of Avanti	-8.0
	<b>Exchange rate fluctuations</b>	0.1
<b>SNCF Logistics division (Formerly SNCF Geodis)</b>	<b>Changes in 2013 Group structure</b> <sup>(1)</sup>	
	Acquisitions of Captrain Sweden and Denmark	1.0
	Other changes in Group structure	-0.1
	<b>Changes in 2014 Group structure</b>	
	Sale of Ciblex	-52.8
	Sale of the Italian parcel delivery entity	-33.3
	<b>Exchange rate fluctuations</b>	-76.4
<b>Common operations and investments</b>	<b>Change in 2013 Group structure</b> <sup>(1)</sup>	
	Change in consolidation method for Orféa	-0.2
<b>Total Group structure and exchange rate impacts</b>		<b>-202.1</b>

(1) Operations carried out in 2013 having an impact on 2013/2014 revenue trends.

## 1.2. 2014 results

Pursuant to IFRS 5, the profit or loss components of the SNCF Infra division have been reclassified under a single heading of the income statement, "Net profit/(loss) from transferred operations" (see Notes 3 and 27 to the consolidated financial statements).

### 1.2.1 Revenue

Consolidated revenue of the SNCF Mobilités Group amounted to €27,243 million for the year ended 31 December 2014, for an increase of €213 million (+0.8%) compared to 2013, attributable to:

- a Group structure impact of -€74 million (see 1.1),
- a foreign exchange impact of -€128 million (see 1.1),
- an organic increase of +€415 million (+1.5%) for the Group; the changes for divisions were as follows:

• SNCF Proximités	+€402 million	+3.5%
• SNCF Voyages	-€62 million	-1.1%
• SNCF Logistics (1)	+€83 million	+0.9%
• Gares & Connexions	+€13 million	+4.8%

(1) Formerly SNCF Geodis

### 1.2.2 Gross profit

Standing at €2,383 million in 2014, gross profit decreased by €102 million, or 4.1%, while gross profit over revenue decreased from 9.2% to 8.7% between 2013 and 2014.

The gross profit decrease following the June 2014 strike is estimated at €172 million (see Note 1.3 of Major events of the year).

In € millions	2014	2013	2014 vs. 2013 change		2014 vs. 2013 change on a constant Group structure and exchange rate basis	
Revenue	27,243	27,030	213	0.8%	415	1.5%
Employee benefits expense	-10,167	-9,955	-212	2.1%	-240	2.4%
Purchases and external charges (excluding infrastructure fees, traction energy and fuel costs) and other income and expenses	-8,905	-8,849	-56	0.6%	-238	2.7%
Infrastructure fees	-3,702	-3,592	-110	3.1%	-110	3.1%
Traction energy and fuel costs	-1,096	-1,159	63	-5.4%	62	-5.3%
Taxes and duties	-990	-990	0	0.0%	-2	0.2%
Gross profit	2,383	2,486	-102	-4.1%	-114	-4.6%
Gross profit/revenue	8.7%	9.2%				

NB: The analyses concerning gross profit involve changes on a constant Group structure and exchange rate basis.

**Employee benefits expense** increased by €240 million, or +2.4%, primarily due to the 2.1% rise in average staff costs per employee.

**Purchases and external charges (excluding infrastructure fees, traction energy and fuel costs) and other income and expenses** increased by €238 million (+2.7%). The increase in the French competitiveness and employment tax credit (CICE), calculated by applying a rate of 6% on the eligible payroll in 2014, compared to 4% in 2013, had a favourable impact on this line item. Excluding this impact, the increase in Purchases and external charges (excluding infrastructure fees, traction energy and fuel costs) and other income and expenses would have stood at +3.5%.

The growth of the Keolis activity largely explains the increase. The new on-board catering model set up at the end of 2013 by SNCF Voyages also impacted the item.

The €110 million increase in **infrastructure fees** (+3.1%) is mainly attributable for €173 million to a negative price impact on the RFF infrastructure fees paid by EPIC SNCF Mobilités and for €80 million to a favourable volume impact arising from these same infrastructure fees.

**Traction energy and fuel** purchases decreased by €62 million (-5.3%), primarily due to favourable price and volume impacts on the thermal and electrical traction energy line item.

### 1.2.3 Current operating profit

Current operating profit stood at €678 million, down by €43 million compared to 2013.

The revenue to current operating profit conversion rate dropped from 2.7% in 2013 to 2.5% in 2014.

The €102 million decline in gross profit is partially offset by the net movement in provisions: charge of €207 million at the end of 2014, compared to a charge of €273 million at the end of December 2013. The net charge for 2014 primarily comprises provisions for contractual risk on loss-making contracts (€63 million) and provisions for asbestos costs (€39 million). The net charge for 2013 mainly stems from the adjusted risk assessment for litigation and the inclusion of new litigation.

### 1.2.4 Operating profit

Operating profit increased by €1,576 million, amounting to +€1,043 million.

This significant increase is related to the change in **impairment losses** (+ €1,559 million): in 2014, the item (+€126 million) mainly comprised the impairment loss reversal for rail freight production resources (see *Note 1.1 Major events of the year*). The 2013 accounts had been particularly impacted by the impairment of TGV assets (-€1,400 million).

**Net proceeds from asset disposals** in 2014 mainly comprised property sales.

### 1.2.5 Finance costs

Finance costs increased by €128 million, due for ~~€89~~ million to the change in fair value impacts. Excluding these impacts, the item rose by €39 million due to the change in valuation assumptions and the provision for employee benefits.

### 1.2.6 Income tax

As in 2013, the 2014 income tax expense mainly comprised the tax on rail company profits.

### 1.2.7 Net profit/(loss) from transferred operations

This item comprises the net profit components of the SNCF Infra division which will be transferred pursuant to the rail reform law of 4 August 2014 (see *Note 1.2 of Major events of the year*).

In 2013, the item had been impacted by the impairment loss reversal of SNCF Infra – Works and Maintenance for €546 million.

### 1.2.8 Net profit/(loss) attributable to equity holders of the parent

As a result of all these changes, net profit attributable to equity holders of the parent company totalled €605 million compared to a loss of -€180 million in 2013, after recognition of a net profit attributable to non-controlling interests (minority interests) of €19 million.

The €785 million increase in the item was attributable for €948 million to non-recurring items, particularly the increase in impairment losses (€1,074 million).

Recurring net profit decreased by €163 million, standing at +€419 million at the end of December 2014.

ROCE (calculated on current operating profit after share of net profit of companies consolidated under the equity method) dropped from 4.1% to 3.9%.

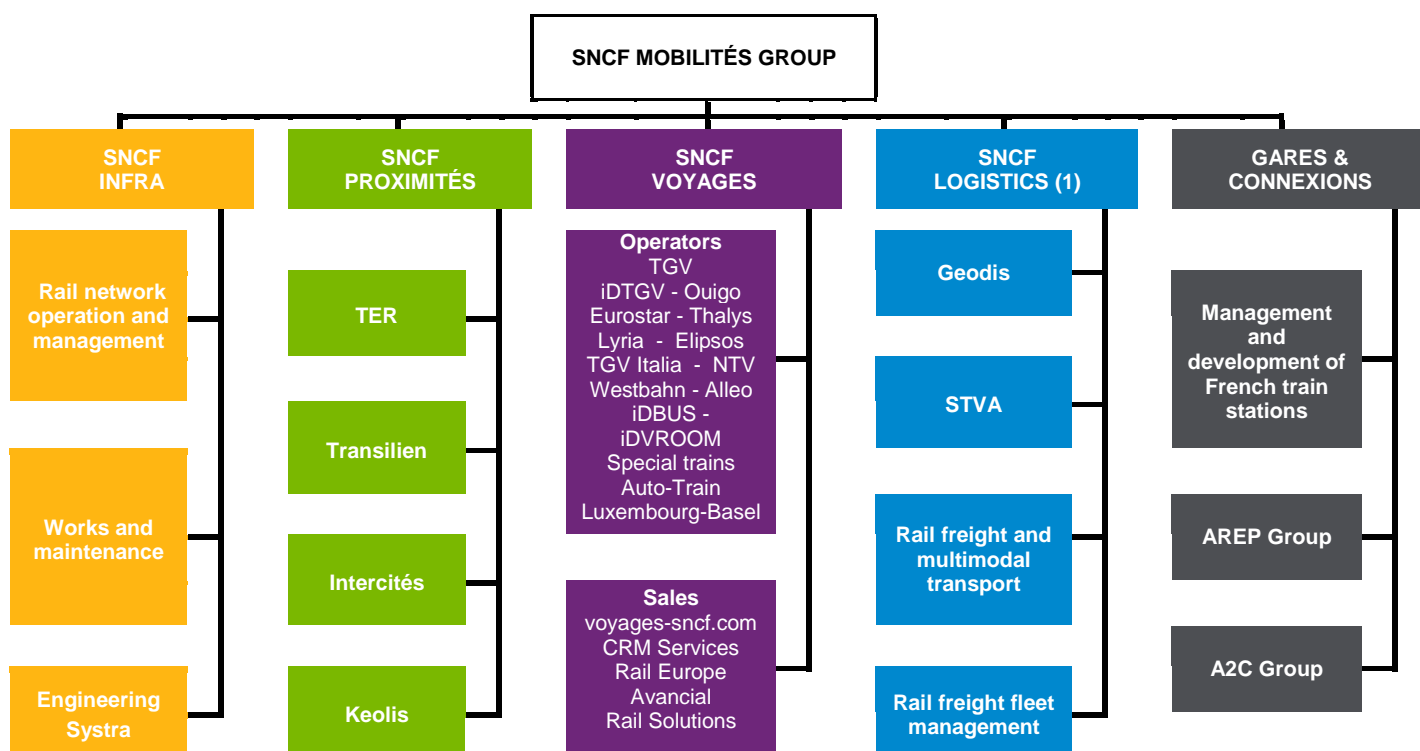
## 2. ACTIVITY AND RESULTS BY DIVISION

The activity of SNCF Mobilités Group is structured according to five divisions that are supported by common operations: SNCF Infra, SNCF Proximités, SNCF Voyages, SNCF Logistics (formerly SNCF Geodis) and Gares & Connexions.

The SNCF Infra division is fully concerned by the operational transfers specified by the rail reform law (see Note 3 to the consolidated financial statements). As they satisfy the definition of a “discontinued operation” under IFRS 5, the related financial data was reclassified under the following headings:

- Net profit/(loss) from transferred operations” in the 2014 and 2013 income statements;
- “Assets classified as held for sale” and “Liabilities associated with assets classified as held for sale” in the statement of financial position as at 31 December 2014.

Further information on the SNCF Infra division is provided in Note 2.1 below.



(1) Formerly SNCF GEODIS

Only the main subsidiaries are presented in this organisational chart and those that follow.

Contributions to revenue, gross profit, current operating profit, current operating profit after share of net profit of companies consolidated under the equity method and net investments of the Group's components break down as follows (the financial data per division shown in the table below and the tables on the following pages are presented as a Group contribution).

<i>In € millions</i>	SNCF Infra (1)	SNCF Proximités	SNCF Voyages	SNCF Logistics (2)	Gares & Connexions	Common operations and investments	Group
Revenue	5,440	11,967	5,848	8,812	275	341	27,243
Gross profit	353	633	680	431	251	387	2 383
Current operating profit	240	160	276	43	107	92	678
Current operating profit after share of net profit of companies consolidated under the equity method	246	175	273	33	107	98	685
Net investments	-139	-700	-477	-290	-168	-394	-2,168

(1) The data for the SNCF Infra division does not contribute to Group profit or loss (see Notes 3 and 7 to the consolidated financial statements).

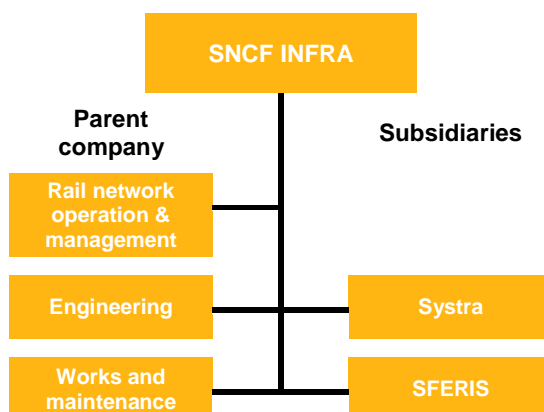
(2) Formerly SNCF Geodis

Unless stated otherwise, the analyses of results per division are not restated for Group structure and foreign exchange impacts.

Beginning in 2014, group management monitors the external revenue generated by each division (group contribution) and not the revenue generated between each division. The revenue presented in the analyses by division is therefore external revenue. For comparison purposes, the published 2013 data was accordingly restated.

However, the gross profit / revenue indicator presented by division is calculated based on revenue between divisions since it is not relevant based on revenue contributed.

## 2.1. SNCF INFRA DIVISION



The SNCF Infra division includes:

- delegated infrastructure management activities on behalf of Réseau Ferré de France, SNCF Réseau as at 1 January 2015 (traffic management and network maintenance);
- rail infrastructure engineering (Systra).

The SNCF Infra division was classified as a transferred operation following the enactment of law 2014-872 of 4 August 2014 (see Note 3 to the consolidated financial statements).

The table below presents the data contributed by the division to the Group indicators prior to its reclassification under “Net profit/(loss) from transferred operations” in the income statement, pursuant to the adoption of IFRS 5. Consequently, this data does not contribute to the SNCF Mobilités Group indicators in 2014.

<i>In € millions</i>	2014	2013 (1)	Change
Revenue	5,440	5,202	239
Gross profit	353	318	35
<i>Gross profit / revenue including revenue between divisions</i>	6.2%	5.8%	
Current operating profit	240	280	-40
Current operating profit after share of net profit of companies consolidated under the equity method	246	283	-37
Net investments	-139	-149	10

(1) External revenue (see Note 2)

### Highlights

- Activity, which remained steady, mainly covered maintenance and renovation work in Ile-de-France (RER lines A, C and E, Paris-Saint-Lazare suburban lines). The division launched its Ile-de-France High Performance plan, designed to smooth network operations and boost performance.
- In the regions, two major projects were completed: the upgrading of the Alpin-Sud line between Chambéry and Valence and the opening of the tram-train line linking Nantes to Châteaubriant. In addition, major work was conducted for the network’s backbone lines (Marseille – Toulon, Dijon – Dôle, Paris – Rouen – Le Havre in particular) and north of Bordeaux with a view to linking the future Sud-Europe Atlantique high-speed line to the existing network.
- As part of the Vigirail plan, the junction renovation programme was accelerated in line with the roll-out of new network monitoring trains.
- The SNCF Infra division and Réseau Ferré de France (RFF) united all the contributors and stakeholders involved in the unique infrastructure manager project (rail companies, organising



authorities, and associations) in order to prepare the new organisation's corporate project (Réseau 2020).

- The second half of 2014 was devoted to finalising the operating structures and methods of SNCF Réseau; the economic and financial trajectory of this new company was defined in discussions with the regulatory authorities.
- The division strengthened its international positioning through its subsidiary Systra, which was awarded the project management and phase 1 supervision contract for the Doha metro in Qatar. The division also contributed to the creation of a catenary component manufacturing company for the Chinese high-speed network, via its subsidiary SNCF Infra LBA.

## 2014 results

### ▪ Revenue

In 2014, revenue for the SNCF Infra division rose by €239 million (+4.6%), standing at €5,440 million.

This growth is primarily driven by network maintenance and renovation work (+€67 million) and by the increase in RFF infrastructure work (+€173 million).

### ▪ Gross profit

The increase in gross profit for the SNCF Infra division (+€35 million) is essentially due to non-recurring items recognised as part of the upcoming transfer of the SNCF Infra division to SNCF Réseau.

### ▪ Current operating profit

Current operating profit, which declined by €40 million, was affected by the increase in depreciation and amortisation charges following the impairment loss reversal for SNCF Infra – Works and maintenance as of 1 May 2013. In addition, the net movement in provisions in 2014 comprised a net charge of €6 million, compared to a net reversal of €22 million in 2013.

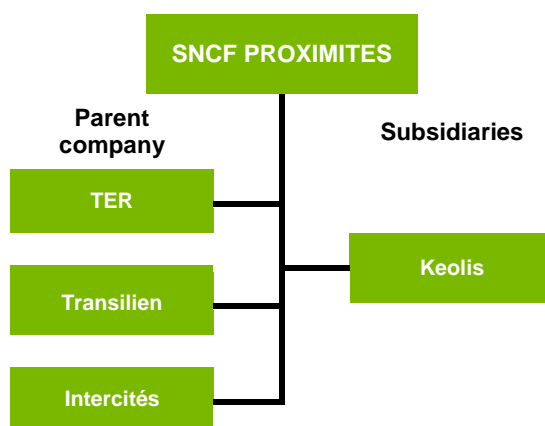
### ▪ Net investments

The investment level in 2014 approached that of 2013 and mainly consisted in the upgrading of production facilities.

## 2015 outlook

- Under the effective implementation of rail reform in 2015, the SNCF Infra division will be integrated within SNCF Réseau.
- In terms of production, the 2015 priority will be network surveillance and maintenance operations with the pursuit of the "Ile-de-France High Performance" and Vigirail plans. As part of the latter plan, track surveillance will be automated, with the commissioning of Surveillance and SIM trains.
- Major development projects will be pursued or initiated: the work connected to the opening of four new high-speed lines under construction, the Greater Paris and CDG Express projects, and the RER E westward extension in particular.

## 2.2. SNCF PROXIMITÉS DIVISION



The SNCF Proximités division encompasses all the Group's local transport activities: medium-distance links (Intercités), rail transport regulated services (TER, Transilien and Keolis subsidiaries), bus, tramway and subway (Keolis) and complementary services relating to passenger transport.

<i>In € millions</i>	2014	2013 (1)	Change
Revenue	11,967	11,591	376
Gross profit	633	655	-22
<i>Gross profit / revenue including revenue between divisions</i>	<i>5.1%</i>	<i>5.5%</i>	
Current operating profit	160	254	-94
Current operating profit after share of net profit of companies consolidated under the equity method	175	267	-91
Net investments	-700	-589	-111

(1) External revenue (see Note 2)

### Highlights

#### Transilien

- Responding to the wish of the Syndicat des Transports en Ile-de-France (STIF) to accelerate work on the Ile-de-France network, SNCF and RFF (respectively SNCF Mobilités and SNCF Réseau as at 1 January 2015) presented the Paris-Saint-Lazare network “reliability programme” on 5 March 2014 to the elected officials concerned.
- The roll-out of the new Francilien electric railcar continued in 2014. The J line (Paris- Saint-Lazare – Ermont-Eaubonne / Mantes-la-Jolie / Gisors) has now been equipped with this latest railcar. In addition, the STIF decided to acquire 42 Regio2N trains to be commissioned for the R line in 2017.
- Transilien and iDVroom have jointly launched an innovative car-pooling offer in order to facilitate access to isolated stations and zones for daily passengers and to provide alternative transport during disruptions, particularly when work is being carried out.

#### Intercités

- The “Avenir des Trains d'Equilibre du Territoire” commission, presided by Philippe Duron, was asked to clarify the issue of TET links with other rail transport services, and particularly TERs. The conclusions and recommendations will be used to prepare a new TET operating agreement that should be initiated in 2016.
- The activity has launched a service quality improvement process for the Intercités lines (Qualités programme), in parallel with the introduction of attractive sale offers for more than 300 destinations in France. In addition, as organising authority, the French State has pledged to fund the acquisition of 34 Régiolis trains for Intercités services.

## TER

- Alain Le Vern, the activity's director, held a news conference on 8 April 2014, presenting the TER challenges and the actions implemented to create a new TER model with the regions and forge a long-term relationship of trust with the organising authorities.
- In terms of contracts signed in 2014, new agreements were concluded with the Centre and Haute-Normandie regions and the TER Bretagne agreement was extended until 2017.
- Two new regionally financed trains were commissioned for commercial service in 2014, Alstom's Régiolis and Bombardier's Regio2N.

## Keolis

- On May 23, the Department for Transport (DfT) in the UK announced that it had awarded the operation of the Thameslink Southern and Great Northern (TSGN) franchise to Govia, a partnership between Keolis (35%) and Go-Ahead (65%), beginning in September 2014. The significance of the seven-year deal is without precedent in the UK. It represents 22% of the UK's rail traffic and will generate annual revenues of approximately £475 million. This franchise is now the Keolis group's largest network, thus strengthening its public transport positioning in dense urban areas.
- A partner in the GrandInq consortium, Keolis signed an agreement with the Region of Waterloo in Canada for the operation and maintenance of a tramway scheduled for launch in 2017. This tramway agreement, the first for Keolis in North America, signals the group's expansion towards the Canadian west.
- In partnership with Amey, a UK public services provider, Keolis was awarded in early July a 7-year operating contract for Docklands Light Rail, the automated metro in London. Operations are slated to start at the end of the year. This is the first contract awarded to Keolis by Transport for London (TfL), one of the leading transport organising authorities in Europe and the world.
- As of 1 July, Keolis Commuter Services has been running operations and maintenance for the Boston rail network, the largest in North America to be managed by a private operator. Its thirteen lines comprise 1,000 km of track, serve 134 stations and transport 36 million passengers per year. The Massachusetts Bay Transportation Authority (MBTA) has received assurances from Keolis regarding the improvement of performance, security and service quality.
- At the end of October, the Bordeaux Urban Community awarded Keolis the management of its mass transit system (tramways and bus). The eight-year contract totalling €1.7 billion calls for a 34% increase in the number of users and a 7% increase in kilometres covered thanks in particular to the extension of tramway lines.
- At the end of December, Keolis purchased the Autocars Striebig group, the lower Rhine intercity leader. This acquisition will expand the Keolis offering in Alsace, a particularly dynamic region in terms of public transport.

## **2014 results**

### ▪ Revenue

Revenue increased by €376 million (+3.2%) compared to 2013. This change is mainly explained by:

- a positive Group structure impact of €26 million at Keolis (*changes in Group structure are presented in Note 1.1*),
- an unfavourable foreign exchange impact for -€52 million.

On a constant Group structure and exchange rate basis, the division's revenue rose by +€402 million (+3.5%), driven by Keolis activity (+€342 million) in France (+2.2%) and a substantial international contribution (+20%), mainly in Australia, Sweden, and the United States.

### ▪ Gross profit

Gross profit for the SNCF Proximités division fell by €22 million (-3.3%) between 2013 and 2014. The decrease is essentially attributable to lower traffic revenue for the TER and Intercités activities and the impact of the June 2014 strike.

### ▪ Current operating profit

The division's current operating profit declined by €94 million due to:

- the change in depreciation and amortisation charges for Transilien and Keolis,

- a net movement in provisions for a net charge of €96 million compared to a net charge of €51 million in 2013.
  - Current operating profit after share of net profit of companies consolidated under the equity method

The item benefited from a €3 million increase in the net profit of the Keolis UK companies between 2013 and 2014.

- Net investments

The division's investments increased substantially (+€111 million); the TER activity received 50 Régidis trains and 14 Regio2N trains in 2014.

## **2015 outlook**

### Transilien

- Fiscal year 2015 will be highlighted by the signature of the 2016-2020 agreement with the STIF.

### TER

For TER, the main challenges will involve:

- The finalisation of ongoing negotiations with the regions for the renewal of the Languedoc-Roussillon, Pays-de-la-Loire and Nord-Pas-de-Calais agreements and the start of work for the new Rhône-Alpes agreement.
- The pursuit of new Régiosis and Regio2N rolling stock deliveries.

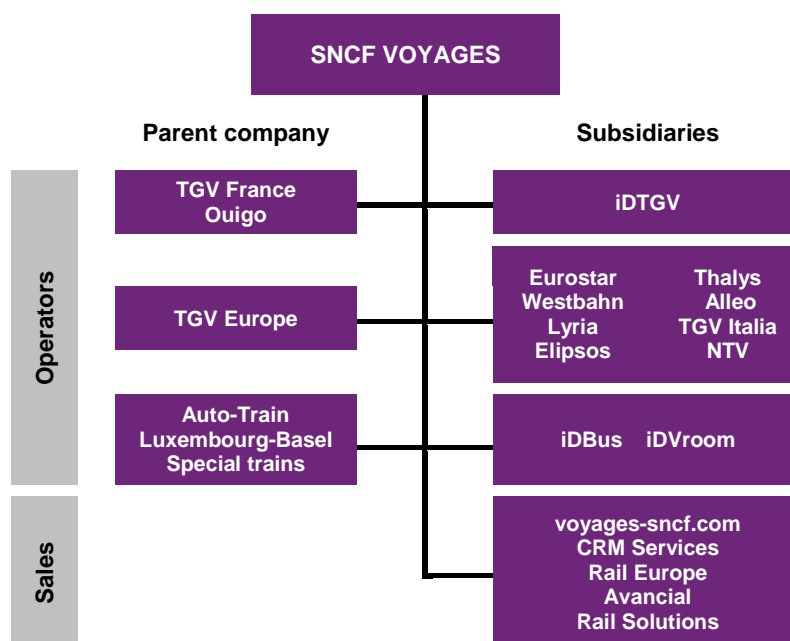
### Intercités

- In 2015, Intercités plans to boost its traffic revenue by 2%, based on a volume policy whose guiding principle will be affordable prices.

### Keolis

- In 2015, Keolis is charting an ambitious course of development, primarily at the international level, while at the same time confirming its leadership in France.
- The successful start of the Dockland Light Rail activity (London) as main operator should open new possibilities in rail transport.

## 2.3. SNCF VOYAGES DIVISION



The activity of the SNCF Voyages division comprises:

- carrier services in France and Europe through its TGV, iDTGV, Ouigo, Eurostar, Thalys, and Lyria activities;
- the supply of services related to the transportation of passengers: sales (with among others voyages-sncf.com) and train management.

<i>In € millions</i>	<b>2014</b>	<b>2013 (1)</b>	<b>Change</b>
Revenue	5,848	5,925	-76
Gross profit	680	782	-102
<i>Gross profit / revenue including revenue between divisions</i>	<i>10.4%</i>	<i>11.4%</i>	
Current operating profit	276	392	-116
Current operating profit after share of net profit of companies consolidated under the equity method	273	371	-98
Net investments	-477	-627	150

(1) External revenue (see Note 2)

### Highlights

- In 2014, SNCF Voyages developed its international transport offering by proposing:
  - a new Thalys direct service for Belgium and the Netherlands from Lille-Europe;
  - the introduction of a third return trip between Paris and Barcelona;
  - the opening of new iDBus links to Spain, northern Europe (including the first entirely international line between Amsterdam, Brussels and London), Germany and Switzerland. With a million passengers carried since its launch in July 2012 and a 90% customer satisfaction rate, iDBus is pursuing its development.
- Since its launch on 14 November 1994, Eurostar has carried 150 million passengers. On the occasion of its twentieth anniversary, Eurostar introduced the new e320 train, scheduled to begin commercial operations at the end of 2015. The new train will travel at a speed of 320 km/h and provide a significant level of service and comfort.
- In 2014, the division launched its iDVroom car-pooling offering as part of the SNCF Voyages Door-to-Door programme and signed an agreement with two mobility experts: Ecolutis, a car-pooling operator with 900,000 members and SNCF Mobilités, which carries 10 million daily travellers. The offering, which focuses on home-work commuting, also provides car-pooling services for weekend trips.

## 2014 results

- Revenue

The division's revenue declined by €76 million (-1.3%), mainly due to a €155 million decrease in traffic revenue, which fell significantly due to the June strike. The revenue generated by the new catering contract (€74 million) offset the decline.

- Gross profit

Gross profit for the SNCF Voyages division decreased by €102 million, standing at €680 million.

While the activity shrank, the increase in external charges, particularly infrastructure fees, remains steady. In 2014, the price impact added €82 million to the latter. These negative trends were offset through a rationalised and streamlined offering and the first anticipated impacts of the performance plans in 2014.

- Current operating profit

The division's current operating profit declined by €116 million, amounting to €276 million, the deterioration being essentially due to the gross profit.

- Current operating profit after share of net profit of companies consolidated under the equity method

In 2013, the item had been impacted by a €34 million impairment loss. In addition, the Eurostar net profit declined by €23 million between 2013 and 2014.

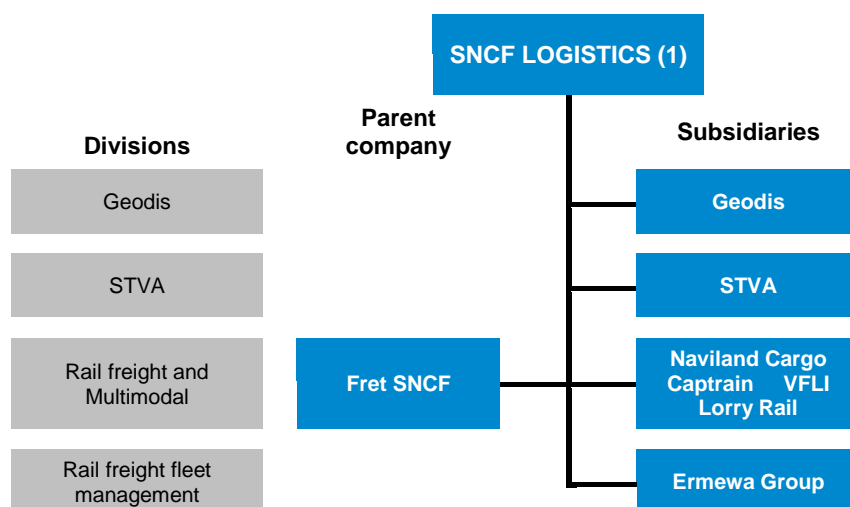
- Net investments

SNCF Voyages investments fell in comparison to 2013 (-€150 million). In September 2013, the division exercised an option to acquire 40 additional Euroduplex trains for €146 million.

## 2015 outlook

- The challenges for the SNCF Voyages division for 2015 will consist in:
  - successfully transforming Thalys into a rail company;
  - developing the iDTGV offering with new services to the Southeast and the Atlantic and rationalising services for Nice, Annecy and the Paris-Bordeaux corridor;
  - pursuing the commercial development of TGV Italie (new Lyon-Milan return, cabotage, special offering for the universal exhibition in Milan);
  - ramping up the Door-to-Door programme.

## 2.4. SNCF LOGISTICS DIVISION (FORMERLY SNCF GEODIS)



(1) Formerly SNCF GEODIS

The SNCF Logistics division includes a full range of transport and freight logistics businesses.

<i>In € millions</i>	2014	2013 (1)	Change
Revenue	8,812	8,891	-79
Gross profit	431	337	94
<i>Gross profit / revenue including revenue between divisions</i>	4.8%	3.7%	
Current operating profit	43	-118	161
Current operating profit after share of net profit of companies consolidated under the equity method	33	-117	149
Net investments	-290	-299	8

(1) External revenue (see Note 2)

### Highlights

- The SNCF Logistics division (formerly SNCF Geodis) had several commercial successes in 2014:
  - Ongoing international development of the Geodis freight forwarding activity thanks to new contracts (Alstom, ABB, H&M, Lego, etc.) and extension of its international network of operating hubs (particularly the hubs dedicated to the oil and gas industry).
  - Growth of the Geodis logistics activities in Continental Europe with the signature of several major contracts:
    - Management of Europe flows for Colgate from Hungary;
    - Dedicated 110,000 m<sup>2</sup> platform at the Dutch logistics campus for AOC International B.V. and MMD Monitors & Displays;
    - Upstream transport, storage, and distribution of Conforama products.
  - STVA: accelerated development for used vehicle logistics (signing of two contracts with Renault Retail Group in France and Volkswagen VO in Germany) and development of the service offering for insurers.
  - Rail freight and Multimodal
    - New contracts with the German steelmaker Salzgitter Mannesmann Großrohrwerk GmbH (Fret SNCF and Captrain Deutschland) and Imeyris, specialising in mineral extraction and transformation (Fret SNCF and Captrain Italia).
    - Renewal or extension of contracts with Brasseries Kronenbourg, Saint-Gobain, Solvay Chimie, Rio Tinto Alcan and the French Ministry of Defence.

- Rail freight fleet management: contract with Orlen Koltrans, the transport subsidiary of Orlen, the leading Polish oil group, a decisive step in the roll-out of the Akiem offering on the Polish market and renewal of contracts linking Ermewa with Rail Cargo Logistics and Solvay.
- Geodis announced the sale of the Ciblex and Italian parcel delivery activities. These operations are the result of a strategic decision concerning the positioning of the Parcel Delivery & Express activities in historical regions and in the traditional parcel delivery and industrial express delivery sectors.
- In January and April, Fret SNCF ran a 1,500-meter long train weighing 4,000 tons, thus establishing a new European record; the commercial operation of this type of train should become a reality in 2016.

## 2014 results

### ▪ Revenue

Revenue fell by €79 million (-0.9%) compared to 2013. It was impacted by:

- a Group structure impact of -€85 million (*the breakdown of Group structure changes is shown in Note 1.1*),
- a foreign exchange impact for -€76 million.

On a constant Group structure and exchange rate basis, revenue rose by 0.9% (+€83 million). The increase concerns the international Freight Forwarding of Geodis and the Rail Freight and Multimodal division, up 2.8%.

### ▪ Gross profit

Gross profit increased by €94 million, driven by Geodis (+€43 million) and the Rail Freight and Multimodal division (+€80 million, of which Fret SNCF, +€63 million, which is pursuing its recovery plan).

### ▪ Current operating profit

Current operating profit increased by €161 million; added to the increase in gross profit is the net movement in provisions (net charge of €66 million in 2014, compared to a net charge of €111 million in 2013).

- Current operating profit after share of net profit of companies consolidated under the equity method

In 2014, the item was impacted by impairment losses for €9 million.

### ▪ Net investments

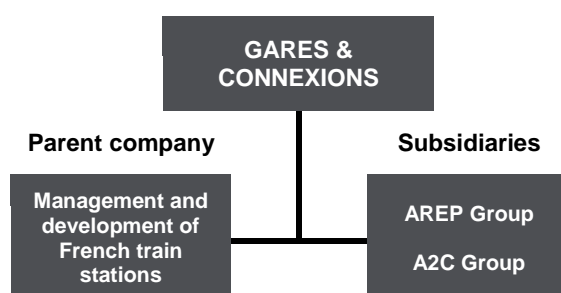
The division's investment volume did not change significantly compared to the previous year.

## 2015 outlook

- Fiscal year 2015 will be marked by a new boost in the division's profitability, based on productivity and commercial development.
- Organic growth should reach more than 2% next year, with revenue growth in France after three consecutive years of decline. Internationally, business outside Europe will continue to drive the division's activity.



## 2.5. GARES & CONNEXIONS DIVISION



Created on 1 January 2010, the aim of this fifth division is to introduce innovative services into stations, while inventing new areas of mobility for towns and cities. The main subsidiaries included in this division are the AREP group (architecture and urban planning) and the A2C group (commercial enhancement of stations).

<i>In € millions</i>	2014	2013 (1)	Change
Revenue	275	262	13
Gross profit	251	244	7
<i>Gross profit / revenue including revenue between divisions</i>	21.3%	20.6%	
Current operating profit	107	115	-8
Current operating profit after share of net profit of companies consolidated under the equity method	107	115	-9
Net investments	-168	-131	-36

(1) External revenue (see Note 2).

### Highlights

- Fiscal year 2014 was marked by the inauguration of the multimodal exchange hubs of Montpellier Saint-Roch, Bourg-en-Bresse, Besançon-Viotte and Dax and new passenger buildings for Cannes, Calais and Perpignan.
- Following the inauguration of the Paris-Saint-Lazare station's newly upgraded esplanades, the projects relating to the major Parisian stations continued with the signing of an undertaking to build and operate stores for the Paris-Montparnasse station with Altarea and the presentation to stakeholders of the renovation and extension project for the Paris-Austerlitz station. In addition, the work launched for the cross-channel terminal at Paris-Nord, Europe's largest station, should extend for five years.
- In terms of station services and stores, Selecta was awarded a ten-year contract for the operation of vending machines in over 800 stations during the first half of 2014. In September, the joint venture with Relay for newspaper distribution in stations entered its operational phase.

### 2014 results

- Revenue

The division's revenue rose by €13 million (+4.8%), primarily due to the increase in concession fees and the revenue generated by the AREP subsidiary.

- Gross profit

The division's gross profit rose by +€7 million between 2013 and 2014, essentially due to the increase in concession fees.

- Current operating profit

Current operating profit declined by €8 million; the higher gross profit was more than offset by higher depreciation and amortisation charges for €8 million and the €8 million increase in the net movement in provisions.

- Net investments

The growth in the investment volume of the Gares & Connexions division (+€36 million) is related to the de modernisation and renovation programme for the Ile-de-France stations (accessibility master plan) and the regions (multimodal exchange hubs).

#### 2015 outlook

- In 2015, the division's equity investments should amount to over €200 million, including nearly €40 million for the Transilien stations. Excluding the Transilien scope, the investments will cover the multimodal exchange hubs of Paris-Austerlitz, Paris-Montparnasse, Paris-Gare-de-Lyon, Paris-Nord and Bordeaux-Saint-Jean and the service development and regulatory compliance programmes (accessibility, traveller information, intermodality)
- Following the ARAF decision on 3 February 2015 regarding the dispute with the Syndicat des Transports d'Ile-de-France (STIF), Gares & Connexions has adapted its business model and prepared new earnings forecasts (*see Note 3 Subsequent events*).

### 3. NET INVESTMENTS AND NET DEBT

#### 3.1. NET INVESTMENTS

<i>In € millions</i>	2014	2013	Change	
Net investments	-2,168	-2,240	72	-3%
Disposals	436	331	105	+32%
<b>Investments, net of disposals</b>	<b>-1,733</b>	<b>-1,909</b>	<b>177</b>	<b>-9%</b>

Net investments decreased by €72 million compared to 2013, standing at €2,168 million as at 31 December 2014. The following activities posted increases in their investment volumes:

- TER with the delivery of new Régiolis and Regio2N rolling stock;
- Rail freight and Multimodal (SNCF Logistics division, formerly SNCF Geodis) with investments in rail motorways and acquisitions of rolling stock;
- Gares & Connexions with the renovation and development of stations and multimodal exchange hubs within its scope.

Disposals rose by €105 million compared to 2013; disposals for the year mainly involved real estate assets.

#### 3.2. GROUP NET DEBT

<i>In € millions</i>	31/12/2014	31/12/2013	Change
Non-current debt	13,799	14,227	-428
Non-current receivables	-4,389	-4,375	-14
<b>Net non-current debt used to calculate net debt</b>	<b>9,410</b>	<b>9,852</b>	<b>-441</b>
Current debt	4,972	3,603	1 369
Current receivables	-6,977	-6,071	-906
<b>Net current debt used to calculate net debt</b>	<b>-2,005</b>	<b>-2,469</b>	<b>463</b>
<b>Net debt</b>	<b>7,405</b>	<b>7,383</b>	<b>22</b>
<i>Gearing (Net debt / Equity)</i>	<i>1.1</i>	<i>1.1</i>	
<b>Net debt of continuing operations adjusted for the net debt of the SNCF Infra division</b>	<b>7,125</b>	<b>7,012</b>	<b>113</b>

The Group has reviewed the definition of its net debt and the criteria for including a financial asset or liability in this indicator: commitments to purchase non-controlling interests are now excluded from its calculation (see Note 23 to the consolidated financial statements). The net debt as at 31 December 2013 has thus been recalculated.

Net debt amounted to €7.4 billion as at 31 December 2014, for a gearing (Net debt / Equity) of 1.1 (1.1 as at 31 December 2013). Net debt as a percentage of gross profit rose from 3.0 as at 31 December 2013 to 3.1 as at 31 December 2014. However, adjusted for the net debt of the SNCF Infra division (see Note 23 to the consolidated financial statements), this ratio stood at 3.0 as at 31 December 2014.

Net debt was impacted by the following movements in 2014:

<b>Opening net debt</b>	<b>7,383</b>
Cash from operations	-2,058
Net investments	2,168
Disposals	-436
Dividends received from companies consolidated under the equity method	-30
Net external growth	95
Change in operating WCR	181
Dividend paid to the French State	175
Change in fair value, amortised cost, translation difference	244
Change in tax WCR	-325
Other	7
<b>Closing net debt</b>	<b>7,405</b>

### 3.3. FINANCING SOURCES AND DEBT MANAGEMENT

Non-current debt decreased by €0.4 billion, while current debt increased by €1.4 billion.

These changes were essentially due to:

- an increase in cash liabilities for +€0.7 billion;
- a change in fair value of financial liabilities for +€0.7 billion;
- the issue of new bonds for +€0.3 billion;
- loan repayments to credit establishments for -€0.4 billion;
- finance lease repayments for -€0.5 billion.

Non-current receivables rose by €0.9 billion, while non-current receivables were steady, attributable to:

- a change in fair value of derivatives for +€0.5 billion;
- a cash increase for +€0.3 billion;
- an increase in deposits paid for +€0.2 billion;
- an increase in interest rate and foreign currency derivatives for +€0.1 billion;
- a decrease in marketable securities for -€0.3 billion.

The parent company is responsible for managing most of the Group's net debt and carried 93% of the Group's external debt at the year-end.

The SNCF Mobilités Group's long-term debt is rated as follows by the main rating agencies:

	<b>Long-term rating</b>	<b>Outlook</b>	<b>Report date</b>
Standard & Poor's	AA-	Negative	14-oct.-14
Moody's	Aa2	Negative	25-nov.-14
Fitch Ratings	AA	Stable	19-dec.-14

### **3.4. GROUP EXPOSURE TO MARKET RISKS**

The management of market risks is governed by a general framework, approved by the SNCF Mobilités Board of Directors, setting out the management principles for parent company risks that may be hedged by financial instruments.

This general framework defines the principles governing the selection of financial products, counterparties and underlyings for derivative instruments.

More specifically, the general framework defines risk limits for the management of euro and foreign currency cash balances and long-term net indebtedness.

In addition, it details the delegation and decision-making system and the reporting and control system and its frequency (daily, twice monthly, monthly and annually).

The breakdown of the strategy implemented is described in the annual consolidated financial statements.

## 4. CONSOLIDATED STATEMENT OF FINANCIAL POSITION AND RATIOS

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>
Goodwill	1,385	1,354
Intangible assets	1,086	1,260
Property, plant and equipment	14,317	15,007
Non-current financial assets	5,822	5,461
Investments in associates	956	1 058
Deferred tax assets	1,172	994
<b>Non-current assets</b>	<b>24,737</b>	<b>25,134</b>
Operating assets	6,354	8,511
Current financial assets	1,611	1,118
Cash and cash equivalents	5,408	5,060
<b>Current assets</b>	<b>13,374</b>	<b>14,689</b>
Assets held for sale	4,086	1
<b>TOTAL ASSETS</b>	<b>42,197</b>	<b>39,823</b>
Capital	4,971	4,971
Consolidated reserves	1,177	1,879
Net profit/(loss) for the year	605	-180
<b>Equity attributable to equity holders of the parent company</b>	<b>6,753</b>	<b>6,670</b>
Non-controlling interests (minority interests)	105	99
<b>Total equity</b>	<b>6,857</b>	<b>6,769</b>
Non-current employee benefits	1,456	2,044
Non-current provisions	1,037	874
Non-current financial liabilities	13,813	14,235
Deferred tax liabilities	486	238
<b>Non-current liabilities</b>	<b>16,793</b>	<b>17,390</b>
Current employee benefits	218	180
Current provisions	265	264
Operating payables	9,989	11,613
<b>Operating liabilities</b>	<b>10,472</b>	<b>12,057</b>
Current financial liabilities	4,972	3,603
<b>Current liabilities</b>	<b>15,444</b>	<b>15,660</b>
Liabilities associated with assets classified as held for sale	3,103	4
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>42,197</b>	<b>39,823</b>
<i>Gearing (Net debt / Equity)</i>	<i>1.1</i>	<i>1.1</i>
<i>Net debt/ Gross profit</i>	<i>3.1</i>	<i>3.0</i>

Following the rail reform and in accordance with IFRS 5 “Non-current assets held for sale and discontinued operations” (see *Note 1.2 of major events of the year*), the Group reclassified the following items under “Assets classified as held for sale” and “Liabilities associated with assets classified as held for sale” in the statement of financial position as at 31 December 2014:

- assets and liabilities of the SNCF Infra division to be transferred to SNCF Réseau;
- assets and liabilities of entities to be transferred to the parent EPIC as identified at the year-end;
- non-current assets to be transferred to the parent EPIC as identified at the year-end.

Detailed information on these reclassifications is presented in Note 27 to the consolidated financial statements.

Excluding these reclassifications, the statement of financial position recorded the following changes in 2014:

- a €43 million decrease in net intangible assets due to acquisitions, net of disposals, for +€201 million and depreciation, amortisation and impairment, net of reversals for -€260 million;
- a €471 million increase in net property, plant and equipment primarily due to acquisitions, net of disposals, for +€1,591 million, and depreciation, amortisation and impairment, net of reversals, for -€1,316 million and the revaluation of the rolling stock asbestos component for +€177 million;
- a €70 million improvement in the working capital requirement;
- a increase in equity attributable to equity holders of the parent, which mainly includes the dividend paid to the shareholding State (-€175 million), the change in fair value of cash flow hedges (-€197 million), the actuarial gains and losses on employee defined-benefit plans (-€216 million), the change in translation differences (+€22 million) and the net profit of the period (+€605 million).
- an increase in employee commitments for €324 million mainly due to a lower discount rate;
- an increase in provisions for €281 million, including €231 million for asbestos cost provisions.

Movements in financial assets and liabilities are analysed in Note 3.3

## 5. FINANCIAL RELATIONS WITH THE FRENCH STATE, RÉSEAU FERRÉ DE FRANCE (SNCF RÉSEAU AS AT 1 JANUARY 2015) AND LOCAL AUTHORITIES

SNCF Mobilités receives:

- public service orders (as is the case with any public service agent or supplier to the French State and local authorities) in a monopoly legislative and regulatory framework,
- operating and investment grants primarily received for the activities of the SNCF Proximités division.

### 5.1. PUBLIC SERVICE ORDERS

The table below shows the Group revenue generated with RFF (SNCF Réseau as at 1 January 2015), the Regions, STIF and the French State.

The revenue generated with RFF is almost solely driven by the SNCF Infra division, which will be transferred as part of the rail reform law (see Note 1.2 of Major events of the year). Accordingly, this revenue has been reclassified under the heading "Net profit/(loss) from transferred operations" in the income statement.

<i>In € millions</i>	2014	2013	Change
Compensation of Infrastructure Manager by RFF	3,315	3,269	46
<i>including traffic and circulation management</i>	865	864	1
<i>including network and asset management</i>	2,450	2,405	45
Work for RFF	2,101	1,905	196
<b>Total RFF</b>	<b>5,416</b>	<b>5,174</b>	<b>242</b>
Compensation for regional rates	509	473	36
Services for the Organising Authorities	3,998	3,833	165
<b>Total Regions and STIF</b>	<b>4,507</b>	<b>4,306</b>	<b>201</b>
Newspapers	-	3	-3
Socially-motivated prices	26	38	-12
Defence	154	162	-8
Trains d'Equilibre du Territoire (TET)	276	292	-16
<b>Total French State</b>	<b>455</b>	<b>495</b>	<b>-39</b>
<b>TOTAL</b>	<b>10,379</b>	<b>9,975</b>	<b>404</b>

The change in RFF revenue stems from an increase rail infrastructure maintenance operations and investments for the network owner.

The services for the Organising Authorities and STIF and the rate compensation increased by €201 million compared to 2013 in relation to contract indexation mechanisms.

### 5.2. GRANTS AND PUBLIC CONTRIBUTIONS OBTAINED FROM THE FRENCH STATE AND GOVERNMENT AUTHORITIES

Public contributions granted to the Group by the French State and government authorities are presented in the following table:

<i>In € millions</i>	2014	2013	Change
Operating grants	41	99	-58
Payments received for concession financial assets (1)	906	645	262
Investment grants relating to intangible assets and PP&E	205	286	-82
<b>Total</b>	<b>1,152</b>	<b>1,030</b>	<b>123</b>

(1) Of which €30 million related to the Trains d'Equilibre du Territoire agreement (€19 million in 2013).



*Payments received for concession financial assets and investment grants received*

SNCF Mobilités receives investment grants in the form of third-party financing, primarily from local authorities, for rolling stock.

In accordance with IFRIC 12, grants received as part of a concession are presented in the statement of financial position as a deduction from the intangible assets or financial assets, according to the applicable model, following the analysis of each concession agreement. With regard to concession financial assets, the grants received are considered as a means of reimbursing such assets.

In the other cases, investment grants received are deducted from intangible assets and property, plant and equipment in the balance sheet. In the income statement, they are recorded in operating profit or loss (as a deduction from depreciation and amortisation) according to the estimated economic life of the corresponding assets.

## 6. EMPLOYEE MATTERS

### 6.1. AVERAGE WORKFORCE

	31/12/2014	31/12/2013	Change		Change on a constant Group structure basis and excluding internal transfers (2)	
SNCF Infra division	<b>52,193</b>	51,143	+2.1%	1,050	+1.8%	928
SNCF Proximités division	<b>82,239</b>	67,360	+22.1%	14,879	+4.5%	3,040
<i>including Keolis group</i>	<b>51,602</b>	48,665	+6.0%	2,936	+5.5%	2,655
SNCF Voyages division	<b>23,813</b>	24,764	-3.8%	-951	-2.9%	-711
SNCF Logistics division (1)	<b>43,517</b>	45,543	-4.4%	-2,026	-3.8%	-1,712
<i>including Geodis group</i>	<b>30,312</b>	31,255	-3.0%	-942	-2.0%	-628
Gares & Connexions	<b>3,416</b>	3,303	+3.4%	112	+3.4%	111
Common operations and investments	<b>40,586</b>	52,457	-22.6%	-11,871	-1.3%	-672
<b>TOTAL</b>	<b>245,763</b>	244,570	+0.5%	1,193	+0.4%	984

(1) Formerly SNCF Geodis

(2) Main impacts of change in Group structure:

- Keolis group: acquisitions of Nettbus Danemark (+153) and Picavet / STACA (+79);
- Geodis group: sales of Ciblex and the Italian parcel delivery entity (-321);
- Common operations and investments: acquisition of Orféa (+296);
- Internal transfers concern a "decentralisation" of production resources (rolling stock maintenance, train driving and maintenance) towards the passenger activities of SNCF Mobilités' parent company.

The main changes on a constant Group structure basis and excluding internal transfers are as follows:

- SNCF Infra's workforce increased due to the network modernisation and development work.
- The increase in employees for the SNCF Proximités division is mainly explained by the growth of Keolis in intercity zones (+558) and internationally (+1,933, particularly in the United States).
- The reduction in the SNCF Logistics (formerly SNCF Geodis) workforce was attributable to the slowdown in activity observed for certain business lines of this division.

The increase in the workforce of subsidiaries in recent years mainly reflects the changes in Group structure:

	2014	2013	2012	2011	2010	2009
Parent company (1)	154,272	155,371	156,110	156,047	157,894	161,771
Subsidiaries	91,491	89,200	87,844	89,043	83,084	38,326
<b>TOTAL</b>	<b>245,763</b>	<b>244,570</b>	<b>243,954</b>	<b>245,090</b>	<b>240,978</b>	<b>200,097</b>

(1) Including seconded employees

## 6.2. MAIN AGREEMENTS SIGNED IN 2014

Two collective agreements were signed by SNCF Mobilités' parent company with representative trade union organisations:

- amendment no. 1 to the collective agreement of 6 November 2013 setting up a "healthcare cost" reimbursement scheme for the employees of SNCF Mobilités' parent company covered by the general social security scheme signed on 27 May 2014;
- 2014 wage agreement signed on 7 July 2014.

## 7. CHALLENGES AND OUTLOOK

In a context that remains tense:

- Increase in GDP limited to +1.0%;
- Modest rise in freight transport;
- Significant intermodal (air and car-pooling) competition for the Passenger segment with the drop in oil prices;
- Major financial constraints weighing on the Organising Authorities;
- Persistent impact of rail production work with slowdowns in speed and loss of customers;
- Opening of the long-distance bus market expected in the second half of 2015.

However, the SNCF Mobilités Group has set some ambitious objectives, with revenue growth exceeding +3% on a constant Group structure and exchange rate basis, driven by international activity.

The portion of international revenue should grow to 27%, or €8 billion (including Eurostar).

The equity investment policy remains steady at €2.1 billion, thus securing future performances.

Nevertheless, certain issues, which SNCF Mobilités cannot solve independently, must be addressed in 2015:

- With a significant decline in profitability despite major productivity efforts (10.4% gross profit on revenue in 2014 compared to over 18% in 2007 – excluding infrastructure fees, gross profit increased between 2012 and 2014), the TGV activity's business model must be overhauled.
- The growing deficit of the Intercités activity (€320 million in 2015, 95% financed by SNCF Mobilités), whose traffic volume has dropped over the last five years without any remedial service modifications being enacted. Over the 2011-2015 period, Intercités will have consumed €1.4 billion in operating cash, or one and a half times the amount used by Fret SNCF. The "Avenir des trains d'équilibre du territoire" (TET) Duron commission, set up by the Secretary of State for Transport, is examining the matter and will submit its conclusions at the end of the first half of 2015. The urgent need for decisions has been intensified by the opening of the long-distance bus market, which will initially impact the Trains d'Équilibre du Territoire activity.
- Finally, the stations' business model must be reviewed in order to establish the expected level of profitability, in line with the investment policy conducted.

# CORPORATE SOCIAL RESPONSIBILITY (CSR)

This CSR section offers a first look at available non-financial information, primarily concerning EPIC and where applicable the Group subsidiaries. The full CSR report, in accordance with the Grenelle 2 law application decree (Articles 225 and 226), will be published in May 2015.

## 1. THE GROUP AND CSR - 4 CHALLENGES AND 12 COMMITMENTS

The Group's CSR policy focuses on four challenges:

- A customer challenge: delivering sustainable mobility for travellers and freight,
- An environmental challenge: reducing our environmental footprint,
- An employee challenge: encouraging human development,
- A community challenge: contributing to regional vitality,

These commitments are governed by values and principles.

This transversal CSR policy relies on the human resources and ethics policy, the division and activity policies for mobility and environmental management, and all players involved in social initiatives contributing to regional development.

Training courses covering the Group CSR policy, and more generally sustainable development issues, have been offered by the SNCF University since 2011, in order to pass on the keys to building a CSR policy to managers at their entity level. Training courses on environmental and social topics are also offered to the company's employees responsible for initiating policies and implementing actions in the regions and/or production sites.

The four challenges of the Group's CSR policy break down into 12 commitments. Most are subject to quantified objectives and performance indicators managed using the Sustainable Development Information System.

### **CUSTOMER CHALLENGE: DELIVERING SUSTAINABLE MOBILITY FOR PASSENGERS AND FREIGHT**

- Commitment 1 – Guaranteeing passenger and freight safety
- Commitment 2 – Improving customer satisfaction
- Commitment 3 – Developing door-to-door
- Commitment 4 – Promoting new low impact mobilities

### **ENVIRONMENT CHALLENGE: REDUCING OUR ENVIRONMENTAL FOOTPRINT**

- Commitment 5 – Acting for the climate and energy transition
- Commitment 6 – Controlling our environmental impacts
- Commitment 7 – Developing a circular economy

### **EMPLOYEE CHALLENGE: ENCOURAGING HUMAN DEVELOPMENT**

- Commitment 8 – Caring for employees: health, safety, living together and quality of life in the workplace
- Commitment 9 – Contributing to employee development
- Commitment 10 – Creating a shared vision of the future

### **COMMUNITY CHALLENGE: CONTRIBUTING TO REGIONAL VITALITY**

- Commitment 11 – Providing support to the vulnerable
- Commitment 12 – Contributing to the local economy

### **VALUES AND PRINCIPLES**

The company is fully aware that its social responsibility goes hand in hand with its values and ethical principles, and so strives to develop and carry out policies covering business ethics and respect for human rights, transparency, the advancement of CSR within its sphere of influence, and innovation.

## 2. CUSTOMER CHALLENGE: DELIVERING SUSTAINABLE MOBILITY FOR PASSENGERS AND FREIGHT

To meet the high expectations of its stakeholders, two of the three\* priorities defined in the Excellence 2020 corporate plan are directly covered by this challenge:

- satisfying ten million daily customers,
- promoting widespread door-to-door solutions and customised travel.

The ambition of the Réseau 2020 corporate plan is to make the French network one of the safest and most reliable in the world.

*\*3<sup>rd</sup> priority: increase international to 30% of revenue by 2018*

### **Commitment 1 Guaranteeing passenger and freight safety**

#### **Operational safety**

Following the Brétigny accident and the Denguin collision, the Group launched an internal investigation on safety in September 2014. Of the 152,000 agents surveyed, 52,000 responded on topics such as practices, training, procedures, resources, etc. The encouraging results will help the company to progress. The investigation will be renewed annually based on an adapted sampling.

The Vigirail programme, launched by the Group and RFF (SNCF Réseau as at 1 January 2015) in 2013 for the 2014-2017 period, is designed to enhance track monitoring and modernise rail network maintenance. It also includes the actions conducted in response to the recommendations issued by the French Land Transport Accident Investigation Bureau (BEA-TT), published in its progress report on 10 January 2014. Among the recommendations: intensified switching equipment renewal, rail analysis and control using video, greater traceability, digital surveillance of infrastructures, reinforced and simplified maintenance frameworks and improved verification of bolted assemblies.

#### **Security of facilities**

To meet the legitimate expectations of its customers, the Group has trained and deployed 2,800 rail security agents. In its prevention and security assignments, this department cooperates on a daily basis with police, gendarmerie and customs officials and public prosecutors. In 2014, in addition to numerous joint and coordinated assignments, and exchanges covering best practices, two test agreements were signed with the Gendarmerie nationale in order to specifically reinforce anti-metal theft measures and enhance security for trains and end-of-the-line stations in Ile de France and regionally.

The Group has also raised the awareness of young people to prevent the risk of accidents and limit incivility or malicious acts in the rail network. Under an historic Group initiative backed by a partnership with the Ministry of National Education, each year some 230,000 young people in schools are exposed to the safety and civic responsibility issues of mass transit. These actions, which extend from grade four to high school graduation, are carried out by a network of 450 volunteer employees who have received special training under the "Passenger and Citizen" programme, based on learning through experience and presented by age group.

The Group also calls upon social mediators on board its trains in order to reinforce the social relationship between travellers and public players. It works in partnership with recognised social mediation organisations. Their agents, who are in constant contact with travellers, have the task of stopping incivility, easing tensions and defining rules to "better live together" by encouraging dialogue.

These measures are part of a general policy to prevent and manage incivility, which has been an official Group commitment since 2012.

### **Commitment 2 Improving customer satisfaction**

#### **Punctuality**

To streamline rail traffic and accommodate its growth, 1,000 network modernisation projects were scheduled in 2014, including 100 in the Ile-de-France region. This represents more than 1,000 km of renovated track. The planning of "work windows," and scheduled and repetitive time slots, which are often identical every day of the year, avoids changes in passenger travel time. In addition, the "haut débit voyageurs" (high passenger traffic) plan launched in high-density urban zones and enabling a re-examination of Ile-de-France operations will be deployed in major agglomerations.

Objective:

- reduce by 20% the incidents related to poor reliability of the national network (by 2020)
- raise the Transilien customer satisfaction rate to 75% (by 2020)

Changes in indicators (Group excluding subsidiaries)

Art.225		2012	2013	2014
I-3°-b)	% of customers satisfied with Transilien (normal and disrupted situations)	72	69.4	68

*Satisfaction related to service quality had progressed in the first half. Unfortunately, it ended in June due to strikes and production deviations involving the C line (Ardoines fire). However, the improved year-end results (70% in December) have set the stage for a favourable momentum in 2015.*

### Customer information

Several tools to improve customer information were introduced in 2014. The Group developed SNCF MAPS, an interactive map of the French rail network that shows train circulation in real time. "Communauté Train," a customer exchange mobile site has also been set up. Furthermore, the 96minutes platform launched by Transilien responds to passenger service questions on a monthly basis.

When disruptions occur, "red vest" helpers reinforce public reception in the stations. Using volunteers, this measure is intended to improve traveller information during major incidents that can present difficulties for station customers. These volunteer agents with various profiles receive training before meeting travellers.

### Promoting affordable prices

Today, 8 million people suffer from fuel poverty and a lack of mobility (more than 15% of their budget for heating and petrol). The SNCF Chairman seeks to simplify prices, allow for comparisons and make the train a more affordable option. The Group has already adopted a voluntary low budget policy, mainly through the OUIGO, IDTGV and Prem's offers. The website [www.sncf.com/voyagezmoinsher](http://www.sncf.com/voyagezmoinsher) explains and promotes the Group's initiatives regarding more universally affordable prices by listing the available tools and encouraging travellers to make a choice based on their profile and motivations.

Objective: Pursue this affordable price policy for rail offerings

Changes in indicators (Group)

Art.225		2012	2013*	2014*
I-3°-a)	% of low-price TGV tickets (Prem's, IDTGV, Ouigo)	-	15.9%	18.5%

*The Prem's, IDTGV and OUIGO offerings enabled 1 out of 5 passengers to travel at a low price.*

*\* at the end of November*

### Promoting physical accessibility for all passengers

The Group is pursuing its accessibility programme for stations, trains, passenger information and dedicated services, which was initiated ten years ago. The SNCF Accessibility and Disabled Passenger Delegation, which is coordinating this accessibility policy, puts into practice the solutions set out with national associations representing the disabled. At their request, a report covering the actions conducted is prepared each year.

The Group has introduced various services to facilitate the travel of customers who are disabled or whose mobility is reduced, including Accès Plus, a free service available in 360 stations that welcomes disabled customers and accompanies them to their train seat. In 2014, more than 424,000 Accès Plus services were ordered.

The Social Good Lab, launched in 2013, is pursuing its development, conducting a new business recruitment campaign between December 2014 and February 2015. The goal is to encourage the emergence and development of start-ups that are innovating in areas of social or environmental importance. The Group is one of the key players in this project via the contribution of its expertise in universal accessibility.

Objective: Ensure physical accessibility in stations and trains through a renovation or creation programme, and develop extra services for persons with disabilities or reduced mobility.

### **Commitment 3**

#### **Developing door-to-door transport for passengers and freight**

One of the three objectives of the Excellence 2020 strategy is to expand door-to-door solutions. Current offers will become more widespread and developed over the next fifteen months: combination of modes and operators, multimodal information, bicycle and car sharing, car-pooling for passengers, and global multimodal solutions for freight.

The Group has also launched an all-in-one smartphone application to facilitate and simplify end-to-end travel, by combining several transport modes. It thus unifies all the information applications and will gradually become the door-to-door application.

For passengers, this involves facilitating the use of active public transport that is clearly more energy efficient than a car or plane, and encouraging low carbon solutions as a complement to the train for the last kilometre. With iDCAB, it is possible to reserve a chauffeured vehicle or a taxi using a TGV ticket, while the iDVROOM offering targets home-work carpooling and a journey to or from the station.

Stations are now at the heart of all forms of mobility and have become city-connected people places. With the ongoing changes they are becoming true multimodal centres, where it is possible to shift transport modes in one location (TGV, TER, car-sharing, bus, bicycle, etc.) and thus streamline travel. This project will also facilitate the arrival of emerging or environmentally friendly travel modes in close proximity to stations, such as enclosed shelters for bicycles, information on their availability, or electric scooter rentals. From parking to so-called heavy transport modes, Keolis has also introduced practical solutions in stations, by way of bus, car, or lighter transport modes. This is the case for the interactive terminals in Lille, or the KorriGo integrated ticketing system in Brittany.

Objective: door-to-door solutions accessible to all passengers by 2020
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### **Commitment 4**

#### **Promoting new low impact mobilities**

##### **For passengers**

A large number of initiatives have been undertaken in order to promote new vehicle uses (car sharing, etc.) or technological innovations, such as the use of electric vehicles to complement the train. Wattmobile rents scooters and electric vehicles in some twenty French stations so that the last kilometres of travel are ecological. In offering this unprecedented ecomobility service, Wattmobile becomes an integral part of the Group approach. Using iDVROOM, the short-distance car-pooling platform the Group released in September 2014, it is possible to enter or find a chosen route, select the desired travel options and contact car-poolers for home-station trips. In addition to encouraging car-pooling, this launch supplements the company's door-to-door strategy by expanding the customer offering.

##### **For freight**

Businesses are increasingly concerned about the carbon footprint left by their products. Keeping this in mind, the choice of transportation mode is now central to decision-making.

SNCF Logistics offers its customers a global multimodal offering that emits increasingly less greenhouse gases (GHG) and atmospheric pollutants throughout the logistics chain. The diversity of the service lines and the complementarity of the routing modes translate into transport plans that take into account the type of freight, the distances to be travelled and the deadlines to be met, while integrating environmental performance at the same time. Alternative solutions such as combined rail-road transport are also offered. On the rail motorways, one of the modal shift solutions that are now widespread for long-distance hauling, 850-metre trains are circulating on the network, with 48 semi-trailers transported, and 1,050-metre trains with 60 semi-trailers should circulate by 2020. In addition, the project to extend freight trains by means of "double trains" should make rail freight more competitive.

For road transport, various on-board IT tools can optimise the environmental performance of transport flows. By improving route scheduling, these tools reduce the distances travelled and thus diesel consumption and GHG emissions. Vehicle use is also reduced thanks to low consumption tires, speed limits and the introduction of eco-driving training. The fleet is constantly renewed with vehicles meeting the Euro 5 standard and beyond.

Objective: Propose a global multimodal offering that emits increasingly less GHGs and atmospheric pollutants throughout the logistics chain.
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Changes in indicators (Group)

Art.225		2012	2013	2014
I-2°-d)	Tonnes of CO <sub>2</sub> avoided because of rail motorways (in thousands)	50	59	60

*In 2013, CO<sub>2</sub> emissions were reduced by more than 58,700 tonnes because of the rail motorway service for the Aiton - Orbassano (Alpine Rail Motorway) and the Bettembourg - Le Boulou (Lorry Rail) trunks. In 2014, further progress was made since CO<sub>2</sub> emissions were reduced by over 60,000 tonnes. This improvement was attributable to a higher train load factor (annual average of over 93% for Lorry Rail).*

### 3. ENVIRONMENT CHALLENGE: REDUCING OUR ENVIRONMENTAL FOOTPRINT

Some fifteen years ago, the Group implemented a policy to reduce its environmental footprint, by reducing greenhouse gas emissions and managing noise and environmental risks relating to its industrial and commercial activities. A network of environment specialists has gradually formed within the Group's divisions, support functions, regions and companies.

#### Commitment 5 Acting for the climate and energy transition

As part of the Excellence 2020 corporate plan and in line with its environmental commitments, the Group is investing to save energy, secure its energy supply and control GHG emissions. This approach relies on tools (Sustainable Development Information Systems and GHG emissions report) and the strategies of the Sustainable Development Department. The Energy Department is responsible for purchasing energy and steering energy saving programmes (traction and buildings). The divisions act to optimise energy consumption for the transport plans and improve mobility CO<sub>2</sub> efficiency by increasing train usage.

In 2014, the company initiated the "Traction Energy Reduction" project, which will see the installation of on-board energy meters in trains (first meters now being installed in TGVs). It also launched the Energies Lights programme to raise eco-gesture awareness to control energy consumption in its many buildings.

With respect to road transport, various on-board IT tools can optimise the environmental performance of transport flows.

Objectives: Reduce energy consumption for traction and the use of buildings by 20% by 2022.  
Reduce by 40% GHG emissions for passenger rail traffic between 1990 and 2020 (14.92 g/passengers.km in 1990) and by 30% for freight (11.21 g/tonnes.km in 1990).

Changes in indicators (Group excluding subsidiaries)

Art.225		2012	2013	2014
I-2°-d)	Rail traction CO <sub>2</sub> emissions (thermal and electrical energy – in thousands of tonnes)	881	879	825
I-2°-c)	Total energy consumption for train traction (thousands of TOE))	783	781	744

*The Group's traction energy consumption fell by 4.7% compared to 2013. This decrease is primarily due to traffic structural changes (related to the economy) and a downturn arising from the June strike. Favourable weather conditions also contributed to the decrease. The more significant decrease in resulting CO<sub>2</sub> emissions (-6.1% compared to 2013) stems from a decrease in diesel consumption which was twice that of traction electricity.*



**Commitment 6**  
**Controlling our environmental impacts**

**Environmental management and control of environmental risks**

ISO 14001 certifications and the deployment of Environmental Management Systems, “adapted EMS,” are becoming more widespread in the activities with, for example, a definition of tools in one region (Champagne Ardenne) enabling passenger facilities to produce their own adapted EMS.

In the face of greater regulation, controlling compliance for significant environmental issues is a priority. Amendments to the regulation on installations classified for environmental protection (ICPE) are managed by means of a coding update procedure for our installations that was initiated in 2014. In addition, the principal contracts for the elimination of hazardous waste have been reviewed, and approximately five hundred employees have been trained regarding the main environment issues.

At the request of the Ile de France prefect, the Group has drawn up a planning document to deal with major flooding from the Seine (of the kind seen in 1910).

**Noise**

In the area of noise, the Group is pursuing its research programme, maintaining an active technical presence in terms of regulations and standards and improving its processes and equipment. The roll-out of new trains such as the Regiolis will also contribute.

**Water**

In the face of growing pressure on water resources and the related risks, the Group is formalising a policy to reduce its water consumption. It also seeks to control and limit the wastewater from its industrial activities. Moreover, it wishes to reduce the impact of rail infrastructures and work on eco and water systems, particularly in connection with new work or renovation and its operational management. Accordingly, the works contract framework that considers the environment, including the prevention of water pollution and the preservation of water resources, was reviewed in August 2013 and rolled out in 2014.

**Biodiversity**

Numerous actions have been carried out to reduce the use of phytosanitary products alongside tracks, in particular geographical information systems installed on 54 trains and trucks used for weeding. As for stations, the approach and strategies initiated in Ile de France to reduce the use of phytosanitary products continued.

At the same time, a forum was conducted with the League for Bird Protection - Acting for biodiversity on the issue of changing practices for the maintenance of station green spaces in order to sustain or improve station involvement in the preservation of biodiversity.

**Objective:**

- Promote widespread environmental management to reduce impacts and comply with regulations while managing environmental risk (100% of EPIC companies equipped with an EMS by the end of 2015).
- Reduce by 50% the quantity of phytosanitary products used on tracks from 2010 to 2018.

**Changes in indicators (Group excluding subsidiaries)**

<b>Art.225</b>		2012	2013	<b>2014</b>
I-2°-a)	% of Companies/Sites equipped with an Environmental Management System (ISO 14001 certified or with an adapted EMS)	27%	36%	<b>36%</b>

*All the industrial companies are certified, the result of a long process. At the end of 2014, 100% of the major companies were ISO 14001 certified, as were six major stations. 36% of the companies had an EMS that was compliant. As the average rate of progress is significant for most of the remaining companies undergoing the roll-out, the objective should be met by late 2015, early 2016.*

**Commitment 7**  
**Developing a circular economy in all activities and operating processes**

The operating methods related to our activities will be made more sustainable by means of regulatory compliance and a reinforcement of the Group’s environmental performance in the area of resource preservation (circular economy).

The Group endeavours to reduce its environmental impact through its purchasing policy, by privileging eco-designed products, and selecting materials with a minimal environmental impact and the most ecological suppliers.

A further ambition is to contribute to the development or creation of market segments to recover materials previously considered to be of little value (foam, textiles, rubber, etc.)

A Paper policy is being drafted to cover all aspects: from purchase to use, collection and recycling.

A new contract for the national management of hazardous waste was introduced in 2014.

In addition, a forward-looking approach has revealed prospects for optimising the recovery of rail waste products: ballast, rails and ties. A call for tenders for tie recovery was sent to industry players.

Objective: Generate income of €400 million from the sale of end-of-life components between 2013 and 2017
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Changes in indicators (Group and RFF)

Art.225		2012	2013	2014
I-2°-b)	Sales of end-of-life components (in € millions)	52.6	43.6	65.6

*The substantial increase is due to the inclusion of products (mainly ferrous and non-ferrous metals) sold by the Group's subsidiaries and the savings generated by the re-use of certain products or components (rails, wheels, batteries, etc.). Sales for the Group excluding subsidiaries rose by 18% (€52.2 million in 2014, compared to €43.6 million in 2013), despite a drop of around 10% in the price of raw materials. The increase is attributable to improved deposit extraction, particularly for non-ferrous metals, and an extension of our contract coverage for metal sales in the Infra and Equipment companies.*

## 4. EMPLOYEE CHALLENGE: ENCOURAGING HUMAN DEVELOPMENT

For the Group, placing human concerns at the core of the collective project, the third challenge of the Excellence 2020 corporate plan, is reflected through an “equal care” reasoning intended to give as much consideration to employees as we ask them to devote to customers. The company's tangible efforts in terms of employee support, the fight against discrimination, the promotion of diversity in all its forms, and an improved quality of life in the workplace have won the Group several awards and acknowledgements, and in particular the Afnor professional equality label.

### Commitment 8

#### Caring for employees: health, safety, living together and quality of life in the workplace

##### Quality of life in the workplace

Considered as a driver for global sustainable business performance, quality of life in the workplace is one of the major strategy and action priorities of the HR department and the European Observatory of Working Life. Created in 2009, the Observatory has since extended its scope of study to all aspects of life in the workplace. One of its recommendations resulted in a Group undertaking to improve the operation of its 500 industrial health and safety committees.

##### Occupational health and safety

To establish occupational health and safety as a management pillar and reduce both the frequency and severity of work accidents, the Group has launched a global action plan in all its divisions and activities. In 2014, as part of this plan and working with the Conseil national des arts et métiers, the authority on these issues, the Group prepared and began to dispense specific occupational health and safety training. To date, 10,000 managers have enrolled.

##### Living together

Beginning in 2004, the various Group companies have gradually signed on to the Diversity Charter. And each year since, they have renewed their commitment to diversity in all its facets. They conduct policies and actions focusing on the qualification and integration of young people excluded from the workplace, as well as employment and career possibilities for women, seniors and the disabled. In 2014, the Group invested in programmes that promote and value the diversity within its teams, in particular through the publication of guides and on-site support for managers and employees.

Regarding disability, the Group has had a hands-on policy for over 20 years, based on an extensive contractual effort (six consecutive agreements concluded since 1992) covering training, recruitment and job retention for the employees concerned. Similarly, and to improve work life quality for people suffering from cancer or chronic and disabling illness, the Group partnered with the Cancer@Work association in

2014 and led seminars on the consideration of these illnesses, in particular by managers and collective labour groups.

**Objectives:**

- Improve social performance and employee satisfaction to target a global performance;
- Hire 500 people with disabilities between 2012 and 2015 (including 100 recruitments for HANTRAIN work-linked training);
- Hire women pro rata to employment applications;
- 10% of employees of 55 years and + in the workplace as of 31/12/2015;
- Hire 3,000 young people under the age of 26 between 2014 and 2015

**Changes in indicators (Group excluding subsidiaries)**

<b>Art.225</b>		2012	2013	<b>2014*</b>
I-1°-f)	Cumulative number of employees with disabilities hired (excluding HANTRAIN recruitment)	152	250	<b>304</b>

*Note: \*provisional figure, pending the company's declaration on disabled employees to AGEFIPH at the end of February 2015.*

*There were 302 employees with disabilities at the end of 2014, for a target of 400 by the end of 2015. To date, over the three years, 89 persons have been recruited under the HANTRAIN programme, of which 13 completed the training and validated their diplomas.*

**Commitment 9**

**Contributing to employee development**

For the Group, employee development begins with support, as business lines, techniques and organisations undergo change. These challenges are managed by facilitating employee mobility via the planning of professional career paths and tailored training. Numerous initiatives were introduced in 2014: greater visibility for international professional careers; a charter signed by RFF and the Group setting the key mobility principles for employees between the two EPICs. The digital tool Viseo used to manage individual careers, competencies and interviews was made available on-line, thus organising the sharing of information between employee, manager and HR player (career counsellor).

The job mobility centres, reconfigured as job initiative centres, pursued their efforts with employees whose jobs required a move or employees who chose this option, in order to jointly create realistic projects leading to occupations for which there is a foreseeable need.

**Commitment 10**

**Creating a shared vision of the future**

Social dialogue is a cornerstone in the business's operation. Its organisation is specified in chapter 1 of the collective labour relations by-laws between the parent company and its personnel (RH0001 framework).

The ratification of the rail reform law, enacted on 4 August 2014, generated tremendous activity before and after the fact in the form of technical working groups and multiple consultations between the social partners. The information-consultation procedure for employee representative bodies, regarding the new organisation proposals, began in November and should continue for several months.

Elsewhere, the 27 members of the European Works Council, created in 2012, met twice in 2014 to address the Group's major challenges.

## 5. COMMUNITY CHALLENGE: CONTRIBUTING TO REGIONAL VITALITY

As an employer, buyer, and socially responsible company, the Group has a pivotal role in helping the most vulnerable people within the scope of its activities, and developing the regions where it operates.

### **Commitment 11 Providing support to the vulnerable**

#### **Solidarity purchases**

SNCF is conducting an ambitious policy through its purchases, involving direct recourse to the Sheltered and Adapted Work Sector. Purchases are a major factor in the professional reintegration of the disabled or persons excluded from the job market. Further support comes with the insertion of social clauses in supplier contracts, thereby helping vulnerable people return to long-term employment.

Objective: Generate solidarity purchases of €50 million per year (persons with disabilities and in back-to-work programmes) by 2017.

Changes in indicators (Group excluding subsidiaries)

<b>Art.225</b>		2012	2013	<b>2014</b>
I-3°-c)	Amount of solidarity purchases (€ millions)	26	32	<b>30.9</b>

*Solidarity purchases declined slightly in 2014, particularly for the Sheltered and Adapted Work Sector. The three components are sheltered-sector purchases (€ 11.9 million), social integration clauses for suppliers (€ 7.6 million) and direct integration (€ 11.06 million).*

#### **Integration projects**

The Group has committed to social and professional integration for over 10 years. The significance and variety of the Group's rail installations enable numerous projects:

In 2014, 130 work projects (maintenance of green spaces, beautification, renovation, painting, masonry, etc.) were implemented throughout France and supervised by company employees. Some 90 local partner associations participated. Each year, persons in difficulty can return to work and receive training by means of these projects.

Specific integration measures were also introduced in 2013, under which young homeless people are remunerated at the end of the day for a few hours of work supervised by coordinators.

#### **Vagrancy**

Every day, millions of passengers cross the path of hundreds of homeless people who are seeking refuge in stations. The Group has fully committed itself since 1990, not only for the sake of solidarity but also because the train is a very useful means of addressing this sensitive issue.

Numerous partnership agreements are signed each year with associations of social workers who meet with the homeless in stations. The company has assigned eight full-time employees to the emergency assistance services for the homeless (SAMU) in Paris. The Group also supports day centres near the four major Parisian stations and has contributed to the funding and operation of four emergency shelters, including three in Paris and one in Avignon.

As part of the "European and Solidarity Station" charter, the Group is also working with 11 other European rail networks to provide new solutions for managing the high level of precarity. In 2014, the TRAIN in Stations project was launched. The aim is to create a common training programme to deal with vagrancy in stations and prepare the first European graduating class of trainers.

#### **Helping repeat offenders**

Working with the Ministry of Justice and Liberties, the Group has provided reception facilities since 2011 for persons sentenced to community service or reparation (260 in 2014). Civic education programmes are also organised to encourage discussion and awareness among the persons concerned.

### **Social initiatives that benefit the company and society**

The return on investment from social initiatives, both for society in general and for the company as integrator, is assessed. Social initiatives are measured in terms of their economic performance and the quality of their social utility.

#### **Sponsorship**

Fondation SNCF has been the company's solidarity standard-bearer for 20 years. Its mission is to help young people build a future based on three strategies: the prevention of illiteracy, "living together" and "entrepreneurship for mobility." It dedicates an annual budget of €3 million and relies on a network of 23 regional correspondents.

In addition to its financial support, Fondation SNCF encourages employees to contribute their know-how when sponsoring competencies. This innovative measure along with the HR Department was awarded the "Mieux Vivre en Entreprise 2014" trophy.

The Foundation's key figures in 2014 are as follows:

- 600 projects supported throughout the country;
- 176 associations supported for the prevention of illiteracy;
- 96 projects supported involving 193 associations promoting the goal of "living together";
- 30 projects creating mobility-related business;
- 23 regional sponsorship operations, a significant regional initiative.

Objective: 1,000 employees sponsoring competencies by 2016
--

*In 2014, 670 employees sponsored competencies in over 615 operations involving 130 partner associations. The objective in 2015 is to add 300 more employees.*

### **Commitment 12**

#### **Contributing to the local economy**

##### **Local purchases**

The Group, a major regional business partner through its purchases, generating nearly 100,000 indirect jobs, plans to call on SMEs for 30% of its purchases in 2017, an ambitious goal. Accordingly, the Purchasing department has defined six commitments that were sent to the Ministry of the Economy and Finance and to all stakeholders, including suppliers, in June 2014: communicate areas of interest and facilitate contact, integrate SMEs and solidarity purchases in the Family Strategies, adapt rules and simplify processes, set up an approach that favours innovation, adopt responsible practices and support the development of SME suppliers, innovative SMEs and businesses that are part of the Social and Solidarity Economy.

The Group is a founding partner of the SME pact, an organisation that facilitates relations between SMEs and major contractors.

Objective: 30% of purchases from SMEs in 2017
---

##### **SNCF Développement**

A Group subsidiary created in 2011, SNCF Développement accompanies community business transformations at former rail installations to create an environment that is conducive to economic development. It is particularly active in historical business areas (Nord-Pas-de-Calais, Lorraine, Haute-Marne) in order to reduce the impact of relocations on employment and the regions. Working with the HR Department, SNCF Développement also helps Group employees who wish to create or repurchase a business.

SNCF Développement has supported 194 entrepreneurs since 2011, providing funding for €5.6 million, and accompanying the creation of 1,059 scheduled jobs (mainly in the Chalindrey-Pays de Langres, Calais and Côte d'Opale regions).

In 2014, SNCF Développement supported 63 entrepreneurs, providing funding for €1.99 million, and accompanying the creation of 337 scheduled jobs (mainly in the Chalindrey-Pays de Langres, Calais and Côte d'Opale regions).

##### **Multi-service mediation information points (PIMMS)**

Alongside local communities and public enterprises, the Group has invested in the creation of multi-service mediation information points (PIMMS), associations constituted under the 1901 law on non-profit organisations. PIMMS are established in regions where access to public services is difficult. They offer the public a range of commercial or non-commercial services. Coordinated by persons in back-to-work

programmes and social mediators, they play a dual role: they facilitate public service access and are an innovative means of job reintegration.

The Group currently partners 55 PIMMS (including 10 in stations).

## 6. VALUES AND PRINCIPLES

The Group has chosen to comply with the fundamental principles of CSR: ensuring that the company's conduct is ethical in all circumstances, demonstrating transparency, acknowledging the interest of stakeholders and engaging in mutual dialogue, and relying on international standards of conduct.

### **Business ethics and respect for human rights**

The Group's ethics approach is based on six principles: best practices in the conduct of business, compliance with the law, respect for the principles governing competition, respect for persons, conduct that is expected (acting in good faith, adopting a constructive attitude and developing mutual trust), and respect for confidentiality.

The Group has a network of ethics contributors, steered by the Ethics and Professional Conduct Department, whose purpose is to participate in the promotion of the Group's ethics policy. The Ethics and Professional Conduct Department develops and publishes the ethics reference documents: the Group Ethics Policy, the Group Ethics Guide, and practical information covering moral and sexual harassment, conflict of interest, internal fraud, employee behaviour on board trains, and employee departures. Working with the Group Ethics Committee, the Ethics and Professional Conduct Department proposed the following projects in 2014: a whistleblowing and whistle-blower protection guide, and an anti-corruption programme. With respect to the latter, the Group has affirmed the zero tolerance principle by signing the United Nations Convention against Corruption and adopting a conflict of interest guide for its executives. Two morning ethics conferences assembling over 200 employees and guests were held on the topics of anti-corruption and moral harassment at the workplace.

### **Transparency:**

Since 2010, the Group has published a CSR report that expands from year to year, and other more detailed reports on specific topics such as its social commitment policy, its accessibility report or its social audit report and, more recently, the network security or Vigirail reports. In the same vein, during the year, the Group became the first rail company to make available its audit follow-up letters and publish a detailed list of rail incidents on a weekly basis.

In 2014, the Group decided to introduce an ambitious data transparency policy to better respond to questions, without avoiding sensitive issues. The objective is to allow the public maximum access to its corporate documents: reports, figures and data of all kinds. The Open Data policy was supported in 2014; the number of data sets released rose from 18 to 50 (including remuneration, personal accidents, safety incidents, days lost, reasons for strikes, or the rules for attributing circulation privileges). Lastly, a partnership agreement was signed with Transparency International, who will accompany the Group in the implementation of its transparency policy over a two-year period. The first issues to be examined in 2014 are "the example set by management" and "the limits of transparency." An NGO, Transparency International is free to publish opinions, including those which are negative, on the realisation of the Group's policy.

### **The promotion of CSR within the Group's sphere of influence and the duty vigilance**

The Group applies the 10 principles of the UN Global Compact relating to human rights, labour standards, the environment and anti-corruption, particularly in its value chain.

Accordingly, in 2011, the Group's Purchasing Department initiated a CSR risk management policy identifying the business sectors that presented the greatest challenges in terms of the environment, health/safety and respect for fundamental rights or working conditions. For the sectors most at risk, the Group launched a CSR performance assessment programme for its suppliers using the EcoVadis platform, in order to assist younger companies with a continuous improvement approach through progress plans and audits.

In 2014, the average rate received by suppliers whose CSR performance was assessed by EcoVadis rose by three points. This arises from the corrective measures initiated for suppliers whose results were unsatisfactory, and the significant maturity of suppliers in certain sectors. Sixty additional suppliers were assessed during the year, bringing the total to 290, representing 25% of parent company purchases.

In addition, CSR criteria are systematically included in the Purchasing Department's call for tenders. In 2014, 96% of the contracts exceeding €400,000 included a CSR criterion and 38% had at least one elimination criterion.



The approach is based on the responsible purchasing training modules integrated in the mandatory business training for suppliers. Between 2009 and 2014, 544 employees received training, including 47 quality specialists who participated in a CSR audit module.

### Innovation

The Group is preparing for the company’s major challenges, such as energy (energy diagnostics, energy recovery from train braking systems, energy efficiency in buildings, etc.), sustainable mobility and reduction of the environmental footprint, and operation in dense areas. Over 250 projects are involved overall.

More and more projects are being developed with start-ups based on the principle of open innovation. In October 2014, La Fabrique Digitale, a website analysis tool, launched a test platform for the monitoring and steering of the SNCF Start-ups programme. This involves searching for digital innovations that are trending and adapting them within the Group using a start-ups incubator.

With its participation-based innovation approach, known as Léonard, the company invites its employees to share their creativity and propose their ideas during national collaborative campaigns covering a strategic topic, but also on a daily basis, as part of local innovation through participation. The most remarkable ideas are communicated and developed with all employees.

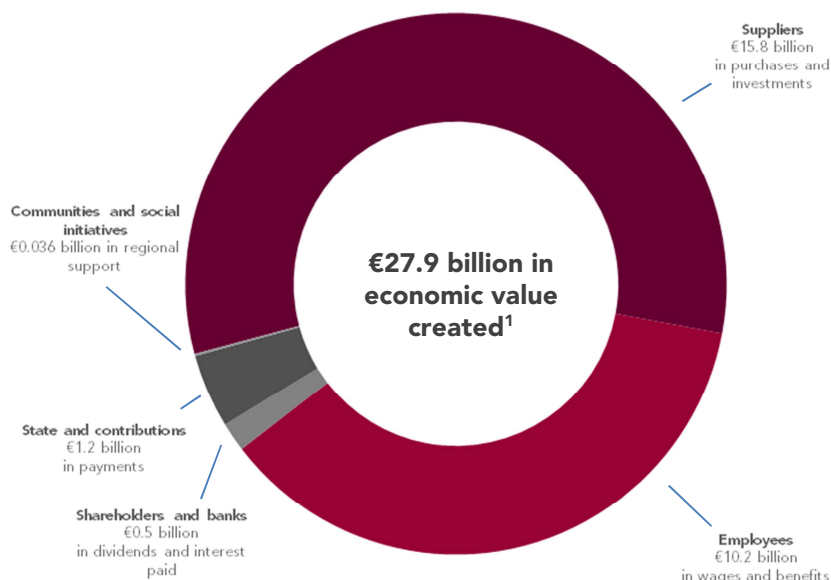
For example, in 2014, SNCF Infra, DCF and RFF jointly launched a collaborative campaign on the following issue: “How to reduce the ecological footprint of the UIM [Unified Infrastructure Manager]”. This call for ideas sought to stimulate proposals for greater consideration of the environment and sustainable development within the entities of the future SNCF Réseau. Several projects have been rewarded, such as the idea of an SD integration day for young hires or the conversion of a special Infra vehicle from diesel to photovoltaic cell.

SNCF Développement has associated itself with the Innovation Counter on a trial basis, in order to invite creative employees and business acquirers to the incubation programme, whose purpose is to accompany their project.

In addition, the “Mobile Lives Forum,” which has been supported by the Group since 2011, is exploring future mobilities. An independent research and exchange institute, it assembles researchers, artists and transport practitioners, to anticipate regional lifestyle transformations enabled by transport and telecommunications.

### Direct economic value created and distributed:

The Group’s financial performance is a source of wealth for all our stakeholders throughout the world. The diagram below illustrates how the economic value generated by our activities is distributed. It uses the GRI G4 EC1 indicator applied to the Group for 2014. Of the €27.9 billion in economic value created<sup>1</sup>, €15.8 billion was distributed to suppliers (purchases and investments), €10.2 billion was paid to employees and €1.2 billion was paid to the French state.



<sup>1</sup> The economic value created is an aggregate of revenue, dividends received, proceeds from asset disposals relating to the activity, proceeds from disposals of property, plant and equipment and intangible assets not directly related to the activity, and investment grants received from the Organising Authorities.

# CORPORATE GOVERNANCE

## 1. BOARD OF DIRECTORS

**The Board of Directors** of the industrial and commercial public enterprise SNCF Mobilités comprises eighteen members:

- Seven representatives of the French State appointed by decree, based on the report of the Transport Minister:
  - two at the recommendation of the Transport Minister;
  - one at the recommendation of the Minister for Economy and Finance;
  - one at the recommendation of the Budget Minister;
  - one at the recommendation of the Minister for Planning and Regional Development;
  - one at the recommendation of the Minister for Industry;
  - the Chairman of the Board appointed from among the directors and at their recommendation by a Council of Ministers' decree.
- Five members chosen for their expertise and appointed by decree:
  - a representative of passengers;
  - a representative of shippers;
  - two local councillors chosen for their knowledge of regional, department and local rail-related matters;
  - an individual chosen for his personal expertise in the transport sector.
- Six members, including a management representative, elected by employees of the Company and its subsidiaries having a minimum workforce of 200 members:

A Council of State (Conseil d'État) decree lays down the parent company by-laws and sets the procedures for the appointment and election of Board members.

Board members are appointed for a five-year term of office. A director may not exercise more than three consecutive terms of office. Directors receive no compensation for their activities.

The Government Commissioner or, in his absence, the Assistant Government Commissioner, has an advisory seat on the Board and all committees created.

The head of the Transport Economic and Finance Control Office or his representative has an advisory seat on the Board and all committees and commissions.

The Board Secretary and the Secretary of the Joint Labour-Management Committee also have a seat on the Board. The Board of Directors holds at least ten meetings annually.

The Board of Directors has six committees:

*Strategic Committee*, responsible for reviewing the annual and long-term strategic and financial directions of the parent company and the Group, as well as Group structure operations;

*Audit and Risk Committee*, responsible for reviewing the annual and half-year financial statements, risk mapping and the annual internal audit work programme;

*Contracting Committee*, consulted on projects involving government or private contracts, acquisitions, disposals, building exchanges, based on predetermined thresholds set by the Board;

*Passengers Committee*, responsible for monitoring rail transport agreements between local authorities, public institutions and SNCF Mobilités, and more generally overall passenger problems;

*Transport and Logistics Committee*, responsible for reviewing the activity and strategies of the SNCF Logistics division (formerly SNCF Geodis).

*Economic and Social Cohesion Committee*, responsible for informing the Board of the social and human challenges of the company's main transformation projects and, more generally, its strategy.



## 2. MANAGEMENT TEAM

The Chairman appoints the members of the Executive Committee and defines their tasks. Within their areas of expertise, Executive Committee members are delegated powers by the Chairman enabling them to act and decide in his name. The Executive Committee has twenty-one members (including the Chairman).

31 DECEMBER 2014

# SNCF MOBILITES GROUP

(FORMERLY SOCIETE NATIONALE DES CHEMINS DE FER FRANÇAIS)

# CONSOLIDATED FINANCIAL STATEMENTS

IFRS – in € millions

2, place aux Etoiles – CS 70001 – 93633 La Plaine ST Denis Cedex



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## CONSOLIDATED INCOME STATEMENT

<i>In € millions</i>	Notes	31/12/2014	31/12/2013 (*)
Revenue	4	27,243	27,030
Purchases and external charges	5	-14,099	-13,909
Employee benefits expense	6	-10,167	-9,955
Taxes and duties other than income tax		-990	-990
Other operating income and expenses		396	309
<b>Gross profit</b>		<b>2,383</b>	<b>2,486</b>
Depreciation and amortisation	7	-1,498	-1,492
Net movements in provisions		-207	-273
<b>Current operating profit</b>		<b>678</b>	<b>721</b>
Net proceeds from asset disposals	9	238	179
Fair value remeasurement of the previously held interest		0	-1
Impairment losses	8	126	-1,432
<b>Operating profit/(loss)</b>		<b>1,043</b>	<b>-533</b>
Share of net profit of companies consolidated under the equity method	16	7	5
<b>Operating profit/(loss) after share of net profit of companies consolidated under the equity method</b>		<b>1,050</b>	<b>-528</b>
Net borrowing and other costs	10	-309	-204
Net finance costs of employee benefits	21	-102	-79
<b>Finance costs</b>		<b>-412</b>	<b>-284</b>
<b>Net profit/(loss) before tax from ordinary activities</b>		<b>638</b>	<b>-812</b>
Income tax expense	11	-241	-166
<b>Net profit/(loss) from ordinary activities</b>		<b>397</b>	<b>-978</b>
Net profit/(loss) from transferred operations (*)	27	227	815
<b>Net profit/(loss) for the year</b>		<b>624</b>	<b>-162</b>
<b>Net profit/(loss) for the year attributable to equity holders of the parent</b>		<b>605</b>	<b>-180</b>
Net profit for the year attributable to non-controlling interests (minority interests)		19	17

(\*) Adjusted for the reclassification of SNCF Infra's results to a single line item in accordance with IFRS 5 (see Notes 3 and 27). The normative wording for this line item, "Net profit/(loss) from discontinued operations", was adapted since this line item only includes the net profit or loss of activities transferred in connection with the rail reform.

The parent company's capital comprises a contribution from the French State and not shares. Furthermore, the Group does not fall within the scope of IAS 33 "Earnings per share." For these two reasons, no earnings per share was calculated or presented in the Group consolidated financial statements.

The notes presented on pages 56 to 160 are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>In € millions</i>	Notes	31/12/2014	31/12/2013
<b>Net profit/(loss) for the year</b>		<b>624</b>	<b>-162</b>
<b>Other comprehensive income:</b>			
Change in foreign currency translation		23	-30
Tax on change in foreign currency translation		1	-1
		<b>24</b>	<b>-30</b>
Change in value of available-for-sale assets	25	7	-2
Tax on change in value of available-for-sale assets		1	1
		<b>8</b>	<b>-1</b>
Change in fair value of cash flow hedges	25	-209	54
Tax on change in fair value of cash flow hedges		10	0
		<b>-199</b>	<b>54</b>
Share of recyclable other comprehensive income of companies consolidated under the equity method		28	-3
<b>Total recyclable other comprehensive income</b>		<b>-139</b>	<b>19</b>
Actuarial gains and losses arising from employee defined benefit plans	21	-222	28
Tax on actuarial gains and losses arising from defined benefit plans		9	-2
		<b>-213</b>	<b>26</b>
Share of non-recyclable other comprehensive income of companies consolidated under the equity method		-5	10
<b>Total non-recyclable other comprehensive income</b>		<b>-218</b>	<b>36</b>
<b>Total comprehensive income for the period</b>		<b>267</b>	<b>-107</b>
<b>Total comprehensive income attributable to equity holders of the parent</b>		<b>251</b>	<b>-126</b>
Total comprehensive income attributable to non-controlling interests (minority interests)		17	19

The notes presented on pages 56 to 160 are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### CONSOLIDATED ASSETS

<i>In € millions</i>	<b>Notes</b>	<b>31/12/2014</b>	<b>31/12/2013</b>
Goodwill	12	1,385	1,354
Intangible assets	13	1,086	1,260
Property, plant and equipment	14	14,317	15,007
Non-current financial assets	15	5,822	5,461
Investments in companies consolidated under the equity method	16	956	1,058
Deferred tax assets	11	1,172	994
<b>Non-current assets</b>		<b>24,737</b>	<b>25,134</b>
Inventories and work-in-progress	17	665	1,018
Operating receivables	18	5,690	7,493
<b>Operating assets</b>		<b>6,354</b>	<b>8,511</b>
Current financial assets	15	1,611	1,118
Cash and cash equivalents	19	5,408	5,060
<b>Current assets</b>		<b>13,374</b>	<b>14,689</b>
Assets classified as held for sale	27	4,086	1
<b>Total assets</b>		<b>42,197</b>	<b>39,823</b>

The notes presented on pages 56 to 160 are an integral part of these consolidated financial statements.

## CONSOLIDATED EQUITY AND LIABILITIES

<i>In € millions</i>	Notes	31/12/2014	31/12/2013
Share capital	20	4,971	4,971
Consolidated reserves		1,177	1,879
Net profit/(loss) for the year attributable to equity holders of the parent		605	-180
<b>Equity attributable to equity holders of the parent</b>		<b>6,753</b>	<b>6,670</b>
Non-controlling interests (minority interests)	20	105	99
<b>Total equity</b>		<b>6,857</b>	<b>6,769</b>
Non-current employee benefits	21	1,456	2,044
Non-current provisions	22	1,037	874
Non-current financial liabilities	23 to 25	13,813	14,235
Deferred tax liabilities	11	486	238
<b>Non-current liabilities</b>		<b>16,793</b>	<b>17,390</b>
Current employee benefits	21	218	180
Current provisions	22	265	264
Operating payables	26	9,989	11,613
<b>Operating liabilities</b>		<b>10,472</b>	<b>12,057</b>
Current financial liabilities	23 to 25	4,972	3,603
<b>Current liabilities</b>		<b>15,444</b>	<b>15,660</b>
Liabilities associated with assets classified as held for sale	27	3,103	4
<b>Total equity and liabilities</b>		<b>42,197</b>	<b>39,823</b>

The notes presented on pages 56 to 160 are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In € millions

	Share capital	Non-recyclable reserves	Group translation reserves	Cash flow hedges	Available-for-sale assets	Reserves before taxes of transferred operations (*)	Retained earnings	Equity attributable to equity holders of the parent	Non-controlling interests (minority interests)	Total equity
<b>Equity restated as at 31/12/2012 (*)</b>	<b>4,971</b>	<b>-270</b>	<b>8</b>	<b>-106</b>	<b>4</b>	<b>-258</b>	<b>2,664</b>	<b>7,012</b>	<b>104</b>	<b>7,117</b>
Net profit/(loss) for the year (*)	-	-	-	-	-	815	-995	-180	17	-162
Other comprehensive income	-	32	-27	52	-1	0	-2	54	1	55
<b>Total comprehensive income</b>	<b>-</b>	<b>32</b>	<b>-27</b>	<b>52</b>	<b>-1</b>	<b>815</b>	<b>-997</b>	<b>-126</b>	<b>19</b>	<b>-108</b>
Dividends paid	-	-	-	-	-	-1	-207	-209	-	-209
Dividends of subsidiaries	-	-	-	-	-	-1	1	-	-28	-28
Capital transactions	-	-	-	-	-	0	0	0	1	1
Changes of ownership in subsidiaries without loss of control	-	0	-1	0	-	0	-5	-6	4	-2
Other changes (*)	-	0	0	1	0	26	-28	-2	-1	-3
<b>Equity published as at 31/12/2013 (*)</b>	<b>4,971</b>	<b>-237</b>	<b>-20</b>	<b>-54</b>	<b>3</b>	<b>579</b>	<b>1,428</b>	<b>6,670</b>	<b>99</b>	<b>6,769</b>
Impact of changes in accounting method	-	-	-	0	-	-	0	-	-	-
<b>Equity restated as at 01/01/2014</b>	<b>4,971</b>	<b>-237</b>	<b>-20</b>	<b>-54</b>	<b>3</b>	<b>579</b>	<b>1,428</b>	<b>6,670</b>	<b>99</b>	<b>6,769</b>
Net profit/(loss) for the year	-	-	-	-	-	230	375	605	19	624
Other comprehensive income	-	-216	22	-197	7	0	28	-354	-2	-356
<b>Total comprehensive income</b>	<b>-</b>	<b>-216</b>	<b>22</b>	<b>-197</b>	<b>7</b>	<b>230</b>	<b>403</b>	<b>250</b>	<b>17</b>	<b>267</b>
Dividends paid	-	0	-	0	-	-3	-172	-175	-	-175
Dividends of subsidiaries	-	-	-	0	-	-3	3	-	-8	-8
Capital transactions	-	-	-	-	-	-	1	1	1	1
Changes of ownership in subsidiaries without loss of control	-	3	2	0	-	-1	2	6	-4	2
Other changes (*)	-	-1	-	-26	14	-733	745	0	0	0
<b>Equity published as at 31/12/2014</b>	<b>4,971</b>	<b>-450</b>	<b>4</b>	<b>-276</b>	<b>24</b>	<b>69</b>	<b>2,412</b>	<b>6,753</b>	<b>105</b>	<b>6,857</b>

(\*) Adjusted for the reclassification of SNCF Infra's results to a single line item in accordance with IFRS 5 (see Notes 3 and 27).

A dividend for 2012 was approved and paid to the State in May 2013 for €209 million. A dividend for 2013 was approved and paid to the State in April 2014 for €175 million.

The notes presented on pages 56 to 160 are an integral part of these consolidated financial statements.



## CONSOLIDATED CASH FLOW STATEMENT

In € millions	Notes	31/12/2014	31/12/2013
<b>Net profit/(loss) for the year</b>	<b>IS</b>	<b>624</b>	<b>-162</b>
Eliminations of:			
share of profit of associates	IS	-8	-9
deferred tax expense (income)		-9	-5
depreciation, amortisation and provisions		1,685	2,604
revaluation gains/losses (fair value)		24	-79
net proceeds from disposals and gains and losses on dilution		-258	-168
Other non-cash income and expenses		0	0
<b>Cash from operations after net borrowing costs and taxes</b>		<b>2,058</b>	<b>2,181</b>
Eliminations:			
corporate income tax expense (income)	11	254	171
net borrowing costs		296	317
dividend income		-8	-9
<b>Cash from operations before net borrowing costs and taxes</b>		<b>2,600</b>	<b>2,660</b>
Impact of change in working capital requirement		-181	-42
Taxes paid		71	-324
Dividends received		39	62
<b>Net cash from operating activities</b>	<b>19</b>	<b>2,528</b>	<b>2,355</b>
Acquisitions of subsidiaries net of cash acquired		-53	-13
Disposals of subsidiaries net of cash transferred		0	0
Purchases of intangible assets and property, plant and equipment	14	-2,158	-2,241
Disposals of intangible assets and property, plant and equipment		436	331
New concession financial assets		-1,100	-870
Cash inflows from concession financial assets		906	645
Purchases of financial assets		-24	-16
Disposals of financial assets		1	143
Changes in loans and advances		47	127
Changes in cash assets		23	-12
Investment grants received		205	286
<b>Net cash used in investing activities</b>	<b>19</b>	<b>-1,717</b>	<b>-1,619</b>
Cash from equity transactions		9	1
Issue of debt instruments		480	607
Repayments of net borrowings for the RFF and Public Debt Fund (PDF) receivables		-1,226	-300
Net borrowing costs paid		-294	-319
Dividends paid to Group shareholders	Chg. in eq.	-175	-209
Dividend paid to minority interests	Chg. in eq.	-9	-27
Increase/(decrease) in cash borrowings		814	-868
Change in derivative instruments		0	0
<b>Net cash from/used in financing activities</b>	<b>19</b>	<b>-400</b>	<b>-1,116</b>
Effects of exchange rate changes		8	-7
Impact of changes in accounting policies		0	1
Impact of changes in fair value		-1	-1
<b>Increase (decrease) in cash and cash equivalents</b>		<b>417</b>	<b>-387</b>
Opening cash and cash equivalents	19	4,744	5,131
Closing cash and cash equivalents	19	5,161	4,744

(1) Of which cash inflows of €6 million for the RFF receivable (€418 million in 2013) and €0 million for the PDF receivable (€1,132 million in 2013).

Pursuant to the options proposed by IFRS 5 “Assets held for sale and discontinued operations”, the cash flows of the SNCF Infra division that is to be transferred in connection with the rail reform (see Note 3) were not presented separately in the cash flow statement but detailed in Note 27.

The notes presented on pages 56 to 160 are an integral part of these consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The notes presented on pages 56 to 160 are an integral part of these consolidated financial statements.

All amounts are in millions of euros (€ millions), unless stated otherwise.

## 1. ACCOUNTING STANDARDS BASE

Pursuant to Article L2141-10 of the French Transport Code of 28 October 2010, which supersedes Article 25 of the French Orientation Law on Domestic Transport (LOTI) of 30 December 1982, the Société Nationale des Chemins de fer Français (SNCF), a state-owned industrial and commercial institution “is subject to the financial management and accounting rules applicable to industrial and commercial companies.” SNCF keeps its accounting books and records in accordance with prevailing legislation and regulations in France. As of 1 January 2015, the date on which the French rail reform law came into effect (see Note 3), the company adopted the name SNCF Mobilités.

The consolidated financial statements for the year ended 31 December 2014 were approved by the Board of Directors on 12 February 2015.

The terms “SNCF Mobilités Group”, “Group” and “SNCF Mobilités” designate the parent company EPIC Société Nationale des Chemins de fer Français and its consolidated subsidiaries. The State-owned institution (EPIC) SNCF Mobilités, “EPIC”, “EPIC Mobilités”, “Mobilités” and “EPIC SNCF Mobilités” refer solely to the parent company.

### 1.1. ACCOUNTING RULES AND METHODS

Pursuant to European Regulation 1606/2002 of 19 July 2002, the consolidated financial statements of SNCF Mobilités Group for the year ended 31 December 2014 have been prepared in accordance with the international accounting standards issued by the IASB (International Accounting Standards Board) and adopted by the European Union as at this date. The IFRS framework as adopted in the European Union may be consulted on the European Commission website: ([http://ec.europa.eu/internal\\_market/accounting/ias/index\\_fr.htm](http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm)).

#### 1.1.1. Presentation of standards and interpretations applied in the preparation of the 2014 consolidated financial statements

The basis of preparation for the 2014 consolidated financial statements detailed in the following notes is the result of:

- standards and interpretations of mandatory application for financial years commencing on or before 1 January 2014, as described in Note 2 to the accounting policies;
- elected accounting options and exemptions applied in the preparation of the 2014 financial statements. The options and exemptions are described in Note 1.1.2.

##### 1.1.1.1. Standards and interpretations published by the IASB whose application is mandatory for financial periods commencing on or after 1 January 2014

The amendments to standards and interpretations and new published standards applicable as of 1 January 2014 which, in particular, have an impact on the Group consolidated financial statements are as follows:

- IAS 32 “Financial instruments: presentation” amended for the section relating to the offsetting of financial assets and financial liabilities. The implementation guidance for this standard was updated with two cumulative criteria for the offsetting of a financial asset and a financial liability: the legal right to offset and the intention for an entity to settle an asset and liability by offsetting. The amendments published in December 2011 by the IASB were adopted by the European Commission on 29 December 2012 and are applicable to financial periods beginning on or after 1 January 2014, i.e. financial year 2014 for the Group. It had no major impact on the Group consolidated financial statements.
- The “consolidation package” comprising IFRS 10, 11, 12 and IAS 27 and 28 revised. It was published on 12 May 2011 by the IASB and adopted by the European Commission on 29 December 2012. The standard was set to be effective for annual periods beginning on or after 1 January 2013 as

determined by the IASB. This date was deferred to 1 January 2014 by the European Commission with the possibility of early adoption. In June 2012, the IASB published the transitional methods for the implementation of these standards which were approved by the European Union on 5 April 2013. As the Group adopted the “consolidation package” in advance for the period beginning 1 January 2013, its implementation had no impact on the 2014 consolidated financial statements. The detailed impacts are explained in the 2013 consolidated financial statements.

#### 1.1.1.2. Standards and interpretations not adopted in advance for the preparation of the 2014 consolidated financial statements

The Group has generally not opted for the early application of the standards and interpretations applicable to financial periods commencing on or after 31 December 2014, regardless of whether they were adopted by the European Commission. In particular, the Group did not adopt the following standards for its 2014 consolidated financial statements:

- IFRIC 21 “Levies” published by the IASB on 20 May 2013 and adopted by the European Commission on 14 June 2014. This interpretation, applicable retrospectively, covers the recognition of levies not falling under IAS 12 “Income taxes.” Its purpose is to clarify the obligating event that gives rise to the recognition of a liability to pay a levy. It does not cover the question of the liability offset. The standard was set to be effective for annual periods beginning on or after 1 January 2014 as determined by the IASB, but this was deferred to annual periods beginning on or after 17 June 2014 by the European Commission. This makes it applicable as of 1 January 2015 for the SNCF Mobilités Group. The impacts are currently being analysed.
- IFRS 15 “Revenue from Contracts with Customers” published by the IASB on 28 May 2014 but not yet adopted by the European Commission. This new standard proposes a single revenue recognition model applicable to all types of customer contracts, regardless of the entity’s business segment. This single model, which follows five key steps, is based on the transfer of control which may be continuous or at a given time. The notion of the transfer of risks and rewards is no longer predominant. The entity shall recognise revenue under a performance obligation when the goods or services promised to the customer are transferred to it for the consideration to which the entity expects to be entitled in exchange for those goods or services. IFRS 15 is applicable to financial periods beginning on or after 1 January 2017, subject to its adoption by the European Commission (early adoption is possible). The impacts are currently being analysed.
- IFRS 9 “Financial instruments” published in July 2014 by the IASB, the final purpose of which is to replace the current IAS 39 on financial instruments. The three topics covered are the classification and measurement of financial instruments, a methodology for the impairment of financial assets and hedge accounting. IFRS 9 is applicable to financial periods beginning on or after 1 January 2018 subject to adoption by the European Commission. The impacts are currently being analysed.

#### 1.1.2. Description of accounting options adopted

##### 1.1.2.1. IFRS accounting options adopted by the Group

Certain IASB standards offer options with respect to the measurement and recognition of assets and liabilities. The Group therefore opted to:

- measure intangible assets and property, plant and equipment at amortised/depreciated historical cost and did not elect to revalue these assets at each period-end;
- present government grants relating to assets as a deduction of subsidised assets and not in liabilities in deferred income (operating payables).

##### 1.1.2.2. Accounting positions adopted by SNCF Mobilités Group, pursuant to paragraphs 10 to 12 of IAS 8 “Accounting methods, changes in accounting estimates and errors”

The accounting positions presented below are not (or only partially) covered by specific provisions of international accounting standards (or their interpretations) as adopted by the European Union. SNCF Mobilités Group has established, to the best of its knowledge, accounting policies reflecting the substance of the transactions concerned.

- Non-controlling interest (minority interests) purchase commitments:

IFRS 10, "Consolidated financial statements", and IAS 32, "Financial instruments: presentation", as they currently stand, lead the Group to record firm and conditional non-controlling interest purchase commitments as a financial liability with an offsetting reduction in non-controlling interests. Where the commitment value exceeds the amount of non-controlling interests, the residual balance is deducted from Group equity. The fair value of non-controlling interest purchase commitments is revalued at each balance sheet date and the corresponding financial liability is offset in equity.

- Individual Training Entitlement (Droit Individuel à la Formation-DIF):

In the absence of precise IFRS guidance in the matter, the Group continues to maintain under IFRS the French GAAP treatment of the individual training entitlement (CNC emergency committee notice 2004-F of 13 October 2004). Expenditure incurred in respect of the Individual Training Entitlement is expensed for the period and no provision is recorded. As from 1 January 2015, pursuant to Law 2014-288 of 5 March 2014 relating to professional training, employment and social democracy, the DIF will be replaced by the personal training account (CPF). The impacts are currently being analysed.

#### 1.1.2.3. Accounting positions adopted by the Group for certain tax regulations applicable in France

- Contribution Economique Territoriale (CET):

The 2010 Finance Act adopted in December 2009 introduced the Territorial Economic Contribution (Contribution Économique Territoriale or CET) to replace the local business tax (Taxe Professionnelle). The CET has two components: the Cotisation Foncière des Entreprises (CFE), assessed on the rental value of buildings, and the Cotisation sur la Valeur Ajoutée des Entreprises (CVAE), computed on the basis of the added value generated by the company. The local business tax cap based on added value has been maintained and is applied to the sum of the CFE and the CVAE. The cap has been reduced from 3.5% to 3%.

As the CET is similar to the business tax (property-based, cap based on the added value), the Group believes that at this stage, the components form an indivisible whole and that the contribution should be subject to a single accounting treatment.

Consequently, the CET will be accounted for as an operating expense, as was the case with the previous business tax.

- Contribution de Solidarité Territoriale (CST) introduced by Article 65 of the 2011 Finance Act:

The Territorial Solidarity Tax (Contribution de Solidarité Territoriale – CST) is based on total revenue collected on the year-end tax due date relating to non-regulated passenger rail transport services and commercial services, net of State contributions compensating reduced and regulated fares. Taking into account its base, this tax is recorded under "Taxes and duties other than income tax" in gross profit. Its impact was negative by €90 million for fiscal year 2014 and €90 million for fiscal year 2013.

- Tax on rail company profits (TREF) introduced by Article 65 of the 2011 Finance Act:

The tax on rail company profits (Taxe sur le Résultat des Entreprises Ferroviaires – TREF) is based on corporate taxable income, before the allocation of tax loss carry-forwards, with respect to the last year closed before the tax due date. The tax was capped at €200 million as from 1 January 2013 and calculated after the add-back of depreciation and amortisation charges from taxable profit for fiscal year 2013. Taking into account its base, this tax is recorded under "Income tax expense." It had a negative impact of €200 million on "Net profit/(loss) from ordinary activities" for fiscal year 2014 (€200 million for 2013). Only EPIC SNCF Mobilités was impacted by this tax within the Group.

- Competitiveness and Employment Tax Credit (CICE) introduced by the 2012 Amending Finance Act (no. 2012-1510) of 29 December 2012:

The Competitiveness and Employment Tax Credit (CICE) was created in order to help companies finance their competitiveness, particularly through investing, research, innovation, recruitment, new market prospection, environmental and energy transition and working capital restoration measures. It is based on compensation not exceeding two and a half times the minimum growth salary that companies pay their employees during the calendar year. For 2013, the tax credit amounted to 4% of this compensation and will be increased to 6% for forthcoming years.

The CICE is offset against the corporate income tax payable for the year in which the compensation used for the tax credit calculation was paid. The amount receivable from the French State corresponding to the amount not offset may therefore be used to settle the tax payable in the three years following the year in which the credit is recorded. At the end of this period, the non-offset portion is paid back to the company.

Considering that the CICE is used to finance expenditure in favour of competitiveness and its calculation and payment methods do not satisfy the definition of corporate income tax pursuant to IAS 12, it was analysed in substance by the Group as a government grant within the scope of IAS 20. Insofar as the CICE is used by the Group to finance expenditure relating to working capital, it corresponds more specifically to an operating grant, the accounting impacts of which are recorded under "Other operating income and expenses" in the consolidated income statement.

## **1.2. ACCOUNTING ESTIMATES**

In preparing the Group accounts, management must make estimates, as numerous items included in the consolidated financial statements cannot be valued precisely. The accounting estimates used for the 31 December 2014 financial statements were prepared under the current context of uncertainty regarding business outlooks. Management is required to revise its estimates in the event of a change in the circumstances on which they are based or as a result of new information or further experience. As such, the estimates adopted as at 31 December 2014 may be materially modified and subsequent actual results may differ materially from these estimates based on different assumptions or conditions.

These estimates and assumptions primarily concern:

- Determination of goodwill:

Business combinations are accounted for using fair value estimates of the assets acquired and liabilities assumed and previously held equity investments in a step acquisition are remeasured at fair value. Goodwill is the difference between the acquisition price plus the value of the previously held equity investments and the fair value of the acquired assets and liabilities.

- Impairment of non-financial assets:

The Group performs impairment tests at least once a year on goodwill balances and intangible assets with an indefinite life. In addition, the Group assesses at each balance sheet date whether there is any indication that a non-financial asset may have lost value, necessitating the performance of a test.

These tests seek, in part, to determine a value in use or a market value less costs to sell. Value in use calculations are based on management estimates of expected future cash flows from the asset or cash-generating unit (CGU), the appropriate discount rate to be used to calculate the present value of these future cash flows and the growth rate adopted. Market value calculations are based on an assessment by management of the transaction price that could be obtained for the sale of the assets tested, taking into account the current condition of such assets.

- Employee-benefit related items:

Considering that these benefits are settled several years after the personnel has rendered the corresponding services, the obligations under defined benefit plans and other long-term liabilities are recognized using actuarial valuations based on financial and demographic assumptions covering discount, inflation, and salary increase rates and mortality tables. Due to the long-term nature of these plans, changes in these assumptions can generate actuarial gains and losses and may lead to significant changes in the commitments recorded.

- Recognition of deferred tax assets:

A deferred tax asset is recognised when it is probable that the Group will generate future taxable profits against which unused tax savings may be offset. The Group's ability to recover these tax assets is analysed based on its business plan, contingencies relating to the economy and the uncertainties surrounding markets in which the Group is active. Deferred tax assets are adjusted upward or downward should there be any material change in future Group tax results, the adjustment being offset in the income statement.

- Provisions for environmental risks:

The Group records a provision for environmental risks when there exists a legal or implicit obligation towards a third party that can be reliably measured and which would result in an outflow of resources.

Amounts recorded for site decontamination are based on the best possible estimate resulting from year-end assessments and take into account valuations for known risks currently being assessed (see Note 2.18).

Amounts recorded for the removal of asbestos from rolling stock correspond to the estimated costs at the end of the equipment life. These costs are determined based on the prices currently invoiced by scrap metal dealers and asbestos removers.

- Derivative financial instruments:

The Group uses assumptions to measure the fair value of its derivative instruments. The recognition and measurement principles are described in Note 2.15.

## 2. ACCOUNTING POLICIES

### 2.1. BASIS OF CONSOLIDATION

#### 2.1.1. Entities under control, joint control or significant influence

Controlled companies over which the Group exercises exclusive control, directly or indirectly, are fully consolidated. Under IFRS 10, control is defined and determined based on three criteria: power, exposure to variable returns and the relationship between power and these returns.

Practically speaking, control is presumed to exist where the Group holds 50% or more of the voting rights in an entity (total of existing voting rights and potential voting rights which are substantially exercisable before the holding of management body meetings) or where the Group can:

- control over half the voting rights pursuant to an agreement with other investors;
- manage the financial and operating policy of the entity pursuant to a contract;
- appoint or dismiss the majority of the members of the Board of Directors or an equivalent management body;
- control the majority of the voting rights at meetings of the Board of Directors or an equivalent management body.

All material transactions between the controlled companies are eliminated.

The profit or loss of subsidiaries is divided between the Group and the non-controlling interests based on their percentage interest even if this results in the recording of negative non-controlling interests.

Joint arrangements qualified as joint ventures under IFRS 11, meaning that they solely give rights to the net assets of an entity, are equity-accounted for consolidation purposes.



Entities in which the Group exercises significant influence over financial and operating policies, but which it does not control, are equity-accounted. Significant influence is presumed to exist where the Group holds an interest of 20% or more.

The results of companies acquired or disposed of during the financial year are included in the consolidated income statement of the Group from the date control is acquired or up to the date of transfer of control, respectively.

The financial statements of the companies included in the scope of consolidation are drawn up to 31 December 2014 and restated to comply with Group accounting policies. All internal profits and losses between controlled companies are fully eliminated and those between companies accounted for under the equity method are eliminated according to the percentage interest held.

The list of subsidiaries, joint ventures, joint operations, and associates is presented in Note 33.

The Group exercised its judgement to assess the level of its control of the following companies.

#### 2.1.2. Low-rental housing companies (ESH)

The assessment of control exercised over low-rental housing companies (Entreprises Sociales pour l'Habitat or ESH) is a complex issue that must be approached with pragmatism, taking into account the constraints resulting from the extremely strict regulatory framework governing low-rental housing and the focus set by SNCF Mobilités for its housing policy. It would appear that consolidation is not appropriate as:

- while SNCF Mobilités exercises influence over certain aspects of management of the ESH, it cannot be qualified as a controlling influence; SNCF Mobilités neither directs the relevant activities of the ESH pursuant to IFRS 10, nor influences policy-making pursuant to IAS 28 revised, due to the restrictions and strict supervision imposed by the Law;
- the SNCF Mobilités Group's decision to own the four ESH concerned is primarily based on institutional and general interest arguments and not on financial and asset ownership considerations, whether direct or indirect, the potential returns being very limited.

Shares in the ESH companies are therefore retained in balance sheet assets and classified in available-for-sale financial assets.

The main consolidated balance sheet headings of these companies were as follows:

- Non-current assets: €4,049 million (€3,788 million in 2013);
- Non-current liabilities (debt): €2,293 million (€2,284 million in 2013).

#### 2.1.3. SOFIAP

SNCF Mobilités holds shares in a group of real-estate financing companies. Under the Socrif brand, the group comprises SNCF Habitat (a wholly-owned public interest cooperative), Sofiap (a credit institution 34% held and controlled by La Banque Postale since 20 May 2014 after having been 49% held by Crédit Immobilier de France Développement) and Soprim (a wholly-owned simplified joint stock company). Given the legal restrictions governing the returns obtained by investors from public interest cooperatives for home ownership (specific statutory regulations enacted by the French Construction and Housing Code), the Group is neither exposed to the variable returns of SNCF Habitat, nor can it exercise any power on these returns. Consequently, SNCF Habitat is not consolidated according to IFRS 10. The same is true for Sofiap and Soprim, which are indirectly held through SNCF Habitat, due to the absence of effective control. Soprim has a very limited activity. The year-end financial aggregates of Sofiap were as follows:

- non-current assets: €1,500 million (€541 million as at 31 December 2013)
- non-current liabilities: €1,498 million (€635 million as at 31 December 2013)

#### 2.1.4. Eurostar International Limited (EIL)

Incorporated under British law, EIL was effectively created on 1 September 2010 following in-kind or cash contributions from each party, as required for EIL's activity, in return for a stake in the company's share capital. SNCF Mobilités Group therefore holds a 55% stake in EIL, while LCR and SNCB hold 40% and 5%, respectively.

Parallel to the creation of EIL, an agreement between the three shareholders was drawn up. The agreement defines the composition of the EIL Board of Directors, a decision-making procedure designed to protect the interests of each shareholder, a mechanism governing settlement of potential conflicts and a pre-emption right for each shareholder in the event one of them should withdraw from the arrangement.

In practice, because of the characteristics of the dispute resolution process, SNCF Mobilités and LCR generally agree on all strategic decisions with neither party unilaterally imposing its point of view.

SNCF Mobilités considers joint control to be the strategy that best reflects the governance instituted and its practice.

As the parties have rights to the net assets, EIL is a joint venture under IFRS 11 and is equity-accounted.

In June 2014, the British government, via HM Treasury (HMT), acquired the shares of LCR in EIL, as well as the rights and obligations granted to LCR under the shareholders' agreement. This transfer did not modify the assessment of control.

## **2.2. BUSINESS COMBINATIONS AND GOODWILL**

### **2.2.1. General principles**

Pursuant to the purchase method, the identifiable assets and liabilities of the acquired company that meet IFRS recognition criteria are recognised at their fair value at the acquisition date, except for assets classified as held for sale, which are measured at fair value less costs to sell.

Only identifiable liabilities meeting the recognition criteria of a liability or contingent liability in the acquired company are recognised at the acquisition date for the purpose of allocating the cost of the business combination. Therefore, a restructuring liability of the acquired company is only recognised for the purpose of allocating the business combination cost if, at the date of the acquisition, the acquired entity has a present obligation to perform this restructuring.

Adjustments to the fair value of assets and liabilities acquired as part of a business combination initially recognised based on provisional values (due to ongoing external valuation procedures or outstanding additional analyses), are recognised as retrospective adjustments to goodwill if they arise in the 12 months following the acquisition date. After this period, any adjustments are recognised directly in profit or loss unless they represent corrections of an error.

Goodwill is not amortised but is subject to impairment tests when there is an indication of impairment and at least once a year, according to the methods described in Note 2.8.

Negative goodwill is recognised immediately in operating profit.

Capital gains or losses on the disposal of an investment take into account the net carrying amount of the allocated goodwill.

Purchases and disposals of non-controlling interests (minority interests) without a change in the level of control are allocated to equity.

### **2.2.2. Business combinations prior to 1 January 2010 (application of the former IFRS 3)**

Non-controlling interests in the acquired company are measured at the proportion of the net fair value of assets and liabilities recognised.

The difference between the acquisition cost and the Group's interest in net assets acquired, at fair value, is recognised as goodwill. The acquisition costs include costs directly attributable to the acquisition.

For a step acquisition, the fair value remeasurement of the previously held acquisition is recorded in equity.



Additional considerations are recognised at fair value at the acquisition date once they are probable and can be reliably measured. Adjustments to additional considerations are offset in goodwill over an indefinite period.

### 2.2.3. Business combinations subsequent to 1 January 2010 (application of the revised IFRS 3)

For non-controlling interests in the acquired company, the Group may choose, for each business combination, between the partial and full goodwill methods.

- In the partial goodwill method, only the portion of goodwill attributable to the Group is recorded in the balance sheet. Non-controlling interests in the acquired company are measured at the proportion of the net fair value of assets and liabilities recognised.
- In the full goodwill method, goodwill is fully recognised. The portion attributable to non-controlling interests is included in the measurement of non-controlling interests, which are thus recorded at fair value.

Costs directly attributable to a business combination are no longer included in its cost, which is limited to the price paid to the vendor for the acquisition of the shares. These costs are expensed.

In the event of a step acquisition, the fair value remeasurement of the previously held equity interest is recognised in operating income after the gain or loss on disposal of assets.

Additional considerations are recognised at fair value on the date of acquisition. Adjustments of additional considerations are offset against goodwill, if and only if they occur during the allocation period and relate to new information on the existing situation on the date of control. In other cases, any adjustment of additional consideration is recognised in profit or loss or, in accordance with IAS 39, in other comprehensive income.

## 2.3. TRANSLATION OF THE FINANCIAL STATEMENTS OF FOREIGN SUBSIDIARIES

The financial statements of foreign subsidiaries whose functional currency is not the euro are translated into euros using the period-end exchange rate method:

- balance sheet accounts are translated using exchange rates prevailing on the balance sheet date,
- income statement items are translated at the average annual rate of exchange,
- translation differences arising on the retranslation of opening balance sheet items (movement between opening and closing exchange rates) and income statement items (movement between average and closing exchange rates) are taken to "Translation differences" in consolidated equity.

Likewise, foreign exchange differences arising from the translation of receivables and payables that are part of the net investment in a foreign subsidiary are also recorded in Translation differences in consolidated equity. They are recorded in profit or loss upon removal of the net investment.

## 2.4. TRANSLATION OF FOREIGN CURRENCY TRANSACTIONS

Foreign currency-denominated transactions are translated by the subsidiary into its functional currency at the exchange rate prevailing at the transaction date.

Monetary items in the balance sheet are retranslated at the closing exchange rate at each balance sheet date, and the resulting translation differences are recorded in profit or loss or as a separate equity component if they relate to hedging transactions qualifying as net investment or cash flow hedges under IFRS.

## 2.5. SERVICE CONCESSION ARRANGEMENTS

### 2.5.1. Presentation of IFRIC 12

The scope of IFRIC 12 includes an arrangement whereby the assets used to provide a public service are controlled by the grantor. Control is deemed to occur when the following two conditions are met:

- the grantor controls or regulates the public service, i.e. he controls or regulates the services that must be provided with the infrastructure that is the subject of the concession, to whom it must provide them, and at what price; and
- the grantor controls the infrastructure, i.e. the grantor can acquire it at the end of the term of the arrangement.

Pursuant to IFRIC 12, the infrastructures used cannot in these cases be recorded as property, plant and equipment in the operator's balance sheet, but rather as an intangible asset ("intangible asset model") and/or a financial asset ("financial asset model") according to the level of consideration given by the grantor:

- the "intangible asset model" applies where the operator receives a right to charge users of the public service and is paid in substance by the user, which means the operator bears a demand risk;
- the "financial asset model" applies where an operator has an unconditional right to receive cash or another financial asset, either directly from the grantor or indirectly by means of guarantees given by the grantor on the revenue from users of the public service. The consideration is independent of the users' use of the infrastructure.

#### 2.5.2. Group activities that could be concerned

As part of its proximity transport activities (regional, trans-regional and local), the Group provides, through its SNCF Proximités division, public services (rail transport regulated service) for the French State (Transport Organising Authority for Trains d'Equilibre du Territoire) or for public authorities (in France, the Regions – Regional transport network organising authorities – and urban centres, and at the international level, various local authorities), in return for a consideration. These services are covered by operating agreements with terms of 3 to 10 years. IFRIC 12 is applied retrospectively to financial periods beginning on or after 1 January 2010 for infrastructures constructed or acquired following the conclusion of such agreements.

#### 2.5.3. Scenarios identified

Certain scenarios are excluded from the scope of IFRIC 12 since the conditions for presuming control of the grantor are not met. The assets relating to these contracts continue to be recognised as property, plant and equipment.

For contracts within the scope of the interpretation, the assets constructed or acquired subsequent to the signature of the contract to fulfil the public service mission are classified either in financial assets or intangible assets according to the contract's risk exposure level. The assets constructed or acquired prior to the signature of these contracts continue to be recognised as property, plant and equipment.

#### 2.5.4. Related investment grants

Grants received in connection with concession arrangements are deducted from intangible assets or financial assets based on the applicable model following analysis of each contract.

In the intangible asset model, grants are deducted from the amortisation charge of the concession over the residual term of the concession arrangement.

In the financial asset model, investment grants are classified as a repayment clause of the asset. Infrastructures falling under the scope of IFRIC 12 that are fully subsidised have a nil value in balance sheet assets.

## 2.6. INTANGIBLE ASSETS

Intangible assets primarily comprise the customer base, leasehold rights, licences and software and trade names acquired during business combinations. They are recorded at historical cost or, where necessary, at fair value on the date of acquisition if such assets are acquired in connection with a business combination.

Where an intangible asset has a finite life, it is amortised on a straight-line basis over its useful life, which is generally less than five years.

Where an intangible asset has an indefinite life, it is not amortised but is subject to impairment tests at least once a year, according to the methods described in Note 2.8.

Pursuant to IFRIC 12 on service concession arrangements, intangible assets are recognised for service concession agreements when the Group, as operator, receives a right to charge users of the public service and is paid in substance by the user, thus bearing a demand risk. The intangible asset is amortised over the term of the arrangement.

## **2.7. PROPERTY, PLANT AND EQUIPMENT**

The property, plant and equipment of the Group include assets made available by the French State, assets owned outright and assets purchased under finance lease agreements.

The French Orientation Law on Domestic Transport (LOTI), partially recodified in the legislative section of the French Transport Code of 28 October 2010, lays down the terms of possession of assets entrusted to the SNCF Group Mobilités.

On the creation of the industrial and commercial public institution SNCF Mobilités (formerly SNCF) on 1 January 1983, the real estate assets previously given under concession to the semi-public limited liability company which it succeeded were appropriated to it.

These assets made available by the French State, without transfer of title, are recorded in the SNCF Mobilités Group balance sheet to enable an economic assessment of Group performance.

Subject to legal provisions applicable to infrastructures deemed of general interest or public utility, SNCF Mobilités exercises full management powers over all real estate assets entrusted to it or purchased by it.

Real estate assets held by the public institution, no longer used in the performance of its activities or which are part of its private domain, may be allocated to another purpose or sold by the public institution for profit.

### **2.7.1. Owned assets**

Property, plant and equipment owned outright are recorded in consolidated assets at acquisition cost. Internally produced assets are recorded at production cost. Property, plant and equipment acquired as part of a business combination are recorded at their fair value on entry into the consolidation scope.

The production cost of assets manufactured comprises the cost of raw materials and labour used to manufacture the assets, including that of purchased spare parts. Interest costs have been capitalised since 1 January 2009 pursuant to revised IAS 23. Property, plant and equipment are not subject to periodic revaluation.

Maintenance and repair expenses are recognised as follows:

- Rolling stock:
  - o current maintenance expenses borne during the useful life of equipment (repair work on faulty spare parts and replacement of unusable and missing parts) are recorded as operating expenses;
  - o expenses under multi-year major overhaul programmes are capitalised as a separate overhaul component and depreciated;
  - o overhauls performed at the end of the initial useful life of a component, together with refurbishment and transformation costs, are capitalised in assets where they extend the useful life;
- Fixed installations:
  - o current maintenance and repair expenses (technical inspections, maintenance contracts, etc.) are recorded as operating expenses;
  - o expenses under multi-year major building maintenance programmes are capitalised via the partial or total replacement of each component concerned.

As with the dismantling obligations, asbestos removal obligations for rolling stock are offset against an increase in the value of the equipment in balance sheet assets (see Note 2.18.2).

Property, plant and equipment are depreciated over their estimated useful life mainly on a straight-line or declining balance basis over 4 years for IT equipment.

### 2.7.2. Depreciation periods

Property, plant and equipment are depreciated over the following periods:

<b><u>Land development</u></b>	<b><u>20 years</u></b>
<b>Complex constructions (stations, administrative buildings, etc.)</b>	
Building shell	50 years
Enclosure	25 years
Light work	25 years
Fixtures and fittings	15 years
Technical work	15 years
<b>Simple constructions (workshops, warehouses, etc.)</b>	
Building shell, light work, enclosure	30 years
Fixtures and fittings	15 years
Technical work	15 years
<b><u>Plant and equipment</u></b>	<b><u>5 to 20 years</u></b>
<b><u>Cars</u></b>	<b><u>5 years</u></b>
<b>Rail transport equipment:</b>	
TGV:	
Structure	30 years
Interior fittings	15 years
Overhaul work	15 years
Electric and diesel locomotives:	
Structure	30 years
Overhaul work	15 years
Motorised carriages:	
Structure	30 years
Interior fittings	15 years
Overhaul work	15 years
Passenger carriages:	
Structure	30 years
Interior fittings	15 years
Overhaul work	10 to 15 years
Freight cars	30 years ± 20%
Ships	20 years
<b><u>Other property, plant and equipment</u></b>	<b><u>3 to 5 years</u></b>

## **2.8. IMPAIRMENT OF GOODWILL, INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT**

The Group assesses whether there is an indication that an asset has been significantly impaired at each balance sheet date. Where there is such an indication, an impairment test is performed.

Goodwill and indefinite life intangible assets are subject to an impairment test each year and whenever there is an indication of impairment.

When performing impairment tests, goodwill is allocated to the Cash-Generating Unit (CGU) or group of CGUs that are expected to benefit from the synergies of the combination and representing the lowest level at which the goodwill is monitored for internal management purposes, regardless of whether other assets and liabilities of the acquired entity are allocated to these CGUs or groups of CGUs.

Property, plant and equipment and finite life intangible assets are subject to impairment when events or circumstances during the period (obsolescence, physical deterioration, significant changes in the method of utilisation, performances falling short of forecasts, decline in revenues, other external indicators, etc.) indicate that a loss in value may have occurred and that the recoverable amount may be less than the net carrying amount.

Impairment tests consist of comparing the net carrying amount of an asset or goodwill balance with its recoverable amount, equal to the higher of the fair value less costs to sell and the value in use. The recoverable amount of an asset is determined individually, unless the asset does not generate cash flows independent of those of other assets or groups of assets. In such cases, which encompass the majority of property, plant and equipment and intangible assets of SNCF Mobilités and goodwill balances, the Group determines the recoverable amount of the group of assets (Cash-Generating Unit) to which the tested asset belongs.

The value in use corresponds to the value of the future economic benefits expected from the asset's use or removal. It is assessed based on discounted future cash flows determined according to economic assumptions and projected operating conditions adopted by SNCF Mobilités management:

- cash flows are determined in business plans, drawn up for periods of 3 to 5 years and validated by the management bodies;
- beyond this timeframe, the flows are extrapolated by applying a long-term growth rate that is close to the long-term inflation rate expected by the Group in France, subject to the expected useful life of the assets tested or the indefinite life for goodwill and other indefinite life intangible assets;
- flows are discounted at a rate appropriate to the activity sector.

Impairment losses recorded on goodwill cannot be reversed.

## **2.9. ASSETS AND LIABILITIES ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS**

Pursuant to the terms used by IFRS 5, a "discontinued operation" is a component from which the Group is separated or which it has transferred to a third party or which is classified as held for sale, and which represents a separate major line of business or geographical area of operations for the Group or which is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

In accordance with IFRS 5 "Non-current assets held for sale and discontinued operations":

- non-current assets of controlled entities held for sale are presented on a separate line of the balance sheet at the lower of their net carrying amount and fair value less costs to sell. Any liabilities relating to these assets or operations are also presented separately in liabilities. This presentation is only possible when a certain number of criteria listed in the standard are met (asset available in its present condition for immediate sale, sale initiated, decided and planned and highly probable within twelve months).

- the impact on profit or loss of the period of all discontinued operations, including any expected capital losses, is presented on a separate line of the income statement, after ordinary activities;
- the impact of discontinued operations on cash flows is presented in the notes to the financial statements.

## **2.10. FINANCE LEASE TRANSACTIONS**

### **2.10.1. Lease transactions**

Leased assets are recorded as purchases financed by loan when the contract terms and conditions correspond to finance lease arrangements. Finance lease agreements are contracts whereby the lessor transfers to the lessee the right to use an asset for a given period in exchange for payment and the lessor transfers all risks and rewards inherent to ownership of the asset. The appraisal criteria applied to these agreements are based on the following:

- the agreement provides for the mandatory transfer of ownership at the end of the lease period,
- the agreement contains a purchase option and the conditions of this option are such that it is reasonably certain, at the conclusion of the lease, that ownership will be transferred,
- the lease term is for the major part of the estimated economic life of the leased asset,
- the present value of the minimum lease payment under the agreement is close to the fair value of the leased asset,
- the leased assets are of such a specific nature that only the lessee can use them without significant modification.

The assets concerned are recorded in assets at the lower of the discounted present value of the minimum lease payments and fair value and depreciated over the same period as equivalent assets owned outright or made available when it is reasonably certain that the Group will have ownership at the end of the lease.

Lease agreements not having the characteristics of finance leases are recorded as operating leases and only the lease instalments are recorded in profit or loss.

### **2.10.2. Sale and leaseback transactions and equivalent**

#### **2.10.2.1. Leaseback transactions**

In the event of an asset sale resulting in a finance lease arrangement, the transaction is recorded in accordance with the above principles. Any capital gain realised on disposal is deferred and amortised over the lease term.

In the event of a sale resulting in an operating lease arrangement, the impacts differ according to the sale price in relation to fair value:

- If the sale price is lower than or equal to fair value, any profit or loss shall be immediately recorded in the income statement.
- If the sale price is strictly below fair value with a loss compensated for by future lease payments at below market price, the loss shall be deferred and amortised over the lease term.
- If the sale price is strictly above fair value, the excess over fair value shall be deferred and amortised over the lease term.

#### 2.10.2.2. Other transactions

In addition, certain financial arrangements concern existing finance lease agreements. As the existing equipment financing structure is not altered and the proceeds of such transactions are definitively earned, they are recognised in finance costs on signature of the agreement (see Note 28.1).

### 2.11. FINANCIAL ASSETS EXCLUDING OPERATING RECEIVABLES

Financial assets include investments in companies that are neither controlled nor subject to significant influence, other investments, loans and financial receivables, guarantee deposits paid in respect of derivative instruments (cash collateral assets) and the fair value of derivative instruments.

“Standard” purchases are recorded at the settlement date.

Financial assets are presented in non-current assets, unless they mature in less than 12 months at the balance sheet date, in which case they are classified in current assets or cash equivalents as appropriate.

The fair value of listed financial instruments is determined by reference to the stock market price at the balance sheet date. The fair value falls under Level 1 of the fair value hierarchy set forth in paragraph 72 of IFRS 13. The fair value of unlisted financial instruments, for which there exists listed instruments of a similar nature and maturity, is determined by reference to the stock market price of such instruments. The fair value of other unlisted instruments is determined using valuation techniques such as the revalued net asset method, discounted cash flows or option valuation models. The models used take into account assumptions based on market data and fall under Level 2 of the fair value hierarchy set forth in paragraph 72 of IFRS 13, while the other models based on non-observable market data fall under Level 3 of the hierarchy.

#### 2.11.1. Available-for-sale assets

Available-for-sale assets include Group investments in the share capital of unconsolidated companies that the Group does not hold for short-term profit and investments that do not qualify for inclusion in other asset categories.

Group investments are measured at fair value unless this cannot be reliably determined, in which case they are retained in the balance sheet at acquisition cost. Fair value is determined based on the financial criteria most appropriate to the specific situation of each company. The most commonly adopted criteria are the market value or the share in equity held and the profitability outlook if the market value cannot be obtained.

Other investments are measured at fair value using the market data, yield curves and credit spreads of each securities issuer. The measurement of these investments is compared to the listing price when available.

Fair value gains and losses on available-for-sale assets are recorded in a specific account in other comprehensive income. Amounts recognised in equity are only transferred to profit or loss on disposal of the asset. In the event of a significant or extended fall in the fair value below the net carrying amount, an impairment loss is recognised. This is recorded in an impairment loss account through profit or loss and cannot be reversed if it concerns shares.

#### 2.11.2. Assets at fair value through profit or loss (trading assets)

Trading assets consist of assets that the Group intends to sell in the near term in order to realise a capital gain and assets recorded in this category by designation.

In particular, SNCF Mobilités Group cash balances are globally managed pursuant to a general market risk management framework approved by the Board of Directors and combining investments in negotiable debt instruments and French money market mutual funds (UCITS). Management performance is measured, in the same way as UCITS, by reference to EONIA (Euro Overnight Index Average). As UCITS are measured at net asset value taking into account portfolio fair value, and in order to achieve overall consistency, investments with an initial maturity of more than three months are recorded in this category by designation.

Assets are valued at fair value at the balance sheet date and fair value gains and losses are recorded in finance costs.



Virtually all these investments are measured at fair value using market data, which falls under Level 2 of the fair value hierarchy set forth in paragraph 81 of IFRS 13.

### 2.11.3. Cash and cash equivalents

Cash and cash equivalents consist of immediately available liquid assets (cash) and short-term investments, easily converted into a known amount of cash with an initial maturity of less than or equal to three months and which are exposed to a negligible risk of change in value. In particular, investments in French mutual funds (SICAV) and monetary funds with marginal sensitivity are classified in this category and notably French mutual funds and monetary funds classified by the French Stock Market Authority (AMF) in the Euro monetary category or which have a sensitivity of less than 0.25 basis points.

For these securities, the fair value adopted is the UCITS net asset value. The fair value falls under Level 1 of the fair value hierarchy set forth in paragraph 72 of IFRS 13. However, given their year-end residual term, other investments are recorded at their nominal value.

Current bank facilities classified in current financial liabilities are included in cash and cash equivalents in the cash flow statement.

### 2.11.4. Loans and receivables issued

This heading includes the RFF receivable, the Public Debt Fund receivable, employee-profit sharing receivables, "construction assistance" loans and other loans and guarantee deposits (including cash collateral assets), as well as financial assets relating to concession arrangements (IFRIC 12). These financial instruments are initially valued at fair value and then subsequently at amortised cost based on the effective interest rate (EIR).

These instruments are presented in non-current assets, except for assets maturing in less than 12 months at the balance sheet date, which are recorded in current assets.

In the event of an objective indication of impairment of financial assets, which is to say a long-term and material decline in an asset's value, an impairment loss is recognised through profit or loss. An objective indication arises from the Group's knowledge of the debtor's financial difficulties (payment default, liquidation, etc.).

#### 2.11.4.1. Réseau Ferré de France (which became SNCF Réseau on 1 January 2015) receivable

In the law of 13 February 1997 that led to the creation of Réseau Ferré de France (RFF), Article 7 provides for the transfer of a €20.5 billion liability to Réseau Ferré de France in consideration of the transfer of infrastructure assets as at 1 January 1997.

This transfer resulted in the recognition of an RFF receivable in the SNCF Mobilités Group's assets, with no change in liabilities.

The RFF receivable was constructed line by line so as to present a maturity, currency and interest rate structure identical in all respects to that of the company's liability, which totalled €30.3 billion as at 31 December 1996, after swap contracts.

The 1996 year-end exchange rate was the initial rate used for the foreign currencies included in the receivable.

Deferred income and expenses corresponding to issue premiums and costs or swap contract income or expenses were also transferred, resulting in a cash payment. This payment was recognised in the SNCF Mobilités Group financial statements as deferred income, which is released to the income statement according to the maturities of the corresponding transactions.

The RFF receivable is embodied in an agreement signed by the two companies.

The receivable is recorded at amortised cost and, where appropriate, is subject to fair value or cash flow hedge accounting.

In the case of a fair value hedge, the corresponding items are measured at fair value using market data. The fair value falls under Level 2 of the fair value hierarchy set forth in paragraph 81 of IFRS 13.



#### 2.11.4.2. Public debt fund receivable

In accordance with the corporate plan (contrat de plan) signed by the French State and SNCF Mobilités (formerly SNCF) in 1990, a Special Debt Account was set up on 1 January 1991 in order to isolate a portion of SNCF Mobilités' debt.

On the preparation of SNCF Mobilités' opening IFRS balance sheet as at 1 January 2006, the debt from the Special Debt Account was transferred to the EPIC Mobilités balance sheet. At the same time, confirmation of the French State's commitment to contribute to the amortisation and servicing of the debt led to the recognition of a receivable in respect of expected payments from the French State.

The following transactions were performed in December 2007, in order to find a long-term and definitive solution to the future of these commitments and the financing of Special Debt Account debts:

1. On 31 December 2007, on the entry into effect of the 2007 amended Finance Act and in accordance with Article 82 of this Act, mirror contracts were set up between Mobilités and the Public Debt Fund:

- signature of a loan agreement between SNCF Mobilités and the Public Debt Fund, exactly reflecting the amount of the Special Debt Account debt and its financial terms and conditions and also covering the related derivatives;
- simultaneous signature of a mirror agreement, under which the Public Debt Fund provides an identical loan to SNCF Mobilités under the same terms and conditions.

On completion of these transactions, SNCF Mobilités held both a receivable and payable vis-à-vis the Public Debt Fund of the same amount and repayable pursuant to identical terms and conditions, which reflect commitments to third-parties ring-fenced in the Special Debt Account.

2. Following implementation of these mirror contracts, the French State, as authorised by Article 82 of the 2007 Amending Finance Act and pursuant to the Order of 28 December 2007, replaced SNCF Mobilités with regard to the repayment of SNCF Mobilités' debt to the Public Debt Fund.

3. Due to the transfer of this commitment to the French State and the change in related debtor, SNCF Mobilités is now free of all obligations pursuant to the aforementioned contract with the Public Debt Fund.

In return, the financial commitments of the French State under the Special Debt Account as at 1 January 2006 were cleared.

The Special Debt Account was closed on completion of these transactions. As a result, SNCF Mobilités:

- remains indebted towards holders of securities with the banking counterparties of forward financial instruments (foreign currency and interest rate swaps) it has contracted;
- holds a receivable on the Public Debt Fund exactly reflecting the amount of the Special Debt Account debt and its terms and conditions and also covering the related derivatives.

The method of accounting for the receivable is unchanged in relation to the method that had been adopted for the recognition of a receivable in respect of expected payments from the French State in the opening IFRS balance sheet as at 1 January 2006, namely:

- the receivable is initially recorded, at the transfer date, at the fair value of debts transferred and subsequently at amortised cost;
- derivative instruments relating to the receivable are recorded at fair value, with gains and losses on remeasurement recognised in profit or loss.

#### 2.11.4.3. Financial assets relating to concession arrangements (IFRIC 12)

Pursuant to IFRIC 12 Service Concession Arrangements, a financial asset is recognised when the Group, the operator, has an unconditional right to receive cash or another financial asset, either directly from the grantor or indirectly by means of guarantees given by the grantor on the revenue from users of the public service. The consideration is independent of the users' use of the infrastructure. Investment grants are classified as a repayment clause of the operating financial asset. The Group has opted to categorise these financial assets in loans and receivables pursuant to IAS 39 and to record them at amortised cost calculated using the effective interest rate.

## **2.12. INVENTORIES**

Inventories are valued at the lower of cost price and net realisable value. Cost price is equal to acquisition or production cost. Production cost includes both direct and indirect production expenses.

Cost price is calculated using the weighted average cost method.

Inventories are written down based on the turnover, nature, age and useful life of items.

## **2.13. OPERATING RECEIVABLES**

Receivables are recorded at nominal value on issue, except for receivables with a maturity of more than one year, which are discounted to present value where the impact of discounting is material. Impairment is recognised when there is a potential risk of non-recovery (substantial payment delays, bankruptcy proceedings, litigation, etc.). This impairment is determined based on an individual or statistical appraisal of non-recovery risk using historical data.

## **2.14. FINANCIAL LIABILITIES**

Financial liabilities include borrowings, other financing and bank overdrafts, guarantee deposits received in respect of derivative instruments (cash collateral liabilities) and the negative fair value of derivative instruments.

These instruments are included in "Non-current liabilities" except for liabilities maturing in less than 12 months at the balance sheet date, which are recorded in current liabilities.

Borrowings and other financial liabilities are initially measured at fair value plus transaction costs and subsequently at amortised cost determined using the effective interest rate.

Certain borrowings are subject to fair value or cash flow hedge accounting. In addition, certain borrowings with detachable embedded derivatives recorded using hedge accounting are recorded at fair value ("fair value" option). Fair value gains and losses are recorded in finance costs.

The option to record liabilities at fair value through profit or loss is used when the liabilities in question comprise an embedded derivative significantly modifying the cash flows which would otherwise result from the contract or where the Group is unable to value the embedded derivative separately. This option only concerns liabilities of EPIC Mobilités. The Group considers that exposure to own credit risk does not give rise to any change in value.

The fair value of financial liabilities is determined using measurement techniques such as option valuation models or the discounted cash flow method. The models take into account assumptions based on market data at the balance sheet date and fall under Level 2 of the fair value hierarchy set forth in paragraph 81 of IFRS 13.

## **2.15. DERIVATIVE INSTRUMENTS AND HEDGE ACCOUNTING**

Derivative instruments traded by the Group to manage currency, interest rate and commodity risks are recorded in the balance sheet at their fair value at the balance sheet date.

### **2.15.1. General case**

Derivative instruments are initially measured at fair value and are remeasured to fair value at subsequent reporting dates.

Fair value is determined using measurement techniques such as option valuation models or the discounted cash flow method. The models take into account assumptions based on market data at the balance sheet date and fall under Level 2 of the fair value hierarchy set forth in paragraph 81 of IFRS 13.

Changes in the fair value of derivative financial instruments that are not associated with operations and not part of a designated hedging relationship as defined by IAS 39 are recorded in profit or loss in finance costs.

### 2.15.2. Cash flow hedges

The Group trades on the derivatives market to hedge floating-rate receivables and payables and receipts and payments relating to its commercial activities.

When IAS 39 criteria are met, the derivative instruments are designated as cash flow hedges and fair value gains and losses are recorded directly in a specific account in other comprehensive income, except for the ineffective portion of the hedge, which is recorded in profit or loss. When the hedged flows impact profit or loss, the amounts deferred in other comprehensive income are released to profit or loss to match the flows of the hedged item.

### 2.15.3. Fair value hedges

The Group also uses derivative instruments to hedge the fair value of fixed-rate receivables and payables denominated in euro and foreign currencies.

When IAS 39 criteria are met, the derivative instruments are designated as fair value hedges and:

- fair value gains and losses arising on the derivative are recorded in profit or loss for the period,
- the hedged item is remeasured to fair value at the balance sheet date, for the hedged portion of the risk, through profit or loss.

As such, fair value gains and losses on the derivative and the hedged item cancel out in profit or loss, except for the ineffective portion of the hedge.

## 2.16. INVESTMENT GRANTS

The Group receives investment grants in the form of third-party asset financing, primarily from regional authorities.

Investment grants are deducted from the related assets (intangible assets, property, plant and equipment and concession financial assets). Grants relating to intangible assets and property, plant and equipment are recorded in operating profit (decrease in depreciation and amortisation) based on the estimated useful life of the related assets. Investment grants relating to concession financial assets are classified as a repayment clause of the operating financial asset.

## 2.17. DEFERRED TAX

The Group recognises, for each tax entity, deferred tax on all timing differences between the tax and book values of assets and liabilities in the consolidated balance sheet. Deferred tax is recorded using the liability method, applying the most recently voted tax rate at the year-end applicable to the period in which the timing differences are expected to reverse.

Deferred tax assets in respect of timing differences and tax losses or credits carried forward are recognised when recovery is deemed probable. The Group's ability to recover these tax assets is assessed through an analysis of its business plan and the uncertainties presented by the economy and Group markets.

A deferred tax liability is recognised in respect of investments in subsidiaries, joint ventures and companies over which significant influence is exercised on all timing differences between the book and tax values of shares, unless:

- the Group controls the date at which the timing difference will reverse (e.g. through a dividend distribution or the sale of an investment); and
- it is probable that this difference will not reverse in the foreseeable future.

Therefore, a deferred tax liability is only recognised in respect of wholly or proportionately consolidated companies in the amount of any withholding tax due on dividend distributions planned by the Group.

A deferred tax asset is only recognised to the extent that it is probable that:

- the timing difference will reverse in the foreseeable future; and
- taxable profits will exist against which this timing difference can be offset.

Deferred tax assets and liabilities are not discounted and are recorded in non-current items.

## **2.18. PROVISIONS**

Provisions are recorded when, at the balance sheet date, the Group has a present obligation to a third party as a result of a past event and the settlement of this obligation will require an outflow of company resources with no consideration.

This obligation may be legal, regulatory or contractual and may result from Group practice or external commitments that create valid expectations in third parties that the Group will assume certain responsibilities.

The estimated amount of the provision reflects the outflow of resources that is likely to be necessary to settle the Group's obligation. If a reliable estimate of this amount cannot be made, a provision is not recorded and disclosure is provided in the notes to the financial statements.

A contingent liability is a possible obligation that arises from past events whose existence will only be confirmed by the occurrence of uncertain future events not wholly within the control of the Group, or a probable obligation where it is not probable that an outflow of resources will be required. Except for contingent liabilities recognised as part of a business combination, contingent liabilities are not recorded. Disclosure is provided in the notes to the financial statements.

Provisions are discounted where the impact of discounting is material. The discount rate is determined with reference to a closing market rate based on leading corporate bonds with a maturity comparable to the estimated maturity of the provision. The reference used is Bloomberg AA for the Eurozone.

### **2.18.1. Provisions for tax, employee-related and customs risks**

The Group records provisions for tax, employee-related or customs risks when it has an obligation arising from a past event with, respectively, tax offices, personnel and employee representative bodies or customs authorities. The provision is assessed for the outflow of resources likely to be incurred. When greater caution is warranted, the Group provides for challenged tax reassessments.

### **2.18.2. Provisions for environmental risks**

The Group provides for environmental risks when the realisation of the risk is deemed probable. This provision covers the costs of environmental protection and site restoration and clean-up. It specifically includes a contingency provision for asbestos lawsuits filed against the Group.

SNCF Mobilités Group has set up an environmental management team in response to the enactment in French law of Directive 2004/35 of 21 April 2004 regarding so-called "polluter-payer" environmental liability. One of the team's objectives is to shed light on the impacts with respect to the Group's activities, primarily in terms of storage and distribution installations for fuel, water disposal, waste, etc. The related assessments are recorded on their completion. The impacts are presented in Note 22. Directive 2004/35 has since been transposed in France by Decree 2009-468 of 23 April 2009.

Furthermore, the French government decree of 3 June 2011 relating to the protection of the public against health risks resulting from exposure to asbestos in buildings that came into effect on 1 February 2012 was to be accompanied by implementation decrees. These decrees were published at the end of December 2012 for an implementation date of 1 January 2013. They define the criteria for assessing the state of the materials to be investigated, the content of the report on the identification of asbestos-containing materials as well as the content of the asbestos technical file summary sheet. An action plan has been implemented covering the compliance of the asbestos technical analyses within the deadline stipulated by the new decree, i.e. by 2021. At this stage, the additional work performed has not generated a material change in the provision for environmental risks. The analyses are still in progress.

With regard to rolling stock containing asbestos, the Group classifies its rolling stock asbestos removal obligations as provisions for dismantlement. Any increase in the provision is offset by an increase in the value of the equipment on the balance sheet for equipment not fully depreciated and in profit or loss for equipment at the end of its useful life. An impairment loss is recognised when the carrying amount of the asset exceeds its recoverable amount. The cost of dismantlement is amortised over the asset's remaining useful life. Should there be a decrease in the estimated probable outflow of resources, the provision is reversed against the corresponding asset in the balance sheet and in profit or loss for the portion exceeding the net carrying amount of this asset. The provision is gradually extinguished in profit or loss as the asbestos removal is completed.

### 2.18.3. Provisions for contractual litigation and risks

The provision for contractual litigation and risks mainly includes risks associated with legal disputes and contract settlements in addition to contractual risks.

#### 2.18.3.1. Provisions for disputes and litigation arising from operations

The Group is involved in a certain number of disputes and litigation arising in the normal course of its activities and notably:

- performance bonds received from companies supplying construction work,
- guarantees granted to clients in the freight transportation sector covering incidents arising during transport.

Such disputes and litigation are provided based on an assessment of the related risk.

Up to and including 1999, SNCF Mobilités self-insured the majority of risks associated with its activities. In 2000, SNCF Mobilités took out a number of insurance policies providing coverage beyond an initial level covered by self-insurance.

#### 2.18.3.2. Provisions for onerous contracts

Provisions are recognised for long-term contracts when they become onerous, which is to say when the inevitable costs required to satisfy the contractual obligations exceed the future economic benefits expected from these contracts. Provisions are valued based on inevitable costs, which reflect the net contract exit cost, which is to say the lower of the contract performance cost or any other compensation or penalty arising from failure of performance.

### 2.18.4. Provisions for restructuring costs

The cost of restructuring measures is provided in full in the year when such measures are decided, in principle, and announced in sufficient detail prior to the period-end closing in order to create an expectation that they will be implemented. Restructuring costs primarily consist of employee departure costs and the cost of writing off non-current assets, inventory and other assets.

## 2.19. EMPLOYEE BENEFITS

In accordance with the laws and practices in the countries in which it operates, the Group participates in pension, early retirement, retirement benefit and health insurance plans for retirees.

In France, the main employee benefit plans are the special regime for employees with SNCF qualifying status (see Note 21 for detailed specifications) and, for subsidiaries, retirement termination payments and long-service awards. Outside France, the main companies offering defined-benefit plans are the United Kingdom, Italy, Germany and the Netherlands.

For the basic plans and other defined-contribution plans, the Group expenses contributions payable when they are due. No provisions are recognised as the Group does not have any obligation beyond the contributions paid.

In the case of defined-benefit plans, when benefits are covered by third parties (insurance contracts, provident organisations unrelated to the Group), and the Group has no legal or implicit obligation to cover any losses relating to past services over the period or prior periods, no obligation is recognised and the insurance/provident premiums paid are recognised as payments to a defined contribution plan, the obligation to provide benefits to employees being the sole responsibility of the third party organisation. In the other

cases, the obligations are subject to actuarial valuations and provisions are recorded on the balance sheet upon vesting of benefit rights by employees.

The actuarial liability (or present value of the obligation with respect to defined benefits) is determined according to the projected unit credit actuarial method, which stipulates that each period of service gives rise to an additional unit of benefit and measures each unit separately to determine the final obligation. These calculations include assumptions concerning the discount rate, mortality, employee turnover and expected future salary levels.

In the case of plans partially or fully funded by plan assets, the net liability (asset) is recognised in the amount of the negative or positive difference between the present value of the obligation and the fair value of the plan assets.

Changes in the net obligation are recorded according to their nature.

The net charge is recognised:

- In current operating profit for the portion corresponding to service costs representing the straight-line vesting of benefits, past service costs (plan amendment and curtailment) and the impact of settlements. Past service costs are immediately recorded in profit or loss whether the rights are vested or not.
- In finance costs for the portion corresponding to the net financial interest (cost of the reverse discounting of the debt less the implicit return on plan assets, if any, and the interest on the asset ceiling impact) and the actuarial gains and losses generated by other long-term benefits.

Actuarial gains and losses are recognised according to the plan's qualification:

- For defined benefit plans covering post-employment benefits, actuarial gains and losses are recognised in other comprehensive income under non-recyclable reserves. They are never recycled in profit or loss but rather reclassified in undistributed reserves if the entity concerned is removed from the consolidation scope.
- For other long-term defined benefit plans (long-service awards, unemployment, salary maintenance, gradual cessation of activity, etc.), actuarial gains and losses and any past service costs are immediately recognised in finance costs.

## **2.20. REVENUE RECOGNITION**

### **2.20.1. Transportation activity (passenger, freight)**

Revenue is recognised based on the effective transportation of passengers and freight.

Revenue recognised in the systems on the issue of a passenger transport ticket is adjusted at the period-end for tickets issued but not used, which are recorded in "Deferred income" under "Operating payables."

Pursuant to IFRIC 13, customer loyalty programmes are measured and recognised at the fair value of the unused point's consideration in "Deferred income" under "Operating payables," with an offsetting decrease in revenue. This deferred income is transferred through profit or loss under the "Revenue" heading as and when the loyalty points are used by customers.

### **2.20.2. Contributions of the French State and Organising Authorities**

These contributions comprise price subsidies covering socially motivated prices introduced by the French State and contributions remunerating global services within a contractual framework or specific services.

### **2.20.3. Engineering and contracting services performed by the Group**

Sub-contracting and project management work performed by the Group over a number of periods is recognised based on contractual data and the economic stage of completion. This work is conducted within the SNCF Infra division which is to be transferred to SNCF Réseau in connection with the rail reform (see Note 3).



#### 2.20.4. Maintenance

Maintenance income and income from the operation of the rail network are recognised in accordance with the multi-year contract negotiated with the network. This income is collected within the SNCF Infra division which is to be transferred to SNCF Réseau in connection with the rail reform (see Note 3).

### 2.21. SEGMENT REPORTING

#### 2.21.1. Determination of sectors presented

The SNCF Mobilités Group's activity is structured according to five divisions backed by common support functions. These divisions sell separate products and services or cover different customer segments. This Group breakdown is used for management purposes and is a component of internal reporting:

- SNCF Infra division: delegated management of the infrastructure for RFF (network maintenance, projects and operation) and engineering (rail infrastructure research and design in France and globally). This division, fully impacted by the Law of 4 August 2014 on rail reform, is to be removed from the SNCF Mobilités Group (see Note 3).
- SNCF Proximités division: local transport activities of the Group encompassing medium-distance links (Trains d'Équilibre du Territoire (balancing of regional train service - Intercités), rail transport regulated services (TER, Transilien, etc.), city and intercity (Keolis) and complementary services (Effia).
- SNCF Voyages division: passenger rail transport and distribution (TGV, Europe, etc.).
- SNCF Logistics (formerly SNCF Geodis) division: a full range of transport and freight logistics activities. These activities are differentiated between the activity Geodis logistics, STVA freight forwarding, rail freight fleet management and freight rail transport.
- Gares & Connexions division: dedicated to the development and operation of all stations and the non-discriminatory welcome of all operators.

The common support functions (Common Operations and Investments) include the holding company activities of SNCF Participations and the service provider activities of SNCF Mobilités Group (Traction, Equipment and Transversal services) and certain operating subsidiaries.

#### 2.21.2. Segment indicators

The Group presents the following balance sheet and income statement indicators by business:

- Total segment assets comprising goodwill, intangible assets, property, plant and equipment and concession financial assets net of investment grants, and operating assets.
- Internal and external revenue with elimination of all inter-division transactions in an "Inter-division" column for the presentation of the Group consolidated financial statements.
- Certain income statement analytical balances: gross profit, current operating profit, operating profit and current operating profit after share of net profit of companies consolidated under the equity method.
- Certain income statement line items: share of net profit of companies consolidated under the equity method, depreciation and amortisation, net movements in provisions, impairment losses.

The accounting methods adopted by each division are identical to those used in the preparation of the consolidated financial statements. The information presented for each division includes transactions between divisions.

## 2.22. INCOME STATEMENT ANALYTICAL BALANCES

SNCF Mobilités Group has elected to present its income statement by nature. Several analytical balances are identified in order to provide users of the financial statements with information on the component items making up Group net profit.

### 2.22.1. Gross profit

Gross profit is equal to revenue plus incidental income, net of expenses directly relating to operating activities and primarily purchases, subcontracting costs, other external services, employee costs, taxes and duties other than income tax, asset disposals related to the activity (property, plant and equipment within the operating cycle sold in connection with the renewal of production facilities, primarily transport equipment) and other miscellaneous items.

All charges to employee-related provisions and, specifically, charges relating to employee commitments (excluding the finance cost), are included in "Employee benefits expense."

### 2.22.2. Current operating profit

In addition to gross profit, current operating profit includes the majority of non-cash items (depreciation and amortisation, provisions, impairment, etc.) and other miscellaneous items not directly attributable to another income statement account.

### 2.22.3. Operating profit

Transactions of an unusual nature, either due to their frequency or amount, are recorded separately below current operating profit. This presentation has been adopted in order to provide the most reliable overview possible of the Group's recurring performance.

The transactions concerned are limited in number and comprise:

- impairment losses on goodwill, intangible assets and property, plant and equipment,
- real estate disposals and asset disposals not directly related to the activity,
- disposals of subsidiaries not representing a discontinued operation as defined by IFRS 5,
- any impacts arising from changes in the scope of consolidation.

### 2.22.4. Operating profit after share of net profit of companies consolidated under the equity method

Given that the equity-accounted companies extend the Group's business, a subtotal presenting the operating profit after share of net profit of these entities has been created in the income statement. The share of net profit includes impairment recognised on investments in companies consolidated under the equity method.

### 2.22.5. Finance costs

Finance costs presented by the Group reflect the impact of financing transactions. Finance costs comprise two components:

- net borrowing costs, consisting of interest paid on Group borrowings, proceeds from the RFF receivable and the Public Debt Fund receivable and interest received on available cash balances. These items are presented after hedging transactions and include fair value gains and losses on derivative instruments not qualifying for IFRS hedge accounting;
- the finance cost of employee benefits, which includes the charge relating to the reverse discounting of the provision for long-term and post-employment benefits, net of interest relating to the implicit return on plan assets determined according to the discount rate of the debt, as well as the amount of actuarial gains and losses generated over the period with respect to long-term benefits.



## 3. MAJOR EVENTS OF THE YEAR

### 3.1. IMPAIRMENT LOSS REVERSALS

Impairment loss reversals were recognised for €163 million for rail freight production resources within the SNCF Logistics division, formerly known as SNCF Geodis (all property, plant and equipment and intangible assets excluding land and buildings). These reversals follow the change in business models that resulted in the reallocation of production resources between the Rail freight and Rail freight fleet management cash generating units and the adaptation of impairment testing methods in accordance with IAS 36. They were recognised under “Impairment losses” in the income statement.

Detailed information is presented in Note 8 to the consolidated financial statements.

### 3.2. RAIL REFORM

The rail reform law definitively adopted on 22 July 2014 and enacted by the President of the French Republic on 4 August 2014, under number 2014-872, is based on five objectives:

- Confirmation of a public service that is strengthened and better managed;
- Creation of an integrated public industrial group;
- Introduction of a national agreement to ensure the financial future of the public service;
- Creation of a labour framework for all rail sector players by maintaining the status of railway employees and unifying their group;
- Greater regulatory authority to guarantee the impartiality of network accessibility.

The current organisation of the French rail system and specifically the State-owned industrial and commercial institution (or EPIC) Société Nationale des Chemins de fer Français was profoundly changed as of 1 January 2015, the effective date of the law, with the creation of a group organised according to three economically integrated EPICs:

- The current EPIC Société Nationale des Chemins de fer Français (SNCF until 30 November 2014), will become SNCF Mobilités and will continue to carry out all the transport activities for the SNCF Proximités, SNCF Voyages and SNCF Logistics (formerly SNCF Geodis) divisions, and manage the stations of the Gares & Connexions division.
- The current Réseau Ferré de France (RFF) will become SNCF Réseau and unify all the infrastructure management functions by combining SNCF Infra and Rail network operation and management currently part of the SNCF Infra division. It will guarantee fair access to the network for all rail companies.
- A “parent” EPIC, created on 1 December 2014 as part of the reform and called SNCF, will be responsible for strategic control and steering, economic coherence, and the public rail group’s industrial integration and social unity.

Accordingly, in accordance with IFRS 5 “Non-current assets held for sale and discontinued operations,” the profit or loss components of the SNCF Infra division, which must be transferred under the law of 4 August 2014, were reclassified under “Net profit/(loss) from transferred operations” in the 2014 and 2013 income statements. The assets and liabilities of this division that are to be transferred were reclassified under “Assets classified as held for sale” and “Liabilities associated with assets classified as held for sale” in the statement of financial position as of 31 December 2014.

The law also stipulates that non-current assets and entities will be transferred to the parent EPIC. Non-current assets and the assets of entities to be transferred as identified at the year-end were reclassified under “Assets classified as held for sale” in the statement of financial position as of 31 December 2014. The liabilities of these entities were reclassified under “Liabilities associated with assets classified as held for sale.” As the application decrees are still being drafted, the scope of the entities and assets to be ultimately transferred could be expanded.

Detailed information is presented in Note 27 to the consolidated financial statements.

### **3.3. LABOUR MOVEMENT**

A strike involving a portion of SNCF employees took place between 11 and 23 June 2014 in opposition to the rail reform bill and to debate the future of the rail sector. Despite a significant mobilisation of SNCF resources to limit customer impacts, the strike had repercussions in almost all Group divisions, particularly in terms of revenue losses and additional costs for customer compensation.

### **3.4. ASSIGNMENT OF A RECEIVABLE**

The receivable generated in the period by the Competitiveness and Employment Tax Credit set up by the French government (see Note 1.1.2.3) and recorded for French tax consolidation groups was assigned under the Dailly Law. As this involves an operating receivable, its assignment led to a posting of a net receipt of €306 million in “Net cash from operating activities” on the cash flow statement.

Details are provided in Note 28.3 to the consolidated financial statements.

## 4. SEGMENT REPORTING

The Group's activity is organised as indicated in Note 2.21.

The SNCF Infra division was fully impacted by the transfers covered by the rail reform (see Note 3). As this division satisfies the definition of a “discontinued operation” in accordance with the terms adopted by IFRS 5, its corresponding financial data was reclassified to the following line items:

- “Net profit/(loss) from transferred operations” in the income statements for the years ended 31 December 2014 and 2013.
- “Assets classified as held for sale” and “Liabilities associated with assets classified as held for sale” in the statement of financial position as at 31 December 2014.

Detailed information is provided in Note 27. The division will no longer contribute to the results or balance sheet of the future SNCF Mobilités Group once the reform comes into effect in 2015.

The SNCF Geodis division was renamed SNCF Logistics.

Operating income segment reporting is as follows:

31/12/2014								
<i>In € millions</i>	SNCF Infra	SNCF Proximités	SNCF Voyages	SNCF Logistics	Gares & Connexions	Common operations and investments	Inter division	Total
External revenue	0	11,967	5,848	8,812	275	341		27,243
Internal revenue	303	376	683	229	909	4,085	-6,584	
<b>Revenue</b>	<b>303</b>	<b>12,343</b>	<b>6,531</b>	<b>9,041</b>	<b>1,183</b>	<b>4,426</b>	<b>-6,584</b>	<b>27,243</b>
<b>Gross profit</b>	<b>0</b>	<b>633</b>	<b>680</b>	<b>431</b>	<b>251</b>	<b>387</b>		<b>2,383</b>
<b>Current operating profit/(loss)</b>	<b>0</b>	<b>160</b>	<b>276</b>	<b>43</b>	<b>107</b>	<b>92</b>		<b>678</b>
<b>Current operating profit/(loss) after share of net profit of companies consolidated under the equity method</b>	<b>0</b>	<b>175</b>	<b>273</b>	<b>33</b>	<b>107</b>	<b>98</b>		<b>685</b>
<b>Operating profit/(loss) after share of net profit of companies consolidated under the equity method</b>	<b>0</b>	<b>178</b>	<b>273</b>	<b>222</b>	<b>112</b>	<b>265</b>		<b>1,050</b>
Share of net profit of companies consolidated under the equity method	0	16	-3	-11	0	5		7
Depreciation and amortisation	0	-377	-385	-322	-135	-279		-1,498
Net movements in provisions	0	-96	-19	-66	-9	-16		-207
Impairment losses	0	-2	-1	101	1	27		126

31/12/2013

<i>In € millions</i>	<b>SNCF Infra</b>	<b>SNCF Proximités</b>	<b>SNCF Voyages</b>	<b>SNCF Logistics</b>	<b>Gares &amp; Connexions</b>	<b>Common operations and investments</b>	<b>Inter division</b>	<b>Total</b>
External revenue	0	11,591	5,925	8,891	262	361		27,030
Internal revenue	319	373	906	250	923	5,114	-7,884	
<b>Revenue</b>	<b>319</b>	<b>11,964</b>	<b>6,831</b>	<b>9,141</b>	<b>1,185</b>	<b>5,475</b>	<b>-7,884</b>	<b>27,030</b>
<b>Gross profit</b>	<b>0</b>	<b>655</b>	<b>782</b>	<b>337</b>	<b>244</b>	<b>468</b>		<b>2,486</b>
<b>Current operating profit/(loss)</b>	<b>0</b>	<b>254</b>	<b>392</b>	<b>-118</b>	<b>115</b>	<b>77</b>		<b>721</b>
<b>Current operating profit/(loss) after share of net profit of companies consolidated under the equity method</b>	<b>0</b>	<b>267</b>	<b>371</b>	<b>-117</b>	<b>115</b>	<b>90</b>		<b>726</b>
<b>Operating profit/(loss) after share of net profit of companies consolidated under the equity method</b>	<b>0</b>	<b>275</b>	<b>-1,029</b>	<b>-103</b>	<b>125</b>	<b>205</b>		<b>-528</b>
Share of net profit of companies consolidated under the equity method	0	13	-21	1	0	12		5
Depreciation and amortisation	0	-350	-369	-343	-127	-302		-1,492
Net movements in provisions	0	-51	-21	-111	-2	-88		-273
Impairment losses	0	0	-1,399	-35	1	2		-1,432

Only transactions with RFF represent more than 10% of Group revenue. These transactions essentially took place within the SNCF Infra division and were therefore reclassified to "Net profit/(loss) from transferred operations". A breakdown is provided in Note 29.

Total segment assets break down as follows by division:

31/12/2014								
<i>In € millions</i>	<b>SNCF Infra</b>	<b>SNCF Proximités</b>	<b>SNCF Voyages</b>	<b>SNCF Logistics</b>	<b>Gares &amp; Connexions</b>	<b>Common operations and investments</b>	<b>Inter division</b>	<b>Total</b>
<b>Total segment assets</b>	<b>275</b>	<b>9,810</b>	<b>5,867</b>	<b>5,964</b>	<b>3,110</b>	<b>4,488</b>	<b>-719</b>	<b>28,795</b>
Investment grants	0	-2,844	-174	-38	-1,140	-258		-4,454
<b>Total segment assets net of investment grants</b>	<b>275</b>	<b>6,966</b>	<b>5,693</b>	<b>5,926</b>	<b>1,970</b>	<b>4,230</b>	<b>-719</b>	<b>24,341</b>
<i>Of which:</i>								
Assets (*)	0	4,798	4,609	3,598	1,773	3,208		17,987
31/12/2013								
<i>In € millions</i>	<b>SNCF Infra</b>	<b>SNCF Proximités</b>	<b>SNCF Voyages</b>	<b>SNCF Logistics</b>	<b>Gares &amp; Connexions</b>	<b>Common operations and investments</b>	<b>Inter division</b>	<b>Total</b>
<b>Total segment assets</b>	<b>3,215</b>	<b>9,063</b>	<b>5,251</b>	<b>5,941</b>	<b>2,998</b>	<b>5,599</b>	<b>-336</b>	<b>31,731</b>
Investment grants	-11	-3,126	-91	-42	-1,068	-331		-4,670
<b>Total segment assets net of investment grants</b>	<b>3,204</b>	<b>5,937</b>	<b>5,160</b>	<b>5,899</b>	<b>1,930</b>	<b>5,268</b>	<b>-336</b>	<b>27,062</b>
<i>Of which:</i>								
Assets (*)	735	4,168	4,257	3,639	1,736	4,027		18,563

(\*) Goodwill, PP&E, intangible assets and concession financial assets net of grants

The SNCF Mobilités parent company decentralised its production resources to provide businesses with vertical control over their operations. Accordingly, assets (maintenance workshops, equipment technicentres, etc.) and personnel were reallocated to Common Operations and SNCF Voyages and SNCF Proximités. This decentralisation was primarily due to the decline in the internal revenue of Common Operations and SNCF Voyages and also accounts for most of the changes in segment assets recognised by the two divisions and common operations.

The segment assets relating to the SNCF Infra division correspond to Group internal receivables and are offset in the “Interdivision” column.

Pursuant to IFRS 8 (section 33), information concerning geographical areas is not provided since the necessary information is unavailable and the cost to prepare it would be excessive.

Liabilities, income tax expense, and interest income and expense are not monitored by the chief operational decision-maker.

## 5. PURCHASES AND EXTERNAL CHARGES

Purchases, sub-contracting and other external charges break down as follows:

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>	<b>Change</b>
Sub-contracting	-5,266	-5,252	-14
Infrastructure fees (1)	-3,702	-3,592	-110
Other purchases and external charges	-5,131	-5,066	-65
<b>Purchases and external charges</b>	<b>-14,099</b>	<b>-13,909</b>	<b>-190</b>

(1) Infrastructure fees mainly invoiced by RFF and Eurotunnel

## 6. EMPLOYEE BENEFIT EXPENSES AND HEADCOUNT

As at 31 December 2014, the employee benefit expenses and headcount break down as follows:

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>	<b>Change</b>
Wages and salaries	-9,877	-9,690	-187
Other employee benefits	13	23	-10
Profit-sharing and incentive schemes	-29	-24	-5
Seconded and temporary employees	-274	-265	-9
<b>Total employee benefit expenses</b>	<b>-10,167</b>	<b>-9,955</b>	<b>-212</b>
<b>Average number of equivalent full-time employees</b>	<b>245,763</b>	<b>244,570</b>	<b>1,193</b>

The employee benefit expenses of the SNCF Infra division were not included in the above expenses but reclassified to “Net profit/(loss) from transferred operations” in the 2014 and 2013 income statements (see Note 3 to the consolidated financial statements).

However, the average number of equivalent full-time employees includes 52,193 employees for the SNCF Infra division as at 31 December 2014 (51,143 employees as at 31 December 2013).

## 7. DEPRECIATION AND AMORTISATION

The heading breaks down as follows:

<i>In € millions</i>	31/12/2014	31/12/2013	Change
Depreciation and amortisation	-1,977	-1,947	-30
Grants released to profit or loss	479	455	24
<b>Depreciation and amortisation, net of grants</b>	<b>-1,498</b>	<b>-1,492</b>	<b>-6</b>

Depreciation and amortisation concern:

- intangible assets in the amount of €220 million (€221 million in 2013);
- property, plant and equipment in the amount of €1,757 million (€1,726 million in 2013).

## 8. IMPAIRMENT LOSSES

The impacts on the income statement are as follows:

<i>In € millions</i>	31/12/2014	31/12/2013	Change
Intangible assets and property, plant and equipment	132	-1,437	1,569
Goodwill	-7	0	-7
Provision for liabilities and charges	2	5	-3
<b>Impairment losses</b>	<b>126</b>	<b>-1,432</b>	<b>1,559</b>

Asset impairment tests are performed on CGUs representing legal entities or defined based on the appropriation of the assets used.

The assets tested include goodwill, indefinite life intangible assets and assets with a finite useful life. The values presented in the tables below for the assets tested are net of losses or reversals recognised in prior years.

The impairments and reversals recorded in the financial statements as at 31 December 2014 and 2013, with respect to the tests conducted, had the following main impacts on net profit:

<i>In € millions</i>	SNCF Logistics (*) Rail Freight Fleet Management
Impact on net profit as at 31/12/2014	163

(\*) Formerly SNCF Geodis

<i>In € millions</i>	SNCF Voyages France and Europe CGU (excluding Eurostar)
Impact on net profit as at 31/12/2013	-1,400

## 8.1. CGUS WITH SIGNIFICANT GOODWILL IN RELATION TO TOTAL GOODWILL

### 8.1.1. Geodis (formerly “Global Offering”) CGU

The finalisation of the SNCF Logistics (formerly SNCF Geodis) division’s reorganisation led to the removal of the STVA activity from the “Global Offering” CGU, which was renamed the “Geodis” CGU. This change was also driven by the lack of synergies or expected synergies in the short or medium term between Geodis and STVA. Given the very significant preponderance of the Geodis CGU over the STVA CGU, the change had very little impact on the allocation of goodwill.

Of the total goodwill net of impairment, €650 million (€636 million as at 31 December 2013) was allocated to the Geodis Cash-Generating Unit, which comprises the logistics and freight transport activities (excluding rail freight transport and STVA) of the SNCF Logistics division. This CGU is tested for impairment at least once annually. The following main assumptions were used to determine the recoverable amount:

	2014	2013
Segment	SNCF Logistics	SNCF Logistics
CGU	Geodis	Global Offering (*)
Assets tested	€1,215 million	€1,541 million
Base used for the recoverable amount	Value in use	Value in use
Source used	5-year plan and indefinite projection of a normative year	5-year plan and indefinite projection of a normative year
Discount rate (minimum - maximum)	7.3% - 8.3%	8.0% - 8.9%
Long-term growth rate	2.00%	2.00%

(\*) *The asset tested in 2013 corresponds to that of the former Global Offering CGU*

As at 31 December 2014 and 2013, the annual impairment test corroborated the carrying amount of the CGU assets. Sensitivity tests conducted on the discount ( $\pm 100$  bp), organic growth and gross profit rates ( $\pm 50$  bp) will likely support the analysis.

The assessment, which was carried out in the context of deteriorated economic environment, represents the Group’s best estimate.

### 8.1.2. Keolis/EFFIA CGU

Of the total goodwill, €464 million (€445 million as at 31 December 2013) was allocated to the Keolis/EFFIA Cash-Generating Unit, which comprises all activities included in the passenger multimodal transport solutions of the SNCF Proximités division. Furthermore, the indefinite life intangible assets allocated to this CGU amounted to €100 million (€104 million as at 31 December 2013), primarily comprising trade names. This CGU is tested for impairment at least once annually. The following main assumptions were used to determine the recoverable amount:

	2014	2013
Segment	SNCF Proximités	SNCF Proximités
CGU	Keolis/EFFIA	Keolis/EFFIA
Assets tested	€1,444 million	€1,381 million
Base used for the recoverable amount	Value in use	Value in use
Source used	5-year plan and indefinite projection of a normative year	5-year plan and indefinite projection of a normative year
Discount rate (minimum - maximum)	6.4% - 7.2%	6.7% - 7.5%
Long-term growth rate	2.00%	2.00%

No impairment was recognised, as the recoverable amount exceeded the value of the tested asset. Sensitivity tests conducted on the discount ( $\pm 100$  bp), organic growth and gross profit rates ( $\pm 50$  bp) will likely support the analysis conducted.

### 8.1.3. Rail Freight Fleet Management CGU

Of the total goodwill, €248 million (€248 million as at 31 December 2013) was allocated to the Rail Freight Fleet Management Cash-Generating Unit, whose operational and managerial scope was extended in early 2014 to the engine management activity (see Note 8.2.1). This CGU now comprises all activities included in the leasing of freight transport engines and equipment (locomotives, wagons, containers, etc.). A test is performed at least once a year for this CGU. Following the business model changes, the tested asset increased compared to the previous year-end and the Group carried out an impairment test as at 30 June 2014 in addition to the annual test. The impacts were treated as a change in estimate over the period in accordance with IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”.

The test performed for the Rail Freight Fleet Management CGU, based on a value in use, gave rise to a recoverable amount that was significantly higher than the net carrying amount. For the SNCF Logistics (formerly SNCF Geodis) division, this gave rise to an impairment reversal for production resources previously tested with the Rail Freight CGU of €163 million recorded under “Impairment losses” in the income statement for the period. Pursuant to IAS 36, the reversal was limited to the net carrying amount that would have been obtained as at 30 June 2014 for the relevant assets had they not been impaired. The following main assumptions were adopted in order to calculate the recoverable amount:

	2014 annual test	30 June 2014 test	2013 annual test
Segment	SNCF Logistics	SNCF Logistics	SNCF Logistics
CGU	Rail Freight Fleet Management	Rail Freight Fleet Management	Rail Freight Fleet Management
Assets tested	€1,891 million	€1,739 million	€1,366 million
Base used for the recoverable amount	Value in use	Value in use	Value in use
Source used	5-year plan and indefinite projection of a normative year	5-year plan and indefinite projection of a normative year	5-year plan and indefinite projection of a normative year
Discount rate (minimum - maximum)	5.3% - 5.9%	6.0% - 6.6%	6.0% - 6.6%
Long-term growth rate	2.00%	2.00%	2.00%

No new impact was recognised in the second half of 2014, as the recoverable amount exceeded the value of the tested asset. Sensitivity tests conducted on the discount ( $\pm 100$  bp), organic growth and gross profit rates ( $\pm 50$  bp) will likely support the analysis conducted.



## 8.2. CGUS WITH INDICATIONS OF IMPAIRMENT OR IMPAIRMENT REVERSAL

### 8.2.1. Rail Freight CGU

Within the SNCF Logistics (formerly SNCF Geodis) division, the Fret SNCF activity was broken down into four CGUs to reflect the organisation set up as part of the master development plan released to the public in September 2009 and rolled out in the first half of 2010. Production resources, whether owned by Fret SNCF or the asset management company Akiem and regardless of the final user (Fret SNCF, or another rail entity within or outside the Group), were overall tested within the Rail Freight CGU. The group's rolling stock (engines) was impaired based on usage:

- if the equipment has not been allocated or if the equipment's allocated CGU generates negative cash flows:
  - o 100% impairment of rolling stock that has no market value;
  - o net carrying amount written down to the market value if the latter is lower.
- if the equipment's allocated CGU generates positive cash flows, the rolling stock is not impaired.

Due to an increasingly accessible engine leasing market for freight transport, most engines leased by the Group are being used more and more outside the Rail Freight CGU. The operational and managerial scope of the engine management activity also changed in early 2014 to be included within the same scope as the Rail Freight Fleet Management CGU. Finally, the Fret SNCF activity is no longer broken down, but overall monitored within the Rail Freight CGU. The Group therefore stopped testing the relevant assets within the Rail Freight CGU in order to include them in the Rail Freight Fleet Management CGU, which now encompasses all the activities included in the leasing of freight transport equipment and engines (locomotives, wagons, containers, etc.). Following these business model changes, the Group was able to carry out two impairment tests as at 30 June 2014: one for the Rail Freight Fleet Management CGU (see Note 8.1.3) and the other for the Rail Freight CGU. The impacts were treated as a change in accounting estimates over the period in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors."

As at 30 June 2014, the Group performed an impairment test on rail rolling stock, the net carrying amount of which totalled €78 million, based on the fair value less costs to sell in accordance with IAS 36:

- An analysis was carried out by an independent expert specialising in the valuation of rail equipment. The level 3 market values documented in this analysis exceeding the net carrying amounts could not be used in the absence of an active market. Nevertheless, they still indicated a market value above zero for this fleet.
- In this context, the test consisted in determining the recoverable amount by discounting cash flows using the observable data i.e. the leasing values for SNCF Mobilités Group external transactions involving high potential equipment. Among the assumptions used were a discount rate of between 6.0% and 6.6% and a zero growth rate. The collected data was used to support the net carrying amount presented for the rolling stock as at 30 June 2014 and therefore did not give rise to any impairment loss or reversal during the period.

The following assumptions were used to determine the recoverable amount:

	30 June 2014 test
Segment	SNCF Logistics
CGU	Rail Freight
Assets tested	€78 million
Base used for the recoverable amount	Fair value less costs to sell
Source used	Engine lease payments observable in the market over their remaining useful lives
Discount rate (minimum - maximum)	6.0% - 6.6%
Long-term growth rate	0.00%

No new impairment losses or reversals were recorded as at 31 December 2014 compared to the valuation carried out as at 30 June 2014.

In the second half of the year, the test was extended to cover all the production resources amounting to €125 million as at 31 December 2014 (€460 million as at 31 December 2013). Overall, the test was used to support the carrying amount which was €750 million lower than the net carrying amount which would have been obtained had these resources never been impaired (€974 million as at 31 December 2013). The Group considers that this level of impairment represents its best estimate.

#### 8.2.2. TGV France and Europe (excluding Eurostar) CGU

As at 31 December 2013, SNCF Mobilités identified an indication of impairment for the TGV France and Europe (excluding Eurostar) CGU based on new events: higher rail network access fees, reduced growth in traffic income combined with the impact of competition from other types of transport (low-cost flights, car pooling, etc.), the arrival of new TGV2N2 trains, and the order of new rolling stock in 2013, high-speed train services which have shown a tendency to be less profitable due to very high infrastructure costs and, conversely, a greater number of services. Due to the indications of impairment, the assets of this CGU were tested at the year-end, in accordance with IAS 36 "Impairment of assets."

An impairment loss of €1,400 million was recognised as at 31 December 2013, the recoverable amount determined based on the above data being lower than the asset tested. The impairment loss signifies that to date, given the outlook of the "Excellence 2020" Strategic Plan and the Group's best estimates, the activity is not sufficiently profitable to cover the carrying amount of its fleet and its renewal.

Sensitivity tests conducted as at 31 December 2013 on the discount rate ( $\pm 50$  bp) resulted in a change in the amount of the impairment loss for approximately  $\pm \text{€}250$  million. Sensitivity tests conducted on the activity's gross profit reveal that a change of  $\pm 50$  bp in this rate over the standard year would have a  $\pm \text{€}300$  million impact on the impairment loss.

Considering the new indications of impairment, particularly the reduced usage, identified in 2014, a new test was performed at the year-end.

The recoverable amount calculated as at 31 December 2014 supports the carrying amount of the CGU. Sensitivity tests conducted on the discount rate ( $\pm 50$  bp) resulted in a change in the recoverable amount for approximately  $\pm \text{€}350$  million. Sensitivity tests conducted on the activity's gross profit reveal that a change of  $\pm 50$  bp in this rate over the standard year would have a  $\pm \text{€}275$  million impact on the recoverable amount. Finally, those tests on the growth rate for the standard year reveal that a change of  $\pm 50$  bp in this rate over the entire period would have an impact of  $\pm \text{€}300$  million on the recoverable amount.

The value for the assets tested and the main assumptions used to determine the recoverable amount were as follows:

	2014	2013
Segment	SNCF Voyages	SNCF Voyages
CGU	TGV France and Europe (excluding Eurostar)	TGV France and Europe (excluding Eurostar)
Assets tested	€3,581 million	€4,566 million
Base used for the recoverable amount	Value in use	Value in use
Source used	5-year plan and indefinite projection of a normative year	5-year plan and indefinite projection of a normative year
Discount rate (minimum - maximum)	7.9% - 9.2%	7.9% - 9.1%
Long-term growth rate	2.00%	2.00%

No goodwill or indefinite life intangible assets were allocated to this CGU. The impairment losses determined following testing primarily concerned property, plant and equipment. Accordingly, they can be reversed, contrary to those recognised on goodwill. At each future year-end, the Group will assess, taking into account the prevailing economic conditions, where there are indications of an impairment reversal, i.e. indications showing that the losses recognised are likely to no longer exist or be reduced. Should there be such indications, the recoverable amount of the assets of this CGU will be re-assessed to determine whether these assets have recovered their service potential.

#### 8.2.3. SNCF Infrastructure – Works and Maintenance CGU

Following the rail reform, in accordance with IFRS 5 “Non-current assets held for sale and discontinued operations”, the results of SNCF Infra were reclassified to the line item “Net profit/(loss) from transferred operations” in the consolidated income statements for the years ended 31 December 2014 and 2013 (see Note 3). The impact of the reversal recorded in 2013 therefore appears in this line item and not under “Impairment losses” in the income statement. As a reminder, this comes as a result of the events and circumstances described below. As the transfer value determined in accordance with the Law is equal to the net carrying amount, the recoverable amount expected at the time of the transfer would not be lower than the net carrying amount. Hence, no indication of impairment was identified, no tests were carried out and no impairment was recognised in 2014.

Due to the absence of a long-term horizon and unfavourable results, the assets of this CGU have been 100% impaired since 2009. Following the favourable indices observed in the first half of 2013, a net income of €546 million was recorded during the comparative period. The impairment reversal essentially covers property, plant and equipment.

The values for property, plant and equipment and intangible assets tested and the assumptions used to determine the recoverable amount were as follows as at 31 December 2013:

	2013
Segment	SNCF Infra
CGU	SNCF Infrastructure – Works and Maintenance
Assets tested	€431 million
Base used for the recoverable amount	Value in use
Source used	5-year plan and indefinite projection of a normative year
Discount rate (minimum - maximum)	5.2% - 5.9%
Long-term growth rate	2.00%

Sensitivity tests conducted on the discount ( $\pm 50$  bp) and growth ( $\pm 50$  bp) rates will likely support the analysis conducted.

## 9. NET PROCEEDS FROM ASSET DISPOSALS

Asset disposals had the following impacts on profit or loss:

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>	<b>Change</b>
Disposal of intangible assets	-3	0	-3
Disposal of property, plant and equipment	251	161	90
Disposal of financial assets	-10	18	-28
<b>Total net proceeds from asset disposals</b>	<b>238</b>	<b>179</b>	<b>59</b>

As at 31 December 2014, net proceeds from the disposal of property, plant and equipment primarily concerned the sales of various complexes and properties by the parent company for €173 million, and by ICF-NOVEDIS for €36 million.

As at 31 December 2013, these net proceeds amounted to €114 million for the parent company and €30 million for ICF-NOVEDIS.

## 10. NET BORROWING COSTS

Net borrowing costs break down as follows:

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>	<b>Change</b>
Net changes in fair value and hedges	-25	64	-89
Net interest expense	-284	-274	-10
Other interest expense and income	-1	5	-6
<b>Net borrowing and other costs</b>	<b>-309</b>	<b>-204</b>	<b>-105</b>

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>	<b>Change</b>
Interest expense	-679	-636	-43
Interest income	369	432	-62
<b>Net borrowing and other costs</b>	<b>-309</b>	<b>-204</b>	<b>-105</b>

Net changes in fair value and hedges records gains and losses on financial instruments at fair value through profit or loss, the ineffective portion of hedges, and the change in fair value of borrowings using the fair value option.

## 11. INCOME TAX EXPENSE

### 11.1. ANALYSIS OF THE INCOME TAX EXPENSE

#### 11.1.1. Tax in the income statement

<b>In € millions</b>	<b>31/12/2014</b>	<b>31/12/2013</b>	<b>Change</b>
Current tax (expense)/income	-253	-171	-82
Deferred tax (expense)/income	12	5	7
<b>Total</b>	<b>-241</b>	<b>-166</b>	<b>-75</b>

The tax on the profits of rail companies was stable at €200 million as at 31 December 2014, compared to €200 million as at 31 December 2013 (see Note 1.1.2.3); this tax had a negative €131 million tax proof impact on “Differences in tax rates” in 2014 (€131 million in 2013);

The Amending Finance Law for 2012 and Finance Act for 2013 provided for the following measures:

- With respect to tax loss carry-forwards, the allocation of prior losses to the income recognised for a fiscal year is now capped at €1 million plus 50% of the taxable income of the fiscal year exceeding this initial limit. The portion of the loss that cannot be deducted from income due to the application of these provisions can still be allocated to subsequent fiscal years, under the same conditions and for an unlimited period of time.
- Only 85% of the net financial expenses obtained according to a calculation defined by the Amending Finance Law were deductible from taxable income for 2012 and 2013. The rate dropped to 75% as from 2014.
- An additional 3% corporate income tax contribution on dividends paid outside of the tax consolidation group as from 1 August 2012. The contribution falls under “Differences in tax rates” in the tax proof. The impact recorded under the “Income tax expense” heading was immaterial.
- A Competitiveness and Employment Tax Credit (CICE) was set up to finance and improve the competitiveness of French companies and came into effect as from 1 January 2013 (see Note 1.1.2.3). There was a positive impact of €80 million in “Tax credits” in the tax proof (€74 million as at 31 December 2013).

#### 11.1.2. Tax in comprehensive income

In 2014, the deferred tax income recognised in other comprehensive income amounted to €21 million.

In 2013, the deferred tax expense recognised in other comprehensive income amounted to €2 million.

## 11.2. TAX PROOF

For its tax proof, the Group adopted the corporate income tax rate (33.33%) applicable in France, plus the 3.3% social security contribution, but without the 10.7% exceptional contribution. This exceptional contribution applies to businesses whose revenue exceeds €250 million during fiscal years up to 31 December 2016.

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>
<b>Consolidated net profit/(loss) for the year</b>	<b>624</b>	<b>-162</b>
Share of net profit of associates	7	5
Net profit/(loss) before tax of transferred operations	227	815
Corporate income tax	-241	-166
<b>Net profit/(loss) before tax from ordinary activities and before the share of net profit of companies consolidated under the equity method</b>	<b>631</b>	<b>-817</b>
Income tax rate applicable in France	34.43%	34.43%
<b>THEORETICAL INCOME TAX (EXPENSE)/INCOME</b>	<b>-217</b>	<b>281</b>
Permanent differences	-40	-8
Capitalisation of prior year losses	84	-2
Tax losses and temporary differences of the period not capitalised	-10	-330
Impairment of deferred taxes previously capitalised	-12	0
Utilisation of tax losses and temporary differences not previously capitalised	-10	-24
Differences in tax rates	-124	-145
Tax credits	89	65
Prior year adjustments	0	0
Impacts of exchange rate fluctuations	0	-3
<b>INCOME TAX (EXPENSE)/INCOME RECORDED</b>	<b>-241</b>	<b>-166</b>
<b>EFFECTIVE RATE</b>	<b>38.22%</b>	<b>-20.33%</b>

### 11.3. DEFERRED TAX SOURCES

SNCF, which became SNCF Mobilités as of 1 January 2015, has opted for the tax grouping regime since 1 July 1988. As at 31 December 2014, the reported tax group comprised 250 subsidiaries, including SNCF Participations, Ermewa Ferroviaire and a certain number of French Geodis subsidiaries. The coming into effect, as at 1 January 2015, of the Law of 4 August 2014 concerning the rail reform (see Note 3) will replace this tax consolidation group with another headed by the parent EPIC, the future SNCF. The deferred tax assets and liabilities that were previously offset for a sole tax entity represented by the consolidated group were reversed as at 31 December 2014, as the Group has been divided into as many tax entities as there are members. This reversed netting led to an increase in assets and liabilities in the amount of €225 million. In addition, the reclassification of the entities to be transferred in connection with the rail reform (see Note 27) to "Assets classified as held for sale" resulted in a €109 million decrease in the amount recorded in deferred tax assets in the statement of financial position. This impact accounts for most of the reclassification in the above table. For the remainder, the end of the current tax consolidation scope had no impact on the deferred tax asset amount recognised in the balance sheet following the adaptation of forecast taxable profits to each entity taken individually.

Group tax losses carried forward as at 31 December 2014 amounted to €6.4 billion, compared to €5.9 billion as at 31 December 2013. Tax assets not recognised at this date totalled €3.2 billion (€3.0 billion as at 31 December 2013).

<i>In € millions</i>	<b>31/12/2013</b>	Net profit	Equity	Reclassification	Change in consolidation scope and foreign exchange	<b>31/12/2014</b>
<b>Tax losses carried forward</b>	<b>1,934</b>	<b>244</b>	<b>-9</b>	<b>-1</b>	<b>-9</b>	<b>2,159</b>
<i>Employee benefits</i>	54	-63	67	0	0	58
<i>Differences in asset values</i>	-63	-30	0	0	-5	-98
<i>Finance leases</i>	-27	2	0	0	0	-25
<i>Tax-driven provisions</i>	-121	-13	0	0	0	-134
<i>Financial instruments</i>	-29	4	72	2	-3	45
<i>Remeasurement of identifiable assets and liabilities acquired in business combinations</i>	-235	21	6	0	2	-206
<i>Internal profits and losses</i>	89	-27	0	0	0	63
<b>Total consolidation restatements</b>	<b>-332</b>	<b>-106</b>	<b>144</b>	<b>1</b>	<b>-6</b>	<b>-298</b>
<b>Non-deductible provisions and other tax differences</b>	<b>2,160</b>	<b>-115</b>	<b>62</b>	<b>-82</b>	<b>-7</b>	<b>2,017</b>
<b>Deferred taxes not recognised</b>	<b>-3,006</b>	<b>-14</b>	<b>-171</b>	<b>-24</b>	<b>21</b>	<b>-3,194</b>
<b>Net deferred taxes recognised</b>	<b>756</b>	<b>9</b>	<b>26</b>	<b>-105</b>	<b>-1</b>	<b>685</b>
Deferred tax assets	994					1,172
Deferred tax liabilities	238					486
<b>Net deferred taxes on balance sheet</b>	<b>756</b>					<b>685</b>



## 12. GOODWILL

Movements in goodwill during 2014 break down as follows:

<i>In € millions</i>	<b>Gross value</b>	<b>Impairment</b>	<b>Net value</b>
<b>As at 1 January 2013</b>	<b>1,731</b>	<b>-368</b>	<b>1,363</b>
Acquisitions	5	0	5
Disposals	-12	0	-12
Foreign exchange	-17	1	-17
Other changes	14	0	14
<b>As at 31 December 2013</b>	<b>1,722</b>	<b>-368</b>	<b>1,354</b>
<b>As at 1 January 2014</b>	<b>1,722</b>	<b>-368</b>	<b>1,354</b>
Acquisitions	16	0	16
Impairment losses	0	-7	-7
Disposals	-6	0	-6
Foreign exchange	17	-1	16
Other changes	-1	13	12
<b>As at 31 December 2014</b>	<b>1,748</b>	<b>-363</b>	<b>1,385</b>

Movements in goodwill were immaterial in fiscal years 2014 and 2013.

The main goodwill balances recorded by the Group at the balance sheet date were as follows:

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>	<b>Change</b>
SNCF Proximités	464	445	18
SNCF Voyages	10	12	-2
SNCF Logistics	909	894	14
<i>of which Geodis</i>	<i>650</i>	<i>636</i>	<i>14</i>
<i>of which Rail Freight Fleet Management</i>	<i>248</i>	<i>248</i>	<i>0</i>
<i>of which Other rail companies</i>	<i>10</i>	<i>10</i>	<i>0</i>
Common operations and investments	3	3	0
<b>Total</b>	<b>1,385</b>	<b>1,354</b>	<b>31</b>

### 13. INTANGIBLE ASSETS

Group intangible assets mainly comprise purchased software licences, software developed in-house, leasehold rights, customer portfolios and trade names purchased at the time of acquisitions.

Movements in intangible assets during 2014 break down as follows:

<i>In € millions</i>	01/01/2014	Acquisitions / Charges	Disposals / Reversals	Change in consolidation scope	Other changes	31/12/2014
<b>Gross carrying amount</b>						
Concessions, patents, software	1,202	31	-49	-6	-92	1,085
Other intangible assets	1,090	7	-10	-7	33	1,113
Intangible assets in progress	166	160	0	0	-152	174
Concession intangible assets	134	6	0	0	4	144
<b>Total gross carrying amount</b>	<b>2,592</b>	<b>204</b>	<b>-60</b>	<b>-13</b>	<b>-207</b>	<b>2,517</b>
<b>Amortisation / impairment</b>						
Concessions, patents, software	-835	-183	50	6	108	-854
Other intangible assets	-423	-62	14	13	-27	-485
Intangible assets in progress	0	-5	0	0	0	-5
Concession intangible assets	-74	-17	0	0	4	-88
<b>Total amortisation / impairment</b>	<b>-1,333</b>	<b>-267</b>	<b>64</b>	<b>19</b>	<b>85</b>	<b>-1,431</b>
<b>Total net carrying amount</b>	<b>1,260</b>	<b>-63</b>	<b>4</b>	<b>6</b>	<b>-121</b>	<b>1,086</b>

Acquisitions for 2014 include software developed in-house, either already brought into service or still under development, of which €115 million for the parent company EPIC Mobilités.

The impacts of the reclassification to assets classified as held for sale of the data relating to the SNCF Infra division and the other entities and non-current assets to be transferred in connection with the rail reform (see Note 3) are presented in the "Other changes" column (see Note 27). They represent a net decline of €131 million in intangible assets.

Movements in intangible assets during 2013 break down as follows:

<i>In € millions</i>	01/01/2013	Acquisitions / Charges	Disposals / Reversals	Change in consolidation scope	Other changes	31/12/2013
<b>Gross carrying amount</b>						
Concessions, patents, software	1,035	35	-44	0	176	1,202
Other intangible assets	1,114	16	-6	0	-34	1,090
Intangible assets in progress	205	125	0	0	-164	166
Concession intangible assets	126	0	0	0	8	134
<b>Total gross carrying amount</b>	<b>2,479</b>	<b>176</b>	<b>-49</b>	<b>-1</b>	<b>-13</b>	<b>2,592</b>
<b>Amortisation / impairment</b>						
Concessions, patents, software	-742	-164	75	0	-3	-835
Other intangible assets	-306	-125	4	0	4	-423
Intangible assets in progress	-20	0	17	0	3	0
Concession intangible assets	-64	-15	0	0	5	-74
<b>Total amortisation / impairment</b>	<b>-1,132</b>	<b>-304</b>	<b>95</b>	<b>0</b>	<b>8</b>	<b>-1,333</b>
<b>Total net carrying amount</b>	<b>1,347</b>	<b>-128</b>	<b>46</b>	<b>0</b>	<b>-5</b>	<b>1,260</b>

Acquisitions for 2013 include software developed in-house, either already brought into service or still under development, of which €95 million for the parent company.

The increase in amortisation and impairment primarily reflects the amortisation charge for the period. Changes in value due to foreign currency translation are of little significance.

## 14. PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment during 2014 break down as follows:

<i>In € millions</i>	01/01/2014	Acquisitions / Charges	Disposals / Reversals	Change in consolidation scope	Other changes	31/12/2014
<b>Gross carrying amount</b>						
Land	2,188	8	-36	5	-34	2,131
Buildings	9,176	12	-255	-39	171	9,065
Industrial and technical plant	3,097	16	-174	-9	-558	2,373
Transportation equipment	31,479	974	-516	66	-826	31,176
<i>Rail equipment</i>	30,190	842	-391	0	-836	29,805
<i>Non-rail equipment</i>	1,286	132	-125	66	10	1,369
<i>Maritime equipment</i>	2	0	0	0	0	2
Other property, plant and equipment	1,521	54	-91	-13	-158	1,312
Property, plant and equipment in progress	1,062	875	0	0	-1,168	768
<b>Total gross carrying amount</b>	<b>48,523</b>	<b>1,939</b>	<b>-1,073</b>	<b>10</b>	<b>-2,574</b>	<b>46,825</b>
<b>Depreciation/impairment</b>						
Land	-279	-40	5	0	6	-308
Buildings	-5,013	-366	177	29	112	-5,062
Industrial and technical plant	-1,789	-215	174	8	540	-1,282
Transportation equipment	-20,721	-1,181	698	-31	742	-20,492
<i>Rail equipment</i>	-19,893	-1,058	610	0	743	-19,598
<i>Non-rail equipment</i>	-828	-122	88	-31	-1	-894
<i>Maritime equipment</i>	0	0	0	0	0	0
Other property, plant and equipment	-1,037	-133	87	13	166	-903
Property, plant and equipment in progress	-7	-1	1	0	1	-7
<b>Total depreciation/impairment</b>	<b>-28,846</b>	<b>-1,935</b>	<b>1,142</b>	<b>19</b>	<b>1,567</b>	<b>-28,053</b>
<b>Total net carrying amount</b>	<b>19,677</b>	<b>4</b>	<b>69</b>	<b>29</b>	<b>-1,007</b>	<b>18,772</b>
Investment grants	4,670	178	-381	0	-12	4,454
<b>Total net carrying amount net of grants</b>	<b>15,007</b>	<b>-174</b>	<b>450</b>	<b>29</b>	<b>-995</b>	<b>14,317</b>

Movements in property, plant and equipment during 2013 break down as follows:

<i>In € millions</i>	01/01/2013	Acquisitions / Charges	Disposals / Reversals	Change in consolidation scope	Other changes	31/12/2013
<b>Gross carrying amount</b>						
Land	2,148	2	-41	0	79	2,188
Buildings	9,086	37	-130	19	164	9,176
Industrial and technical plant	2,979	23	-111	-2	207	3,097
Transportation equipment	30,481	1,361	-434	12	59	31,479
<i>Rail equipment</i>	29,201	1,234	-306	0	61	30,190
<i>Non-rail equipment</i>	1,280	127	-128	12	-5	1,286
<i>Maritime equipment</i>	0	0	0	0	2	2
Other property, plant and equipment	1,456	50	-86	0	101	1,521
Property, plant and equipment in progress	829	848	0	0	-615	1,062
<b>Total gross carrying amount</b>	<b>46,979</b>	<b>2,321</b>	<b>-802</b>	<b>30</b>	<b>-6</b>	<b>48,523</b>
<b>Depreciation/impairment</b>						
Land	-262	-39	22	0	0	-279
Buildings	-4,834	-346	136	0	31	-5,013
Industrial and technical plant	-1,864	-188	272	0	-10	-1,789
Transportation equipment	-18,880	-2,481	636	-9	13	-20,721
<i>Rail equipment</i>	-18,058	-2,368	534	0	0	-19,893
<i>Non-rail equipment</i>	-821	-112	101	-9	14	-828
<i>Maritime equipment</i>	0	0	0	0	0	0
Other property, plant and equipment	-1,010	-166	137	0	2	-1,037
Property, plant and equipment in progress	-74	-6	63	0	10	-7
<b>Total depreciation/impairment</b>	<b>-26,923</b>	<b>-3,225</b>	<b>1,266</b>	<b>-10</b>	<b>46</b>	<b>-28,846</b>
<b>Total net carrying amount</b>	<b>20,056</b>	<b>-904</b>	<b>464</b>	<b>20</b>	<b>41</b>	<b>19,677</b>
Investment grants	4,660	360	-350	0	0	4,670
<b>Total net carrying amount net of grants</b>	<b>15,396</b>	<b>-1,263</b>	<b>814</b>	<b>20</b>	<b>41</b>	<b>15,007</b>

Assets made available by the French State, without transfer of title, are recorded in the SNCF Mobilités Group balance sheet and amounted to €543 million (€550 million in 2013) for land and €439 million (€565 million in 2013) for buildings and upgrades.

A breakdown of depreciation charges and impairment losses recorded in the income statement is presented in Notes 7 and 8. The impact on the “Disposals/reversals” column was attributable to the reversal of impairment recorded for the Rail Freight Fleet Management CGU in the amount of €163 million and the reversal of impairment recorded for Fret SNCF spare parts inventories for €22 million (see Notes 3 and 8), offset by land and building sales. The charges and reversals for 2013 were impacted by the impairment loss for the “TGV France and Europe (excluding Eurostar)” CGU and the impairment reversal for the “SNCF Infrastructure – Maintenance and work” CGU (see Note 8).

The impacts of the reclassification to assets classified as held for sale of the data relating to the SNCF Infra division and the other entities and non-current assets to be transferred in connection with the rail reform (see Note 3) are presented in the “Other changes” column (see Note 27). They represent a net decline of €1,161 million in property, plant and equipment.

Conversely, the other changes were impacted in the amount of €177 million by the upwards revaluation of the asbestos component relating to rolling stock offset against a provision (see Note 22).

Capital expenditure flows for 2014 and 2013 break down as follows:

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>
Intangible assets	-204	-176
Property, plant and equipment	-1,939	-2,321
<b>Total acquisitions</b>	<b>-2,143</b>	<b>-2,497</b>
<i>incl. fixed assets held as finance-leasing</i>	<i>-21</i>	<i>-60</i>
<b>Acquisitions excluding finance-leasing</b>	<b>-2,122</b>	<b>-2,437</b>
Capital expenditure flows	-36	196
<b>Intangible assets and PP&amp;E capital expenditure flows</b>	<b>-2,158</b>	<b>-2,241</b>

Capital expenditure for 2014 primarily comprised:

- acquisition and upgrades to stations and buildings totalling €746 million (including upgrades to the multimodal exchange hub of Montpellier Saint-Roch and the Versailles-Chantiers station, creation or adaptation of maintenance workshops for Régiolis trains, implementation of the TGV master development plan (development of garage and maintenance capacities), track renewals, replacement of track-to-train radio communication systems with GSMR technology),
- acquisition and renovation of transportation equipment totalling €974 million (of which acquisition of TGV Euroduplex, wagons, transcontainers, containers and rail freight locomotives, renovation of TGV, electrical railcars and locomotives, passenger trains and locotracors).

Asset-financing grants received totalled €178 million, including €45 million for rolling stock and €134 million for fixed installations.

Capital expenditure for 2013 primarily comprised:

- acquisition and upgrades to stations and buildings totalling €741 million (including upgrades to the multimodal exchange hubs in Montpellier Saint-Roch, Pompadour, Toulon, Cannes, Besançon Viotte, Rennes, Orléans and Brive; renovation of the Nantes-Châteaubriant, Paris-Lyon and Bordeaux Saint-Jean stations; implementation of the TGV master development plan (Nice and Bordeaux, development of garage and maintenance capacities and operating method); upgrades to the new SNCF Mobilités headquarters in Saint Denis; purchase of land in the Batignolles district and replacement of track-to-train radio communication systems with GSMR technology),
- acquisition and renovation of rail equipment totalling €1,197 million (of which acquisition of TGV Duplex and TGV Euroduplex, rail freight locomotives, wagons, transcontainers and small containers, renovation of TGV, locomotives, passenger trains, electrical railcars, locotracors and wagons).

Asset-financing grants received totalled €360 million, including €185 million for rolling stock and €175 million for fixed installations.

Assets recorded in property, plant and equipment and held under finance lease agreements break down as follows:

<i>In € millions</i>	31/12/2014			31/12/2013		
	Gross carrying amount	Depreciation & impairment	Net carrying amount	Gross carrying amount	Depreciation & impairment	Net carrying amount
<b>Carrying amounts net of grants</b>						
Land	21	0	21	24	0	24
Buildings	232	-154	78	372	-228	144
Industrial and technical plant	28	-22	5	28	-21	7
Transportation equipment	2,351	-1,393	958	2,703	-1,519	1,185
Other property, plant and equipment	17	-15	2	16	-15	1
Property, plant and equipment in progress	0	0	0	0	0	0
<b>Total</b>	<b>2,649</b>	<b>-1,585</b>	<b>1,064</b>	<b>3,142</b>	<b>-1,782</b>	<b>1,360</b>

## 15. FINANCIAL ASSETS

Financial assets maturing in less than 12 months at the balance sheet date are recorded in “Current financial assets”.

The fair value of asset derivative instruments is classified in current and non-current assets based on the final maturity of the derivative.

The fair value amounts on derivative instruments include accrued interest receivable.

Current and non-current financial assets and the fair value measurement levels break down as follows:

In € millions	Note	31/12/2014					
		Non-current	Current	Total	Level 1	Level 2	Level 3
<i>Loans and receivables</i>		4,029	1,394	5,423	0	0	0
<i>RFF receivable</i>	15.1	823	406	1,229	0	0	0
<i>Public Debt Fund receivable</i>	15.2	1,525	153	1,678	0	0	0
<i>Other loans and receivables</i>	15.4	525	792	1,318	0	0	0
<i>Concession financial assets</i>	15.5	1,156	43	1,199			
Available-for-sale assets	15.3	268	0	268	73	0	195
Assets at fair value through profit or loss		0	0	0	0	0	0
Positive fair value for hedging derivatives	24	501	58	560	0	560	0
Positive fair value of trading derivatives	24	1,024	159	1,183	0	1,183	0
<b>Financial assets</b>		<b>5,822</b>	<b>1,611</b>	<b>7,433</b>	<b>73</b>	<b>1,742</b>	<b>195</b>

In € millions	Note	31/12/2013					
		Non-current	Current	Total	Level 1	Level 2	Level 3
<i>Loans and receivables</i>		4,192	754	4,947	0	0	0
<i>RFF receivable</i>	15.1	1,190	30	1,221	0	0	0
<i>Public Debt Fund receivable</i>	15.2	1,637	46	1,684	0	0	0
<i>Other loans and receivables</i>	15.4	529	571	1,100	0	0	0
<i>Concession financial assets</i>	15.5	835	107	942			
Available-for-sale assets	15.3	241	0	241	59	0	183
Assets at fair value through profit or loss		0	256	256	0	255	0
Positive fair value for hedging derivatives	24	564	19	583	0	583	0
Positive fair value of trading derivatives	24	463	88	551	0	551	0
<b>Financial assets</b>		<b>5,461</b>	<b>1,118</b>	<b>6,578</b>	<b>59</b>	<b>1,389</b>	<b>183</b>

For financial assets recognised at fair value in the balance sheet, the fair value hierarchy is shown by category of financial asset and comprises the following three levels under IFRS 13:

- Level 1: fair value measured using quoted prices.
- Level 2: fair value measured using inputs other than quoted prices that are observable directly or indirectly on the market.
- Level 3: fair value determined using valuation techniques not based on observable market data.

UCITS included in assets at fair value through profit or loss are valued at their net asset value on the balance sheet date.

### 15.1. RÉSEAU FERRÉ DE FRANCE RECEIVABLE

The principles governing the measurement and recognition of this receivable are presented in Note 2.11.4.1. The fair value was determined by applying fair value hierarchy level 2. The receivable breaks down as follows:

<i>In € millions</i>	31/12/2014			31/12/2013		
	Non-current	Current	Total	Non-current	Current	Total
At amortised cost	823	381	1,204	1,190	6	1,196
Accrued interest receivable		25	25		25	25
<b>Total</b>	<b>823</b>	<b>406</b>	<b>1,229</b>	<b>1,190</b>	<b>30</b>	<b>1,221</b>

Fair value of the RFF receivable

<i>In € millions</i>	31/12/2014		31/12/2013	
	Fair value	Net carrying amount	Fair value	Net carrying amount
RFF receivable	1,670	1,229	1,614	1,221

The maturity schedule based on year-end exchange and interest rates is as follows:

<i>In € millions</i>	31/12/2014		31/12/2013	
	Nominal	Interest	Nominal	Interest
Less than 1 year	381	65	6	65
1 to 2 years	147	58	373	66
2 to 3 years	6	54	142	58
3 to 4 years	5	54	6	55
4 to 5 years	3	54	5	55
More than 5 years	662	218	665	273
<b>Total</b>	<b>1,204</b>	<b>504</b>	<b>1,196</b>	<b>571</b>



## 15.2. PUBLIC DEBT FUND RECEIVABLE

The fair value and net carrying amount of this receivable are as follows. The net carrying amounts do not include derivative instruments. The fair value was determined by applying fair value hierarchy level 2.

<i>In € millions</i>	31/12/2014		31/12/2013	
	Fair value	Net carrying amount	Fair value	Net carrying amount
Public debt fund receivable	2,290	1,678	2,184	1,684

The maturity schedule based on year-end exchange and interest rates is as follows:

<i>In € millions</i>	31/12/2014		31/12/2013	
	Nominal	Interest	Nominal	Interest
Less than one year	107	104	0	103
1 to 2 years	0	99	102	103
2 to 3 years	0	99	0	99
3 to 4 years	0	99	0	99
4 to 5 years	0	99	0	99
More than 5 years	1,407	340	1,407	439
<b>Total</b>	<b>1,514</b>	<b>838</b>	<b>1,509</b>	<b>941</b>

## 15.3. AVAILABLE-FOR-SALE ASSETS

Available-for-sale assets comprise non-consolidated investments for €268 million (€241 million as at 31 December 2013).

## 15.4. OTHER LOANS AND RECEIVABLES

Other loans and receivables held by the Group break down as follows:

<i>In € millions</i>	31/12/2014			31/12/2013		
	Non-current	Current	Total	Non-current	Current	Total
Cash collateral assets	0	738	738	0	506	506
Other loans and receivables (1)	525	54	580	529	65	594
<b>Total</b>	<b>525</b>	<b>792</b>	<b>1,318</b>	<b>529</b>	<b>571</b>	<b>1,100</b>

Of which €9 million for pension assets (€9 million as at 31 December 2013).

## 15.5. CONCESSION FINANCIAL ASSETS

The interest income arising from concession financial assets recognised under revenue totalled €48 million as at 31 December 2014 (€43 million as at 31 December 2013).

## 16. INVESTMENTS IN COMPANIES CONSOLIDATED UNDER THE EQUITY METHOD

The Group holds several investments in joint ventures and associates, consolidated under the equity method.

The movements in the heading over the year break down as follows:

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>
<b>As at 1 January</b>	<b>1,058</b>	<b>1,059</b>
Group share in net profit	20	46
Impairment	-12	-37
<i>Share of net profit of companies consolidated under the equity method</i>	<b>8</b>	<b>9</b>
Change in consolidation scope	12	34
Reclassification to assets classified as held for sale	-113	0
Share in other comprehensive income	-22	22
Distribution	-32	-51
Exchange differences	45	-15
<b>As at 31 December</b>	<b>956</b>	<b>1,058</b>

A portion of the share of net profit of companies consolidated under the equity method was presented in the income statement under “Net profit/(loss) from transferred operations” for €1 million in 2014 and €4 million in 2013. The impacts were mainly attributable to the associate Systra, which belongs to the SNCF Infra division that was fully impacted by the rail reform (see Note 3). Like its division, Systra satisfies the definition of a “discontinued” operation within the meaning of IFRS 5. Hence, the carrying amount of Systra’s equity investments was reclassified to “Assets classified as held for sale” in the statement of financial position as at 31 December 2014. Furthermore, the share of net profit of companies consolidated under the equity method for this entity was reclassified to “Net profit/(loss) from transferred operations” in 2014 and 2013 (see Note 27). Pursuant to IFRS, the Group stopped recording its share of this entity’s net profit following its classification under IFRS 5. The unrecognised portion amounted to €6 million in 2014.

There were no major changes in the scope of companies consolidated under the equity method in 2013.

### 16.1 SIGNIFICANT JOINT VENTURES

The joint ventures within Keolis comprise around twenty companies specialising in local passenger transport, the most significant of which operate in the UK. The Group’s percentage control over these companies is between 35% and 50% (percentage interest of between 24% and 35%).

Eurostar International Limited (hereinafter “EIL”), which is 55% owned, operates long-distance passenger transport services between the UK, France, Germany and Benelux.

The summarised financial statements of significant joint ventures are shown at 100% and after cancellations of any internal profits.

<i>In € millions</i>	<b>31/12/2014</b>		<b>31/12/2013</b>	
STATEMENT OF FINANCIAL POSITION	Joint ventures within Keolis	EIL	Joint ventures within Keolis	EIL
Cash and cash equivalents	745	382	364	278
Other current assets	1,144	615	539	195
<b>Total current assets</b>	<b>1,144</b>	<b>615</b>	<b>904</b>	<b>473</b>
<b>Non-current assets</b>	<b>52</b>	<b>998</b>	<b>138</b>	<b>928</b>
Current financial liabilities (excluding trade payables, other creditors and provisions)	88	9	166	8
Other current liabilities	1,028	255	823	199
<b>Total current liabilities</b>	<b>1,116</b>	<b>264</b>	<b>989</b>	<b>207</b>
Non-current financial liabilities (excluding trade payables, other creditors and provisions)	1	299	2	182
Other non-current liabilities	1	67	0	24
<b>Total non-current liabilities</b>	<b>2</b>	<b>365</b>	<b>3</b>	<b>206</b>
<b>Net assets</b>	<b>79</b>	<b>984</b>	<b>49</b>	<b>988</b>
<i>Reconciliation of financial data with value of investments in companies consolidated under the equity method:</i>				
<b>Group share in net assets</b>	31	541	19	543
<b>Net carrying amount of investments in companies consolidated under the equity method</b>	<b>31</b>	<b>541</b>	<b>19</b>	<b>543</b>

The operating companies of the Keolis activity in the UK are contractually required to have a certain level of cash and cash equivalents and comply with a Liquidity Maintenance Ratio in order to sustain the public service offering should one of the operators fail. The required amount corresponds to the activity's direct costs for a certain number of weeks until the term of the franchise. Because of this restriction, the liquidity in question is qualified as cash and cash equivalents that cannot be transferred to the Group. The item amounted to €195 million for the year ended 31 December 2014 (€88 million for the year ended 31 December 2013).

In addition, EIL's prevailing shareholders' agreement provides for the payment to HMT, which has replaced the partner LCR, of a preferred dividend calculated based on taxable profits. This is likely to change given HMT's current plans to sell its shares.

<i>In € millions</i>	<b>31/12/2014</b>		<b>31/12/2013</b>	
<b>INCOME STATEMENT</b>	Joint ventures within Keolis	EIL	Joint ventures within Keolis	EIL
Revenue	3,069	1,105	2,635	1,042
<b>Operating profit/(loss)</b>	<b>56</b>	<b>22</b>	<b>44</b>	<b>63</b>
<i>Of which depreciation and amortisation</i>	-24	-115	-18	-94
<b>Finance cost</b>	<b>0</b>	<b>-11</b>	<b>-1</b>	<b>3</b>
<i>Of which interest expense on debt</i>	-3	-16	-3	-4
<i>Of which revenue from financial assets</i>	3	0	3	0
<b>Income tax expense</b>	<b>-17</b>	<b>-2</b>	<b>-10</b>	<b>-16</b>
<b>Net profit/(loss) from ordinary activities</b>	<b>39</b>	<b>9</b>	<b>33</b>	<b>50</b>
<b>Net profit/(loss) for the year</b>	<b>39</b>	<b>9</b>	<b>33</b>	<b>50</b>
<b>Group share in net profit/(loss)</b>	<b>16</b>	<b>5</b>	<b>13</b>	<b>28</b>

<i>In € millions</i>	<b>31/12/2014</b>		<b>31/12/2013</b>	
<b>OTHER INFORMATION</b>	Joint ventures within Keolis	EIL	Joint ventures within Keolis	EIL
Net profit/(loss) for the year	39	9	33	50
Other comprehensive income (net of tax)	31	10	19	12
<b>Total comprehensive income</b>	<b>70</b>	<b>18</b>	<b>52</b>	<b>62</b>
<b>Dividends paid to the Group</b>	<b>13</b>	<b>12</b>	<b>27</b>	<b>11</b>

## 16.2 SIGNIFICANT ASSOCIATES

Eurofima is a transnational company based in Basel, Switzerland, whose purpose is to finance rolling stock equipment (percentage interest of 22.6%).

NTV is a high-speed passenger transport company in Italy (percentage interest of 20%).

The summarised financial statements of significant associates are shown at 100% and after cancellations of any internal profits.

<i>In € millions</i>	31/12/2014		31/12/2013	
STATEMENT OF FINANCIAL POSITION	Eurofima	NTV	Eurofima	NTV
Current assets	4,481	117	4,567	193
Non-current assets	17,216	734	17,898	677
Current liabilities	466	249	1,038	89
Non-current liabilities	19,913	545	20,167	691
<b>Net assets</b>	<b>1,318</b>	<b>58</b>	<b>1,259</b>	<b>90</b>
<i>Reconciliation of financial data with value of investments in companies consolidated under the equity method:</i>				
<b>Group share in net assets</b>	<b>298</b>	<b>12</b>	<b>285</b>	<b>18</b>
Goodwill	0	34	0	34
Other		-34		-34
<b>Net carrying amount of investments in companies consolidated under the equity method</b>	<b>298</b>	<b>12</b>	<b>285</b>	<b>18</b>

<i>In € millions</i>	<b>31/12/2014</b>		<b>31/12/2013</b>	
<b>INCOME STATEMENT</b>	Eurofima	NTV	Eurofima	NTV
Revenue	0	270	0	246
<b>Operating profit/(loss)</b>	<b>-7</b>	<b>-6</b>	<b>-9</b>	<b>-104</b>
<b>Net profit/(loss) from ordinary activities</b>	<b>27</b>	<b>-37</b>	<b>28</b>	<b>-76</b>
Net profit/(loss) from discontinued operations, net of tax	0	0	0	0
<b>Net profit/(loss) for the year</b>	<b>27</b>	<b>-37</b>	<b>28</b>	<b>-76</b>
<b>Group share in net profit/(loss)</b>	<b>6</b>	<b>-7</b>	<b>6</b>	<b>-15</b>

<i>In € millions</i>	<b>31/12/2014</b>		<b>31/12/2013</b>	
<b>OTHER INFORMATION</b>	Eurofima	NTV	Eurofima	NTV
Net profit/(loss) for the year	27	-37	28	-76
Other comprehensive income (net of tax)	32	6	-39	11
<b>Total comprehensive income</b>	<b>59</b>	<b>-32</b>	<b>-11</b>	<b>-65</b>
<b>Dividends paid to the Group</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Items of property, plant and equipment purchased under finance leases through Eurofima were capitalised in the Group financial statements for a gross value of €772 million as at December 2014 (€1,109 million as at 31 December 2013). The related financing liability amounted to €630 million as at 31 December 2014, compared to €986 million as at 31 December 2013. Eurofima's share capital was not entirely called up as at 31 December 2014. The callable share capital attributed to SNCF Mobilités amounted to €391 million as at 31 December 2014 (€383 million as at 31 December 2013).

On this same date, the share of loans granted to members of countries whose sovereign debt is rated "non-investment grade" (i.e. rating granted by rating agencies of less than BBB-/Baa3) stood at €1,527 million or CHF 1,836 million (€1,897 million or CHF 2,329 million as at 31 December 2013). These loans are included in the non-current assets of the company's statement of financial position. In addition, Eurofima shareholders are jointly and severally liable for the undertakings falling under the financing agreements granted by Eurofima to the latter, each shareholder in proportion to its shareholding interest and the maximum amount thereof. This guarantee can only be called following a payment default by the borrower and the related State, which issued the guarantee and when the Eurofima guarantee reserve (CHF 588 million) is insufficient to cover the loss arising from the payment default. The maximum commitment of SNCF Mobilités amounts to €489 million as at 31 December 2014 (€479 million as at 31 December 2013). The French State guarantees all SNCF Mobilités obligations towards Eurofima (the portion of share capital to be paid up, the fulfilment of financing agreements granted by Eurofima to SNCF Mobilités and the guarantee granted by SNCF Mobilités with respect to these financing agreements).

### 16.3 OTHER COMPANIES CONSOLIDATED UNDER THE EQUITY METHOD

The Group also holds interests in other joint ventures and associates which, considered individually, are immaterial.

The aggregate contributions of these companies to the Group's net profit are as follows:

<i>In € millions</i>	<b>31/12/2014</b>		<b>31/12/2013</b>	
	Immaterial joint ventures	Immaterial associates	Immaterial joint ventures	Immaterial associates
Group share				
Net profit/(loss) from ordinary activities	-1	1	8	2
Net profit/(loss) from discontinued operations, net of tax	1	0	0	0
Net profit/(loss) for the year	0	1	8	2
Other comprehensive income (net of tax)	0	0	0	0
Total comprehensive income	0	1	8	2
<b>Net carrying amount of investments in companies consolidated under the equity method</b>	<b>45</b>	<b>28</b>	<b>59</b>	<b>35</b>

## 17. INVENTORIES AND WORK-IN-PROGRESS

As at 31 December 2014, inventories and work-in-progress break down as follows:

<i>In € millions</i>	31/12/2014			31/12/2013	
	Gross	Impairment	Net	Net	Change
Raw materials	485	-46	439	731	-291
Finished goods	210	0	210	260	-50
Production work-in-progress	19	-3	16	27	-12
<b>Inventories and work-in-progress</b>	<b>714</b>	<b>-49</b>	<b>665</b>	<b>1,018</b>	<b>-354</b>

The decrease in inventories and work-in-progress was partly attributable to the reclassification of SNCF Infra's inventories to "Assets classified as held for sale" (see Note 27).

Movements in inventory impairment break down as follows. The impact on the reclassification column was due to the reclassification of the SNCF Infra division to "Assets classified as held for sale".

<i>In € millions</i>	31/12/2013	Charges	Reversals	Reclassification	Change in scope	31/12/2014
Raw materials and supplies - impairment	-141	-20	10	105	0	-46
Finished goods – impairment	0	0	0	0	0	0
Production work-in-progress - impairment	-2	-1	0	0	0	-3
<b>Impairment of inventories</b>	<b>-143</b>	<b>-21</b>	<b>10</b>	<b>105</b>	<b>0</b>	<b>-49</b>

## 18. OPERATING RECEIVABLES

Operating receivables as at 31 December 2014 break down as follows:

<i>In € millions</i>	31/12/2014			31/12/2013	
	Gross	Impairment	Net	Net	Change
Trade receivables and related accounts	3,311	-145	3,166	3,744	-578
Amounts receivable from the French State and local authorities	1,269	0	1,269	1,416	-147
Other operating receivables	1,296	-41	1,255	2,332	-1,077
<b>Net operating receivables</b>	<b>5,876</b>	<b>-186</b>	<b>5,690</b>	<b>7,493</b>	<b>-1,803</b>



The decrease in operating receivables was partly attributable to the reclassification of SNCF Infra's receivables to "Assets classified as held for sale" (see Note 27).

Movements in the impairment of trade receivables and other operating receivables were as follows in 2014 and 2013.

	31/12/2013	Charges	Reversals	Reclassification	Change in scope	Foreign exchange and other	31/12/2014
<i>In € millions</i>							
Trade receivables and related accounts – impairment	-161	-68	52	6	26	-1	-145
Other operating receivables – impairment	-70	-11	38	3	0	0	-41
<b>Total</b>	<b>-231</b>	<b>-79</b>	<b>90</b>	<b>9</b>	<b>26</b>	<b>-1</b>	<b>-186</b>

	31/12/2012	Charges	Reversals	Reclassification	Change in scope	Foreign exchange and other	31/12/2013
<i>In € millions</i>							
Trade receivables and related accounts – impairment	-152	-67	57	-1	0	2	-161
Other operating receivables – impairment	-69	-14	13	0	0	0	-70
<b>Total</b>	<b>-221</b>	<b>-81</b>	<b>70</b>	<b>-1</b>	<b>0</b>	<b>2</b>	<b>-231</b>

Due to its business, Group exposure to credit risk is limited. Tickets are sold to passengers on a cash basis. In addition, the Group has significant relations with a number of public sector customers (RFF, regional authorities, RATP, STIF, armed forces, etc.). In the SNCF Logistics (formerly SNCF Geodis) activity, dependence on customers is reduced by the number of the latter. In carrying out its transport and/or freight forwarding activities, the Group also has the right to hold the merchandise with which it is entrusted, which reduces the risk of non-payment for services. Finally, based on an assessment of customer credit risk, payment terms and conditions before transport may be determined to limit the risk of non-payment.

While receivables from these customers may be past due, there are no grounds for impairment. Receivables are impaired when the Group is in dispute with a customer or when the ability to recover the receivable in full is modified.

Trade receivables past due break down as follows (gross value):

31/12/2014	Not past due	Impaired	Past due but not impaired				Total
			< 3 months	4 to 6 months	7 to 12 months	> 12 months	
<i>In € millions</i>							
Trade receivables and related accounts	2,183	494	474	90	32	38	3,311
<b>Total</b>	<b>2,183</b>	<b>494</b>	<b>474</b>	<b>90</b>	<b>32</b>	<b>38</b>	<b>3,311</b>

31/12/2013	Not past due	Impaired	Past due but not impaired				Total
			< 3 months	4 to 6 months	7 to 12 months	> 12 months	
<i>In € millions</i>							
Trade receivables and related accounts	2,512	531	744	45	40	33	3,905
<b>Total</b>	<b>2,512</b>	<b>531</b>	<b>744</b>	<b>45</b>	<b>40</b>	<b>33</b>	<b>3,905</b>

## 19. CASH AND CASH EQUIVALENTS

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>	<b>Change</b>
Monetary mutual funds equivalent to cash and negotiable debt securities maturing in less than three months (*)	4,568	4,350	218
Cash at bank and in hand	841	710	131
<b>Cash and cash equivalents in the statement of financial position</b>	<b>5,408</b>	<b>5,060</b>	<b>348</b>
Accrued interest payable	1	1	1
Current bank facilities	246	316	-70
<b>Cash and cash equivalents in the cash flow statement</b>	<b>5,161</b>	<b>4,744</b>	<b>417</b>

(\*) Including deposits and commercial paper

The Group considers the nominal value of negotiable debt securities recorded in cash and cash equivalents to be a reasonable estimate of their market value. The risk of changes in value is immaterial for these instruments. Monetary mutual funds equivalent to cash are stated at fair value and amounted to €3,490 million as at 31 December 2014 for the parent company (€3,466 million as at 31 December 2013). The parent company contributed around 98% of the total consolidated amount of monetary mutual funds equivalent to cash and negotiable debt securities maturing in less than three months (98% as at 31 December 2013).

As permitted under IFRS 5 “Non-current assets held for sale and discontinued operations”, the Group elected not to restate the flows relating to the SNCF Infra division in the consolidated cash flow statement but to describe them in Note 27 to the consolidated financial statements. As the division’s cash flows are entirely within the Group, no external amounts were reclassified to “Assets classified as held for sale” in the statement of financial position.

Net cash from operating activities posted a net inflow of €2,528 million in 2014 (€2,355 million in 2013), primarily generated from operations for €2,058 million (€2,181 million in 2013).

Net cash used in investing activities amounted to €1,717 million in 2014 (-€1,619 million in 2013).

- The item essentially stems from:
  - capital expenditure on intangible assets and property, plant and equipment in the amount of €2,158 million (€2,241 million in 2013), down by 4% compared to 2013 (see Note 14);
  - new concession financial assets for €1,100 million, compared to €870 million in 2013.
- It is offset by:
  - disposals of intangible assets and property, plant and equipment for €436 million in 2014 compared to €331 million in 2013;
  - amounts received from concession financial assets for €906 million in 2014, compared to €645 million in 2013.
  - investment grants received for €205 million in 2014, compared to €286 million in 2013.

Net cash used in financing activities totalled €400 million in 2014 (net cash of €1,116 million was used in financing activities in 2013), and was primarily attributable to:

- payment of dividends to the shareholding State for €175 million (€209 million in 2013);
- borrowing repayments net of amounts received on the RFF and Public Debt Fund (PDF) receivables for €1,226 million (€300 million in 2013); amounts received from RFF receivables totalled €6 million (€418 million in 2013). No amounts were received from the PDF receivable (€1,132 million in 2013);

- It is offset by:
  - o new borrowings for €480 million (€607 million in 2013), of which €358 million for the parent company (€41 million in 2013), including a €295 million EMTN bond issue (€19 million in 2013).
  - o increase in cash liabilities for €814 million (compared to cash liability repayments for €868 million in 2013).

## 20. EQUITY

### 20.1. SHARE CAPITAL

As at 31 December 2014, the SNCF share capital primarily comprised:

- €2.2 billion in capital grants essentially representing the various cash contributions of the French State;
- €2.8 billion in property grants representing the various contributions in kind received from the French State.

On 1 January 1983, the State-owned industrial and commercial institution “Société Nationale des Chemins de fer Français” (SNCF) was created, pursuant to the French Orientation Law on Domestic Transport (LOTI) of 30 December 1982. The French State is the sole shareholder.

On the creation of the industrial and commercial public institution SNCF (which became SNCF Mobilités on 1 January 2015), the State-owned or private real estate assets previously given under concession to the semi-public limited liability company (created on 31 August 1937) which it succeeded were appropriated to it. These assets made available by the French State, without transfer of title, are recorded in the EPIC statement of financial position under the appropriate asset headings and offset in share capital for the same amount.

### 20.2. NON-CONTROLLING INTERESTS (MINORITY INTERESTS)

As at 31 December 2014, non-controlling interests break down according to the following sub-groups.

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>	<b>Change</b>
Geodis	10	10	0
STVA	4	4	-1
Ermewa	5	4	1
CapTrain	19	18	1
Keolis	64	53	11
Other	3	10	-7
<b>Total</b>	<b>105</b>	<b>99</b>	<b>5</b>

The approval of Keolis’ minority shareholders is required for divestments, disposals or restructurings exceeding a predefined threshold. The intangible assets and property, plant and equipment of this entity, net of investment grants, totalled €1,325 million as at 31 December 2014 (€1,241 million as at 31 December 2013).

## 21. EMPLOYEE BENEFITS

### 21.1 CHANGES IN THE NET OBLIGATION

The accounting treatment of the SNCF Infra division as a “discontinued” operation within the meaning of IFRS 5 gave rise to the reclassification of its obligations to “Liabilities associated with assets classified as held for sale” in the statement of financial position as at 31 December 2014 (see Notes 3 and 27).

This division’s net obligation with regard to defined benefit plans was excluded from the total net liabilities (assets) recorded in the SNCF Mobilités Group balance sheet under “Employee benefits” as at 31 December 2014. However, cash flows for the fiscal year and the comparative fiscal year were included in the changes described in this note.

#### 21.1.1. Breakdown of net liabilities (assets)

<i>In € millions</i>	Total before IFRS 5	IFRS 5 reclassification	31/12/2014	31/12/2013
Present value of the obligations	2,632	-874	1,759	2,296
Fair value of plan assets	-83	0	-83	-73
<b>Net position of the plans</b>	<b>2,549</b>	<b>-874</b>	<b>1,676</b>	<b>2,223</b>
Effect of the asset ceiling	0	0	0	0
<b>Net liabilities (assets) at closing date</b>	<b>2,549</b>	<b>-874</b>	<b>1,676</b>	<b>2,223</b>
<i>Of which net liabilities recognised</i>	<i>2,549</i>	<i>-874</i>	<i>1,676</i>	<i>2,223</i>
<i>Of which net assets recognised</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

#### 21.1.2. Change in net liabilities (assets)

<i>In € millions</i>	31/12/2014	31/12/2013
<b>Total net liabilities (assets) at opening date</b>	<b>2,223</b>	<b>2,196</b>
Current service cost	134	125
Past service cost	0	0
Effect of plan settlements	0	-4
Net financial interest	54	54
Actuarial gains and losses generated during the period	272	-6
Benefits paid to employees by the company	-141	-139
Employer’s fund contribution	-3	-4
Effect of changes in Group structure	9	1
Foreign exchange impact	0	-1
Other (IFRS 5 reclassification)	-872	0
<b>Total net liabilities (assets) at closing date</b>	<b>1,676</b>	<b>2,223</b>

The sharp decline in discount rates observed in all monetary zones between 2013 and 2014 generated substantial actuarial losses, partially offset, for Eurozone countries, by the actuarial gains generated by lower inflation rates.

### 21.1.3. Breakdown by nature of liability

The Group's main employee benefit plans gave rise to the recognition of the following liabilities:

<i>In € millions</i>	<b>Total before IFRS 5</b>	<b>IFRS 5 reclassification</b>	<b>31/12/2014</b>	<b>31/12/2013</b>
Pensions and other similar benefits	303	-5	298	260
Provident obligations	60	-17	43	51
Social welfare initiatives	318	-103	215	279
Compensation for work-related injuries	1,134	-508	626	1,000
<b>Liabilities relating to post-employment benefits</b>	<b>1,816</b>	<b>-633</b>	<b>1,183</b>	<b>1,590</b>
Compensation for work-related injuries	45	-18	28	38
Long-service awards and other benefits	156	-33	123	124
Gradual cessation of activity	437	-146	291	408
Time savings account	94	-44	50	62
<b>Liabilities relating to other long-term benefits</b>	<b>732</b>	<b>-241</b>	<b>492</b>	<b>633</b>
<b>Total liabilities</b>	<b>2,548</b>	<b>-874</b>	<b>1,675</b>	<b>2,223</b>
- of which non-current	2,403		1,456	2,044
- of which current	145		218	180

The liability to be transferred to the parent EPIC in 2015 was reclassified to current liabilities as at 31 December 2014 (valued to date at €138 million).

## 21.2 DESCRIPTION OF EMPLOYEE BENEFITS

### 21.2.1. Compensation for work-related injuries

SNCF Mobilités Group self-finances the payment of compensation for work-related injuries to active and retired employees of EPIC Mobilités, independently of the current general regime.

Life annuities are provided in full at the date of grant to injured employees without any seniority conditions. They represent long-term (active employees in a period of business) and post-employment benefits (retired employees).

### 21.2.2. Social welfare initiatives

The SNCF Mobilités Group implements a number of social welfare initiatives for the personnel of EPIC Mobilités: access to infrastructures, consultation of social workers, etc. Both active (short-term benefits) and retired employees (post-employment benefits) may benefit from these initiatives.

A provision in the amount of benefit granted to retired employees has been recognised.

### 21.2.3. Gradual cessation of activity

The gradual cessation of activity is a procedure used to adjust the work time of employees who have reached the end of their careers. A work-time formula is thus arranged so as to provide a transition period between professional activity and retirement. A new agreement effective in July 2008 offers the possibility of a gradual or complete cessation for EPIC Mobilités personnel. The granting of benefits is based on a combination of criteria: years of service, arduousness and employee category. The agreement is treated as a long-term benefit in the consolidated financial statements pursuant to IAS 19.

The calculation is mainly based on the assumed proportion of agents to be covered by the procedure.

#### 21.2.4. Other benefits granted

The provident plan concerns supplementary benefits for French EPIC Mobilités top executives not otherwise covered.

Through its subsidiaries, the Group participates in pension plans and other employee benefits in accordance with the laws and customs of each country where it is established and outside of the statutory pension plans governed by law. These benefits comprise end-of-career or retirement benefits and bonuses with respect to long-service awards (France), defined benefit pension plans (United Kingdom, Italy (TFR), Germany, the Netherlands, Sweden, Norway, Australia and Canada) and retiree health costs (Canada).

In France, pension benefits paid to an employee at the retirement date are determined in accordance with the national collective agreement or the company agreement in force in the entity. The two main collective agreements in force within the Group are as follows:

- urban public transport collective agreement (CCN\_3099) within the Keolis subsidiaries;
- non-rail transport collective agreement (CCN\_3085).

These plans can be partially funded.

In Italy, employees receive the *Trattamento di Fine Rapporto di lavoro subordinato* (TFR). This employment termination benefit, payable by the employer regardless of the reason for the contract's termination, takes the form of a single payment representing approximately 1/14th of the annual compensation per year of service. This plan is recorded as a post-employment benefit since the benefits are granted in respect of the service rendered during the working period.

### 21.3 MAIN ACTUARIAL ASSUMPTIONS USED

Provisions for employee obligations are calculated on an actuarial basis, using the projected unit credit method. The parameters used in the modelling of the main employee benefits are as follows:

#### 21.3.1. EPIC Mobilités main plans

As the obligations under the EPIC Mobilités plans represent more than 85% of the Group total, the actuarial assumptions used for their measurement are described below.

	<b>31/12/2014</b>	<b>31/12/2013</b>
Discount rate	1.35%	2.55%
Inflation rate	1.75%	2.00%
<b>Benefit remeasurement rate</b>		
<i>Provident obligations</i>	2.80%	2.80%
<i>Social welfare initiatives</i>	1.75%	2.00%
<i>Compensation for work-related injuries</i>	1.75%	2.00%
<i>Gradual cessation of activity</i>	2.37%	2.80%
<i>Retirement benefits and long-service awards</i>	2.37%	2.80%
<b>Mortality table</b>		
<i>Provident obligations and social welfare initiatives</i>	<i>CPR H / CPRF</i>	<i>CPR H / CPRF</i>
<i>Active and retired employees with work-related injuries</i>	<i>CPR AT</i>	<i>CPR AT</i>
<i>Widows of employees with work-related injuries</i>	<i>CPR F</i>	<i>CPR F</i>
<i>Gradual cessation of activity</i>	<i>CPR 80%H 20%F</i>	<i>CPR 80%H 20%F</i>
<i>Retirement benefits and long-service awards</i>	<i>CPR 80%H 20%F</i>	<i>CPR 80%H 20%F</i>
Gradual cessation of activity plan membership	27.10%	27.10%

### 21.3.2. Other plans by geographical area

With respect to the plans granted by Group subsidiaries, the assumptions used for the principal monetary zones according to the plan terms are as follows:

	31/12/2014			31/12/2013		
	Eurozone	UK	Sweden	Eurozone	UK	Sweden
Discount rate	1.35% 1.56% 1.62%	3.60%	2.75%	2.55% 2.76% 2.81%	4.20%	4.00%

### 21.3.3. Methodology for the calculation of the main actuarial assumptions

#### - Discount rate:

Obligations relating to the main post-employment benefits were discounted at the closing date's market rate based on leading corporate bonds of comparable maturity. The benchmark used to determine the discount rate is Bloomberg AA for the Eurozone. The last two rates indicated correspond to the plans of the subsidiaries that apply the rail (Geodis) and freight transport collective agreements. The rate for Sweden and the UK solely concerns the plans covering the subsidiaries of the SNCF Logistics (formerly SNCF Geodis) division.

#### - Mortality table

Since the second half of 2013, EPIC Mobilités social welfare initiatives and provident obligations have been measured using a prospective mortality table by sex specific to railway employees (special pension plan base). This table prepared by the Caisse de Prévoyance Retraite (provident pension fund) was validated by a certified actuary.

A table including a degradation coefficient was extrapolated for compensation for work-related injuries/illnesses. Based on the certified table, the mortality tables of the other plans were also modified.

These mortality table changes satisfy the requirement of the revised standard according to which mortality assumptions must reflect that of the plan members both during and after employment.

#### - Retirement benefits and long-service awards

The amount of the obligation under the gradual cessation of activity agreement was calculated using a membership assumption of 27.1%, unchanged since 2013. A 100 point increase or decrease in this assumption would have an impact of around €15 million on the obligation amount.

## 21.4. NET EXPENSE RECORDED IN PROFIT OR LOSS

### 21.4.1. Net expense with respect to defined benefit plans

Net expenses with respect to defined benefit plans are recorded in gross profit under "Employee benefits expense," except for the net interest expense and actuarial gains and losses relating to other long-term benefits recorded in "Finance cost".

The overall income statement expense for defined benefit schemes may be broken down as follows (before reclassification to profit/(loss) from transferred operations before tax in accordance with IFRS 5):

<b>31/12/2014</b> <b>In € millions</b>	Pensions and other similar benefits	Provident obligations	Social welfare initiatives	Compensati on for work- related injuries	Gradual cessation of activity and time-savings account	Long-service awards and other benefits	<b>TOTAL</b>
Current service cost	18	1	5	45	46	19	<b>134</b>
Past service cost	0	0	0	0	0	0	<b>0</b>
<i>Of which effect of plan amendments</i>							<b>0</b>
<i>Of which effect of plan curtailments</i>							<b>0</b>
Effect of settlements on the obligation	0	0	0	0	0	0	<b>0</b>
Effect of settlements on plan assets	0						<b>0</b>
Other	-1	0	0	0	0	0	<b>-1</b>
<b>Gross profit</b>	<b>17</b>	<b>1</b>	<b>5</b>	<b>45</b>	<b>46</b>	<b>19</b>	<b>133</b>
Plan net interest expense	7	1	7	26	12	2	<b>54</b>
<i>Of which finance cost</i>	10	1	7	26	12	2	<b>58</b>
<i>Of which implicit return on plan assets</i>	-3						<b>-3</b>
<i>Of which interest on asset ceiling</i>	0						<b>0</b>
Actuarial gains and losses generated during the year with respect to long-term benefits				5	38	7	<b>50</b>
Other	0	0	0	0	0	0	<b>0</b>
<b>Finance cost</b>	<b>7</b>	<b>1</b>	<b>7</b>	<b>31</b>	<b>50</b>	<b>9</b>	<b>105</b>
<b>Total expense recognised before IFRS 5</b>	<b>24</b>	<b>2</b>	<b>11</b>	<b>76</b>	<b>95</b>	<b>29</b>	<b>238</b>

<b>31/12/2013</b> <b>In € millions</b>	Pensions and other similar benefits	Provident obligations	Social welfare initiatives	Compensati on for work- related injuries	Gradual cessation of activity and time-savings account	Long-service awards and other benefits	<b>TOTAL</b>
Current service cost	18	1	5	50	45	6	<b>125</b>
Past service cost	0	0	0	0	0	0	<b>0</b>
<i>Of which effect of plan amendments</i>							<b>0</b>
<i>Of which effect of plan curtailments</i>							<b>0</b>
Effect of settlements on the obligation	-4	0	0	0	0	0	<b>-4</b>
Effect of settlements on plan assets	1						<b>1</b>
Other	1	0	0	0	0	0	<b>1</b>
<b>Gross profit</b>	<b>16</b>	<b>1</b>	<b>5</b>	<b>50</b>	<b>45</b>	<b>6</b>	<b>123</b>
Plan net interest expense	7	1	8	25	10	2	<b>54</b>
<i>Of which finance cost</i>	10	1	8	25	10	2	<b>57</b>
<i>Of which implicit return on plan assets</i>	-3						<b>-3</b>
<i>Of which interest on asset ceiling</i>	0						<b>0</b>
Actuarial gains and losses generated during the year with respect to long-term benefits				0	29	-6	<b>23</b>
Other	0	0	0	0	0	0	<b>0</b>
<b>Finance cost</b>	<b>8</b>	<b>1</b>	<b>8</b>	<b>25</b>	<b>40</b>	<b>-4</b>	<b>78</b>
<b>Total expense recognised before IFRS 5</b>	<b>23</b>	<b>3</b>	<b>13</b>	<b>75</b>	<b>84</b>	<b>2</b>	<b>200</b>



#### 21.4.2. Net expense with respect to defined contribution plans

The expense recorded for defined contribution plans included in "Employee benefits expense" amounted to €1.6 billion in 2014 (€1.6 billion in 2013).

### **21.5. REMEASUREMENTS OF THE NET DEFINED LIABILITY (ASSET) BENEFIT IN EQUITY**

As of 1 January 2013, given the application of IAS 19 revised and the elimination of the corridor method, the actuarial gains and losses generated over the period for post-employment benefits are immediately offset in non-recyclable reserves (equity).

In the event of the partial or total derecognition of the liability, the gains and losses will never be transferred to profit or loss in subsequent periods. Where necessary, they may be transferred to another equity component (mainly Other reserves).

Actuarial gains and losses generated for other long-term benefits (compensation for work-related injuries of active employees over the period of service, long service awards, time-savings account and gradual cessation of activity) continue to be immediately recognised in finance costs over the period.

<b>31/12/2014</b> <b>In € millions</b>	Pensions and other similar benefits	Provident obligations	Social welfare initiatives	Post- employment compensation for work-related injuries	<b>TOTAL</b>
<i>(Losses) and gains</i>					
<b>Remeasurements at opening date</b>	<b>-57</b>	<b>-4</b>	<b>79</b>	<b>-263</b>	<b>-243</b>
Actuarial gains and losses generated during the year with respect to obligations	-43	-9	-41	-131	<b>-223</b>
Actuarial gains and losses generated during the year with respect to plan assets	2				<b>2</b>
Actuarial gains and losses generated during the year with respect to reimbursement rights	0				<b>0</b>
Net changes in the effect of the asset ceiling	0				<b>0</b>
Foreign exchange impact	1				<b>1</b>
Other	0				<b>0</b>
<b>Remeasurements at closing date</b>	<b>-97</b>	<b>-13</b>	<b>39</b>	<b>-394</b>	<b>-464</b>

<b>31/12/2013</b> <b>In € millions</b>	Pensions and other similar benefits	Provident obligations	Social welfare initiatives	Post- employment compensation for work-related injuries	<b>TOTAL</b>
<i>(Losses) and gains</i>					
<b>Remeasurements at opening date</b>	<b>-67</b>	<b>-11</b>	<b>48</b>	<b>-244</b>	<b>-273</b>
Actuarial gains and losses generated during the year with respect to obligations	9	7	31	-19	<b>28</b>
Actuarial gains and losses generated during the year with respect to plan assets	1				<b>1</b>
Actuarial gains and losses generated during the year with respect to reimbursement rights	0				<b>0</b>
Net changes in the effect of the asset ceiling	0				<b>0</b>
Foreign exchange impact	0				<b>0</b>
Other	0				<b>0</b>
<b>Remeasurements at closing date</b>	<b>-57</b>	<b>-4</b>	<b>79</b>	<b>-263</b>	<b>-243</b>

## 21.6. CHANGE IN THE NET POSITION OF THE PLANS

### 21.6.1. Net obligation

Changes in the present value of obligations, the fair value of plan assets and the net liabilities (assets) for 2014 (after IFRS reclassifications) are as follows:

<b>31/12/2014</b> <b>In € millions</b>	Pensions and other similar benefits	Provident obligations	Social welfare initiatives	Compensation for work-related injuries	Gradual cessation of activity and time- savings account	Long- service awards and other benefits	<b>TOTAL</b>
<b>Present value of the obligation at opening date</b>	<b>333</b>	<b>51</b>	<b>279</b>	<b>1,038</b>	<b>471</b>	<b>124</b>	<b>2,296</b>
Current service cost	18	1	5	45	46	19	134
Employee contribution	0						0
Past service cost arising from a plan amendment	0	0	0	0	0	0	0
Past service cost arising from a plan curtailment	0	0	0	0	0	0	0
Effect of settlements	0	0	0	0	0	0	0
Finance cost	10	1	7	26	12	2	58
Actuarial gains and losses generated during the period	43	9	41	136	38	7	274
Benefits paid to employees by the company	-13	-2	-13	-66	-35	-11	-141
Benefits paid by the fund	-4						-4
Effect of changes in Group structure	-5	0	0	0	0	15	10
Foreign exchange impact	4					0	4
Other (IFRS 5 reclassification)	-4	-17	-103	-525	-190	-33	-872
<b>Present value of the obligation at closing date</b>	<b>382</b>	<b>43</b>	<b>215</b>	<b>654</b>	<b>341</b>	<b>123</b>	<b>1,759</b>
<i>Of which present value of unfunded obligations</i>	<i>254</i>	<i>43</i>	<i>215</i>	<i>654</i>	<i>341</i>	<i>123</i>	<i>1,631</i>
<i>Of which present value of fully or partially funded obligations</i>	<i>128</i>						<i>128</i>

<b>31/12/2014</b> <b>In € millions</b>	Pensions and other similar benefits
<b>Fair value of plan assets at opening date</b>	<b>73</b>
Implicit return on plan assets	3
Actuarial gains and losses generated during the period	2
Effect of curtailments and settlements	0
Employer fund contribution	3
Employee fund contribution	0
Benefits paid by the fund	-4
Effect of changes in Group structure	1
Foreign exchange impact	4
Other	0
<b>Fair value of plan assets at closing date</b>	<b>83</b>

<b>Effect of the asset ceiling at opening date</b>	<b>0</b>
Change in effect of the asset ceiling	1
Interest expense on effect of the asset ceiling	0
<b>Effect of the asset ceiling at closing date</b>	<b>0</b>

<b>31/12/2014</b> <b>In € millions</b>	Pensions and other similar benefits	Provident obligations	Social welfare initiatives	Compensation for work-related injuries	Gradual cessation of activity and time-savings account	Long-service awards and other benefits	<b>TOTAL</b>
(+) Present value of the obligation at closing date	382	43	215	654	341	123	<b>1,759</b>
(-) Fair value of plan assets at closing date	-83	0	0	0	0	0	<b>-83</b>
(-) Effect of the asset ceiling at closing date	0	0	0	0	0	0	<b>0</b>
<b>Net liabilities (assets) at closing date</b>	<b>300</b>	<b>43</b>	<b>215</b>	<b>654</b>	<b>341</b>	<b>123</b>	<b>1,676</b>
Assets available after effect of the asset ceiling	0						<b>0</b>
<b>Total liabilities at closing date</b>	<b>300</b>	<b>43</b>	<b>215</b>	<b>654</b>	<b>341</b>	<b>123</b>	<b>1,676</b>

Changes in the present value of obligations, the fair value of plan assets and the net liabilities (assets) for 2013 are as follows:

<b>31/12/2013</b> <b>In € millions</b>	Pensions and other similar benefits	Provident obligations	Social welfare initiatives	Compensation for work-related injuries	Gradual cessation of activity and time- savings account	Long- service awards and other benefits	<b>TOTAL</b>
<b>Present value of the obligation at opening date</b>	<b>339</b>	<b>57</b>	<b>310</b>	<b>1,011</b>	<b>430</b>	<b>125</b>	<b>2,272</b>
Current service cost	18	1	5	50	45	6	125
Employee contribution	0						0
Past service cost arising from a plan amendment	0	0	0	0	0	0	0
Past service cost arising from a plan curtailment	0	0	0	0	0	0	0
Effect of settlements	-4	0	0	0	0	0	-4
Finance cost	10	1	8	25	10	2	57
Actuarial gains and losses generated during the period	-9	-7	-31	19	29	-6	-5
Benefits paid to employees by the company	-11	-2	-13	-66	-43	-3	-139
Benefits paid by the fund	-4						-4
Effect of changes in Group structure	-4	0	0	0	0	0	-4
Foreign exchange impact	-3					0	-3
Other						0	0
<b>Present value of the obligation at closing date</b>	<b>333</b>	<b>51</b>	<b>279</b>	<b>1,038</b>	<b>471</b>	<b>124</b>	<b>2,296</b>

*Of which present value of unfunded obligations*

209      51      279      1,038      471      124      2,172

*Of which present value of fully or partially funded obligations*

124                                         124

<b>31/12/2013</b> <b>In € millions</b>	Pensions and other similar benefits
<b>Fair value of plan assets at opening date</b>	<b>77</b>
Implicit return on plan assets	3
Actuarial gains and losses generated during the period	1
Effect of curtailments and settlements	-1
Employer fund contribution	4
Employee fund contribution	0
Benefits paid by the fund	-4
Effect of changes in Group structure	-5
Foreign exchange impact	-2
Other	0
<b>Fair value of plan assets at closing date</b>	<b>73</b>

<b>Effect of the asset ceiling at opening date</b>	<b>0</b>
Change in effect of the asset ceiling	0
Interest expense on effect of the asset ceiling	0
<b>Effect of the asset ceiling at closing date</b>	<b>0</b>

<b>31/12/2013</b> <b>In € millions</b>	Pensions and other similar benefits	Provident obligations	Social welfare initiatives	Compensation for work-related injuries	Gradual cessation of activity and time- savings account	Long- service awards and other benefits	<b>TOTAL</b>
(+) Present value of the obligation at closing date	333	51	279	1,038	471	124	<b>2,296</b>
(-) Fair value of plan assets at closing date	-73	0	0	0	0	0	<b>-73</b>
(-) Effect of the asset ceiling at closing date	0	0	0	0	0	0	<b>0</b>
<b>Net liabilities (assets) at closing date</b>	<b>260</b>	<b>51</b>	<b>279</b>	<b>1,038</b>	<b>471</b>	<b>124</b>	<b>2,223</b>
Assets available after effect of the asset ceiling	1						<b>1</b>
<b>Total liabilities at closing date</b>	<b>261</b>	<b>51</b>	<b>279</b>	<b>1,038</b>	<b>471</b>	<b>124</b>	<b>2,224</b>

### 21.6.2. Breakdown of plan assets

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>
Bonds	33	31
Shares	22	18
Real estate	3	3
Cash and cash equivalents	2	2
Other	22	20
<b>Total fair value of plan assets</b>	<b>83</b>	<b>73</b>

Of which active market 83 73

### 21.6.3. Reimbursement rights

Mainly in Germany, certain SNCF Logistics (formerly SNCF Geodis) subsidiaries have reimbursement rights (€9 million as at 31 December 2014, compared to €8million as at 31 December 2013), which are recognised at fair value as a separate asset in the statement of financial position. Actuarial gains and losses generated over the period with respect to these reimbursement rights are recognised immediately in non-recyclable reserves, under the same terms and conditions as the actuarial gains and losses arising from the plan assets.

### 21.6.4. Analysis of contributions payable to the pension fund in Y+1

Under plans totally or partially funded by plan assets (mainly in Anglo-Saxon countries), the contributions payable in fiscal 2015 by companies and/or beneficiaries break down as follows:

<b>Pensions and similar benefits</b> <b>In € millions</b>	<b>31/12/2014</b>	<b>31/12/2013</b>
Employer fund contributions	2	1
Employee fund contributions	0	0
<b>Total contributions payable</b>	<b>2</b>	<b>2</b>

## 21.7. ANALYSIS BY NATURE OF ACTUARIAL GAINS AND LOSSES (EXCLUDING IFRS 5 IMPACTS)

### 21.7.1. Change and breakdown of actuarial gains and losses

31/12/2014 In € millions	Pensions and other similar benefits	Provident obligations	Social welfare initiatives	Post-employment compensation for work-related injuries	TOTAL Post-employment benefits	Long-term compensation for work-related injuries	Gradual cessation of activity and time-savings account (**)	Long-service awards and other benefits (*)	TOTAL Long-term benefits
<b>Opening actuarial gains (losses)</b>	<b>-57</b>	<b>-4</b>	<b>79</b>	<b>-263</b>	<b>-243</b>				
Experience adjustments relating to liabilities	0	0	1	11	12	0	-2	4	2
Effects of changes in demographic assumptions relating to liabilities (1)	-1	0	2	2	3	-2	4	-1	2
Effects of changes in financial assumptions relating to liabilities	-41	-10	-43	-143	-237	-4	-41	-10	-55
<b>Actuarial gains and losses on the obligation generated over the year</b>	<b>-43</b>	<b>-9</b>	<b>-41</b>	<b>-131</b>	<b>-223</b>	<b>-5</b>	<b>-38</b>	<b>-7</b>	<b>-50</b>
Experience adjustments relating to assets	2				2				0
Effects of changes in financial assumptions relating to assets	1				1				0
<b>Actuarial gains and losses on the plan assets generated over the year</b>	<b>2</b>				<b>2</b>				<b>0</b>
Foreign exchange impact	1				1				0
Other	0				0				0
<b>Closing actuarial gains (losses)</b>	<b>-97</b>	<b>-13</b>	<b>39</b>	<b>-394</b>	<b>-464</b>				<b>0</b>
<i>Total experience adjustments</i>	<i>1</i>	<i>0</i>	<i>1</i>	<i>11</i>	<i>13</i>	<i>0</i>	<i>-2</i>	<i>4</i>	<i>2</i>
<i>Total impacts relating to changes in actuarial assumptions</i>	<i>-42</i>	<i>-10</i>	<i>-41</i>	<i>-142</i>	<i>-234</i>	<i>-5</i>	<i>-37</i>	<i>-11</i>	<i>-52</i>

31/12/2013 In € millions	Pensions and other similar benefits	Provident obligations	Social welfare initiatives	Post-employment compensation for work-related injuries	TOTAL Post-employment benefits	Long-term compensation for work-related injuries	Gradual cessation of activity and time-savings account (**)	Long-service awards and other benefits (*)	TOTAL Long-term benefits
<b>Opening actuarial gains (losses)</b>	<b>-67</b>	<b>-11</b>	<b>48</b>	<b>-244</b>	<b>-273</b>				
Experience adjustments relating to liabilities	4	-1	-7	4	1	0	6	4	10
Effects of changes in demographic assumptions relating to liabilities (1)	3	8	38	-23	26		-35	2	-34
Effects of changes in financial assumptions relating to liabilities	2	0	0	0	2		0	0	0
<b>Actuarial gains and losses on the obligation generated over the year</b>	<b>9</b>	<b>7</b>	<b>31</b>	<b>-19</b>	<b>28</b>	<b>0</b>	<b>-29</b>	<b>6</b>	<b>-24</b>
Experience adjustments relating to assets	1				1				0
Effects of changes in financial assumptions relating to assets	0				0				0
<b>Actuarial gains and losses on the plan assets generated over the year</b>	<b>1</b>				<b>1</b>				<b>0</b>
Foreign exchange impact	0				0				0
Other	0				0				0
<b>Closing actuarial gains (losses)</b>	<b>-57</b>	<b>-4</b>	<b>79</b>	<b>-263</b>	<b>-243</b>				<b>0</b>
<i>Total experience adjustments</i>	<i>5</i>	<i>-1</i>	<i>-7</i>	<i>4</i>	<i>2</i>	<i>0</i>	<i>6</i>	<i>4</i>	<i>10</i>
<i>Total impacts relating to changes in actuarial assumptions</i>	<i>5</i>	<i>8</i>	<i>38</i>	<i>-23</i>	<i>28</i>	<i>0</i>	<i>-35</i>	<i>2</i>	<i>-33</i>

(\*) For other long-term benefits, actuarial gains and losses are not monitored as they are always recognised immediately in the net finance cost for the period.

- (1) With respect to fiscal 2014, the impacts relating to changes in financial assumptions were mainly due to the decline in the discount and inflation rates.
- (2) With respect to fiscal 2013, the impacts relating to changes in demographic assumptions were primarily due to the change in the mortality table used by the EPIC Mobilités plans.

#### 21.7.2. Analysis of the obligation's sensitivity to the main actuarial assumptions

The amounts below correspond to the decrease (actuarial gain) or increase (actuarial loss) in obligations as recognised as at 31 December 2014.

<b>31/12/2014</b> <b>In € millions</b> <b>Actuarial (gains) losses</b>	Pensions and other similar benefits	Provident obligations	Social welfare initiatives	Compensation for work-related injuries	Gradual cessation of activity and time-savings account
<b>Sensitivity to the discount rate</b>					
Change of + 0.25 pt	-11	-2	-13	-42	-13
Change of - 0.25 pt	10	2	13	45	14
<b>Sensitivity to the inflation rate</b>					
Change of + 0.25 pt		2	13	44	0
Change of - 0.25 pt		-2	-13	-42	0
<b>Sensitivity to Gradual cessation of activity membership rate</b>					
Change of + 1 pt					16
Change of - 1 pt					-15

<b>31/12/2013</b> <b>In € millions</b>	Pensions and other similar benefits	Provident obligations	Social welfare initiatives	Compensation for work-related injuries	Gradual cessation of activity and time-savings account
<b>Sensitivity to the discount rate</b>					
Change of + 0.25 pt		-2	-10	-34	-11
Change of - 0.25 pt		2	11	36	11
<b>Sensitivity to Gradual cessation of activity membership rate</b>					
Change of + 1 pt					15
Change of - 1 pt					-15

## 21.8. CIRCULATION PRIVILEGES

EPIC Mobilités personnel (active employees, retired employees and their beneficiaries) receive circulation privileges (CP) which enable them to travel under certain circumstances at prices that differ from the market. SNCF Mobilités Group considers that these travel privileges do not have a material impact on its production resources.

With respect to active personnel (over the period of activity), no liability is recognised since the CP are granted in consideration for services rendered by the beneficiaries over this period. They thus meet the definition of a short-term benefit.

For active employees over the post-employment period, current retirees and their beneficiaries, considering that the marginal average cost of this programme is lower than the average price paid on reservation, no liability is recorded in the financial statements regarding this post-employment benefit.



## 22. PROVISIONS

Movements in provisions for contingencies and losses during the year break down as follows:

<i>In € millions</i>	01/01/2014	Charges	Reversals used	Reversals not used	Other	31/12/2014	Of which current	Of which non-current
Tax, employee and customs risks	112	13	-3	-13	-22	88	15	72
Environmental risks	425	67	-20	5	136	613	47	566
Litigation and contractual disputes	344	158	-39	-75	-49	340	81	259
Restructuring costs	55	19	-21	-19	2	36	35	2
Other	203	82	-25	-26	-9	225	87	138
<b>Total provisions</b>	<b>1,139</b>	<b>340</b>	<b>-107</b>	<b>-127</b>	<b>58</b>	<b>1,302</b>	<b>265</b>	<b>1,037</b>

Charges and reversals are presented before the impact of the reclassification of the SNCF Infra division pursuant to IFRS 5 in connection with the rail reform (see Notes 3 and 27). They include charges of €30 million and reversals of €33 million, of which €3 million were used, relating to this division. The impacts of the reclassification of the division's remaining provisions to "Liabilities associated with assets classified as held for sale" are presented in the "Other" column (see Note 27). They represent a €114 million decrease in provisions.

The impact of the passage of time (reverse discounting) gave rise to a €8 million increase in provisions in 2014, including €7 million offset against financial profit from continuing operations.

In 2014, the change in the discount rate gave rise to a €15 million increase in provisions offset against "Net movements in provisions" under current operating profit. It mainly involved provisions for asbestos-related costs.

### 22.1. PROVISIONS FOR ENVIRONMENTAL RISKS

As at 31 December 2014, the following environmental risks are provided in the accounts:

- site decontamination : €73 million (€77 million in 2013), of which €27 million regarding the SNCF Infra division were reclassified to "Liabilities associated with assets classified as held for sale" (see Note 3),
- asbestos-related costs : €567 million (€336 million in 2013).

The change in the provision for asbestos-related costs primarily concerns rolling stock and is based on the availability of new information to assess the cost of asbestos removal. It is offset in the amount of €177 million (in the Other column) against the asbestos component of the capitalised rolling stock (see Note 14) and in the amount of €39 million against "Net movements in provisions" in the income statement. These impacts basically only concern continuing operations. The new information relates to an extension in the scope of the relevant rolling stock and an identified rise in asbestos removal costs.

### 22.2. PROVISIONS FOR LITIGATION AND CONTRACTUAL DISPUTES

Unused reversals were mainly attributable to the elimination of risks relating to current litigation or the adjustment to their measurement.

Charges included an amount of €63 million for continuing operations with respect to onerous contracts.

### 22.3. RESTRUCTURING COSTS

Reversals in respect of restructuring costs were attributable to the roll-out over the period of plans announced and provided for in previous years.

## 23. FINANCIAL LIABILITIES

<i>In € millions</i>	31/12/2014			31/12/2013		
	Non-current	Current	Total	Non-current	Current	Total
Amounts payable on non-controlling interest purchase commitments	14	0	14	7	0	7
Financial liabilities included in the net indebtedness calculation	13,799	4,972	18,771	14,227	3,603	17,830
<b>FINANCIAL LIABILITIES PRESENTED IN THE BALANCE SHEET</b>	<b>13,813</b>	<b>4,972</b>	<b>18,785</b>	<b>14,235</b>	<b>3,603</b>	<b>17,837</b>

This note provides a breakdown of Group financial liabilities by nature, maturity, currency and interest rate. Note 24 provides additional disclosures on derivative instruments subscribed by the Group. The hedging strategy is presented in Note 25.

The Group reviewed the definition of its net indebtedness and the criteria for including a financial asset or liability in this indicator. Group net indebtedness therefore comprises transactions which, in substance, only involve exchanges of cash flow: issue or receipt of cash in consideration for a cash reimbursement or expected cash reimbursement. Non-controlling interest purchase commitments are therefore excluded from the net indebtedness calculation as they do not involve an exchange of cash flow. These are considered equity transactions. Keeping in line with the exclusion of equity from net indebtedness, the financial liabilities arising from these transactions are also excluded. They are measured at the Level 2 fair value defined by IFRS 13.

### 23.1. CURRENT/NON-CURRENT BREAKDOWN OF NET INDEBTEDNESS

Liabilities maturing in less than 12 months at the balance sheet date are recorded in current liabilities.

The fair value of liability derivative instruments is classified in current and non-current liabilities based on the final maturity of the derivative.

Derivative instrument fair values and borrowings include accrued interest payable/receivable.

Financial liabilities break down as follows:

	Note	31/12/2014			31/12/2013		
		Non-current	Current	Total	Non-current	Current	Total
<i>In € millions</i>							
Bonds		10,007	1,521	11,528	10,137	1,006	11,143
Bank borrowings		1,452	364	1,816	2,058	126	2,184
Finance lease obligations		1,004	149	1,153	1,178	428	1,606
<b>Sub-total borrowings</b>		<b>12,463</b>	<b>2,034</b>	<b>14,497</b>	<b>13,373</b>	<b>1,560</b>	<b>14,933</b>
<i>Of which</i>							
- measured at amortised cost		11,235	1,657	12,892	11,141	1,433	12,573
- recognised using fair value hedge accounting		1,040	163	1,202	1,837	124	1,961
- designated at "fair value"		187	214	402	396	3	398
Negative fair value of hedging derivatives	24	534	45	579	400	-9	391
Negative fair value of trading derivatives	24	800	141	941	451	86	538
<b>Loans and borrowings</b>		<b>13,797</b>	<b>2,220</b>	<b>16,017</b>	<b>14,225</b>	<b>1,637</b>	<b>15,862</b>
Cash borrowings and overdrafts		3	2,752	2,754	3	1,966	1,968
<b>FINANCIAL LIABILITIES INCLUDED IN THE NET INDEBTEDNESS CALCULATION</b>		<b>13,799</b>	<b>4,972</b>	<b>18,771</b>	<b>14,227</b>	<b>3,603</b>	<b>17,830</b>
Réseau Ferré de France receivable	15	823	406	1,229	1,190	30	1,221
Public Debt Fund receivable	15	1,525	153	1,678	1,637	46	1,684
Assets at fair value through profit or loss		0	0	0	0	256	256
Positive fair value of hedging derivatives	24	501	58	560	564	19	583
Positive fair value of trading derivatives	24	1,024	159	1,183	463	88	551
Other loans, receivables and investments <sup>(2)</sup>	15	516	792	1,308	521	571	1,092
Cash and cash equivalents			5,408	5,408		5,060	5,060
<b>GROUP NET INDEBTEDNESS</b>		<b>9,410</b>	<b>-2,005</b>	<b>7,405</b>	<b>9,852</b>	<b>-2,469</b>	<b>7,383</b>

(1) Available-for-sale assets do not include investments for €268 million (€241 million in 2013).

(2) Other loans, receivables and investments do not include the pension assets for €9 million (€9 million in 2013).

The debt portion issued by the Group to finance the business of the SNCF Infra division was allocated on a management basis in connection with the allocation of Group resources to its various activities. The allocation is similar to the raising of internal loans. The reclassification of the assets and liabilities of the SNCF Infra division to dedicated line items pursuant to IFRS 5, and for which the net indebtedness amounted to €280 million as at 31 December 2014 (€371 million as at 31 December 2013), did not therefore have any impact on the year-end Group net indebtedness. This amount reflects the Group's net indebtedness vis-a-vis external third parties.

Once the rail reform has come into effect and the control over SNCF Infra transferred to SNCF Réseau, the Group's net internal loans to the division will be reimbursed in cash by the acquirer immediately and/or following the conclusion of a financing agreement. The transfer will therefore increase SNCF Mobilités Group's cash flow and/or "Other loans and receivables" within non-current financial assets.

In any case, the transfer will reduce the SNCF Mobilités Group net indebtedness by the same amount as the SNCF Infra division's debt with the Group on the transfer date. In anticipation of these transfers in 2015, the Group's considers that it is more appropriate to disclose information at the present time on net indebtedness of continuing operations adjusted for the net indebtedness of the SNCF Infra division which amounted to €7,125 million as at 31 December 2014 (€7,012 million as at 31 December 2013).

The Group reviewed certain fair value hedging strategies. As at 31 December 2013, interest-rate swaps were documented as fair value hedges in connection with bond issues initially swapped at floating rates. On 4 June and 3 September 2014, fixed-rate payer swaps (arising from swaptions exercised by banking counterparties) were set up with respect to interest rate risk management. The Group therefore decided to:

- derecognise the fair value hedging relationships relating to the issues;
- recognise fixed-rate payer swaps as trading derivatives, symmetrically to the derecognised swaps.

Compared to 31 December 2013, these changes had the following impacts:

- decrease in the portion of the bonds subject to fair value hedge accounting by around €750 million;

- reduction in the interest-rate swaps documented as fair value hedges by €193 million (position as at 31 December 2013);
- increase in the trading asset swaps by €275 million (position of the derecognised swaps as at 31 December 2014);
- increase in the trading liability swaps by €62 million (position of the fixed-rate payer swaps as at 31 December 2014);

The other changes in derivative assets and liabilities mainly involved market rate fluctuations.

The decrease in assets at fair value through profit or loss was attributable to the maturing of investments.

For financial liabilities recognised at fair value in the balance sheet, the fair value hierarchy is shown by category of financial asset and comprises the following three levels under IFRS 13:

- Level 1: fair value measured using quoted prices.
- Level 2: fair value measured using inputs other than quoted prices that are observable directly or indirectly on the market.
- Level 3: fair value determined using valuation techniques not based on observable market data.

Financial liabilities valued at fair value break down as follows:

<i>In € millions</i>	31/12/2014					
	Non- current	Current	Total	Level 1	Level 2	Level 3
Bonds	10,007	1,521	11,528	0	1,602	0
Bank borrowings	1,452	364	1,816	0	0	0
Finance lease obligations	1,004	149	1,153	1	0	1
<b>Sub-total borrowings</b>	<b>12,463</b>	<b>2,034</b>	<b>14,497</b>	<b>1</b>	<b>1,602</b>	<b>1</b>
<i>Of which</i>						
- measured at amortised cost	11,235	1,657	12,892			
- recognised using fair value hedge accounting	1,040	163	1,202	0	1,202	0
- designated at "fair value"	187	214	402	0	400	1
Negative fair value of hedging derivatives	534	45	579	0	579	0
Negative fair value of trading derivatives	800	141	941	0	941	0
<b>Loans and borrowings</b>	<b>13,797</b>	<b>2,220</b>	<b>16,017</b>	<b>1</b>	<b>3,122</b>	<b>1</b>
Cash borrowings and overdrafts	3	2,752	2,754	0	0	0
<b>FINANCIAL LIABILITIES INCLUDED IN THE NET INDEBTEDNESS CALCULATION</b>	<b>13,799</b>	<b>4,972</b>	<b>18,771</b>	<b>1</b>	<b>3,122</b>	<b>1</b>

<i>In € millions</i>	31/12/2013					
	Non- current	Current	Total	Level 1	Level 2	Level 3
Bonds	10,137	1,006	11,143	0	2,359	0
Bank borrowings	2,058	126	2,184	0	0	0
Finance lease obligations	1,178	428	1,606	0	0	0
<b>Sub-total borrowings</b>	<b>13,373</b>	<b>1,560</b>	<b>14,933</b>	<b>0</b>	<b>2,359</b>	<b>0</b>
<i>Of which</i>						
- measured at amortised cost	11,141	1,433	12,573			
- recognised using fair value hedge accounting	1,837	124	1,961	0	1,961	0
- designated at "fair value"	396	3	398	0	398	0
Negative fair value of hedging derivatives	400	-9	391	0	391	0
Negative fair value of trading derivatives	451	86	538	0	538	0
<b>Loans and borrowings</b>	<b>14,225</b>	<b>1,637</b>	<b>15,862</b>	<b>0</b>	<b>3,288</b>	<b>0</b>
Cash borrowings and overdrafts	3	1,966	1,968	0	0	3
<b>FINANCIAL LIABILITIES INCLUDED IN THE NET INDEBTEDNESS CALCULATION</b>	<b>14,227</b>	<b>3,603</b>	<b>17,830</b>	<b>0</b>	<b>3,288</b>	<b>3</b>

The net indebtedness of unconsolidated ESH low-rental housing companies as at 31 December 2014 amounted to €2.4 billion (€2.3 billion as at 31 December 2013).

## 23.2. LOANS AND BORROWINGS MATURITY SCHEDULE

The maturity schedule for the carrying amounts of loans and borrowings is as follows:

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>
Less than 1 year	2,047	1,554
1 to 5 years	2,855	3,568
More than 5 years	8,932	9,354
Changes in fair value (designated at "fair value")	13	11
Changes in fair value (hedge accounting)	651	446
<b>Total</b>	<b>14,497</b>	<b>14,933</b>
Fair value of non-current derivatives	1,334	851
Fair value of current derivatives	187	78
<b>Total loans and borrowings</b>	<b>16,017</b>	<b>15,862</b>

The maturity schedule based on year-end exchange and interest rates is as follows:

<i>In € millions</i>	<b>31/12/2014</b>		<b>31/12/2013</b>	
	<b>Nominal</b>	<b>Interest</b>	<b>Nominal</b>	<b>Interest</b>
<b>Borrowings</b>				
Less than 1 year	1,759	503	1,288	475
1 to 2 years	644	451	1,067	473
2 to 3 years	186	444	781	441
3 to 4 years	1,537	432	275	431
4 to 5 years	642	396	1,472	422
More than 5 years	8,867	2,697	9,287	2,788
<b>Total</b>	<b>13,634</b>	<b>4,923</b>	<b>14,171</b>	<b>5,030</b>

### 23.3. BREAKDOWN OF LOANS AND BORROWINGS BY FOREIGN CURRENCY

The breakdown by foreign currency of loans and borrowings, before and after adjustment for derivatives, is as follows:

<i>In € millions</i>	Initial debt structure		Structure after currency hedging	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Euro	10,635	11,199	14,346	14,097
Swiss franc	1,538	1,500	47	331
US dollar	449	376	-82	294
Canadian dollar	144	132	32	26
Pound sterling	1,099	1,036	127	166
Yen	462	451	0	0
Australian dollar	150	148	7	10
Hong Kong dollar	0	79	0	0
Other	19	12	19	9
<b>Total borrowings</b>	<b>14,497</b>	<b>14,933</b>	<b>14,497</b>	<b>14,933</b>

The pound sterling denominated debt is fully hedged by pound sterling assets, while Swiss franc and Dollar denominated debt are partially hedged by Swiss franc and Dollar assets.

### 23.4. BREAKDOWN OF LOANS AND BORROWINGS BY INTEREST RATE

The breakdown by interest rate of loans and borrowings, before and after adjustment for derivatives, is as follows:

<i>In € millions</i>	Initial debt structure		Structure after IFRS hedging	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Fixed rate	11,119	10,730	11,081	10,097
Floating rate	3,379	4,203	3,415	4,836
<b>Total borrowings</b>	<b>14,497</b>	<b>14,933</b>	<b>14,497</b>	<b>14,933</b>

The breakdown of borrowings by interest rate takes into account the impact of both hedging derivatives and trading derivatives.

## 23.5. FAIR VALUE OF FINANCIAL LIABILITIES

The difference between the net carrying amount and nominal value of liabilities designated at fair value is as follows:

<i>In € millions</i>	31/12/2014		31/12/2013	
	Fair value	Nominal value	Fair value	Nominal value
Borrowings at fair value	402	347	398	347

The fair value of borrowings recorded is as follows: It was determined using Level 2 of the fair value hierarchy.

<i>In € millions</i>	31/12/2014		31/12/2013	
	Fair value	Net carrying amount	Fair value	Net carrying amount
Borrowings	17,287	14,497	16,706	14,933
Cash liabilities	2,754	2,754	1,968	1,968
<b>Total borrowings</b>	<b>20,041</b>	<b>17,251</b>	<b>18,674</b>	<b>16,901</b>



## 24. DERIVATIVE FINANCIAL INSTRUMENTS:

The fair value of current and non-current asset and liability derivative instruments breaks down as follows:

<i>In € millions</i>	31/12/2014			31/12/2013		
	Non-current	Current	Total	Non-current	Current	Total
Asset derivative instruments						
Cash flow hedging derivatives	354	27	<b>380</b>	315	-22	<b>293</b>
Fair value hedging derivatives	148	32	<b>179</b>	249	41	<b>291</b>
Trading derivatives	1,024	159	<b>1,183</b>	463	88	<b>551</b>
Hedging derivatives of a net investment in a foreign operation	0	0	<b>0</b>	0	0	<b>0</b>
<b>Total asset derivative instruments</b>	<b>1,525</b>	<b>217</b>	<b>1,742</b>	<b>1,027</b>	<b>107</b>	<b>1,135</b>
Liability derivative instruments						
Cash flow hedging derivatives	534	45	<b>579</b>	367	0	<b>367</b>
Fair value hedging derivatives	0	0	<b>0</b>	33	-9	<b>24</b>
Trading derivatives	800	141	<b>941</b>	451	86	<b>538</b>
Hedging derivatives of a net investment in a foreign operation	0	0	<b>0</b>	0	0	<b>0</b>
<b>Total liability derivative instruments</b>	<b>1,334</b>	<b>187</b>	<b>1,520</b>	<b>851</b>	<b>78</b>	<b>929</b>

## 24.1. FOREIGN CURRENCY DERIVATIVES

The SNCF Mobilités Group operates regularly on the foreign currency derivatives market, primarily in order to hedge borrowings issued. The fair value of these instruments in the balance sheet breaks down as follows by instrument and transaction type:

	BALANCE SHEET FAIR VALUE AS AT 31/12/2014					BALANCE SHEET FAIR VALUE AS AT 31/12/2013				
	Cash flow hedge	Fair value hedge	Trading	Net investment hedge	TOTAL	Cash flow hedge	Fair value hedge	Trading	Net investment hedge	TOTAL
<i>In € millions</i>										
Currency swaps (with principal)	-	-	34	-	<b>34</b>	-	-	1	-	<b>1</b>
Currency swaps	360	131	62	0	<b>554</b>	200	61	55	-	<b>316</b>
Forward foreign currency sales	-	-	0	-	<b>0</b>	-	-	-	-	<b>-</b>
Foreign currency options	-	-	-	-	<b>-</b>	-	0	-	-	<b>0</b>
<b>Asset derivative instruments</b>	<b>360</b>	<b>131</b>	<b>96</b>	<b>0</b>	<b>587</b>	<b>200</b>	<b>61</b>	<b>55</b>	<b>-</b>	<b>317</b>
Currency swaps (with principal)	-	-	-0	-	<b>-0</b>	-	-	8	-	<b>8</b>
Currency swaps	27	-0	73	0	<b>100</b>	249	24	81	-	<b>354</b>
Forward foreign currency purchases	-	-	-	-	<b>-</b>	-	-	0	-	<b>0</b>
Forward foreign currency sales	2	-	0	-	<b>2</b>	-	-	0	0	<b>0</b>
Foreign currency options	-	-	-	-	<b>-</b>	-	-	-	0	<b>0</b>
<b>Liability derivative instruments</b>	<b>29</b>	<b>-0</b>	<b>73</b>	<b>0</b>	<b>102</b>	<b>249</b>	<b>24</b>	<b>89</b>	<b>0</b>	<b>363</b>
<b>Net foreign currency position</b>	<b>331</b>	<b>131</b>	<b>23</b>	<b>-0</b>	<b>486</b>	<b>-49</b>	<b>37</b>	<b>-34</b>	<b>-0</b>	<b>-46</b>

As at 31 December 2014 and 2013, the nominal commitments and maturities of the different instruments subscribed are as follows:

#### 24.1.1. Currency swaps with an underlying liability

<i>In millions</i>	Nominal commitments received 31/12/2014											
	Less than 1 year		1 to 2 years		2 to 3 years		3 to 4 years		4 to 5 years		More than 5 years	
	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate
Swiss franc	0	0	0	0	100	83	325	270	500	416	450	374
US dollar	0	0	100	82	0	0	0	0	0	0	150	124
Canadian dollar	150	107	0	0	0	0	0	0	0	0	0	0
Pound sterling	29	37	21	27	0	0	0	0	0	0	550	706
Yen	30,000	207	0	0	0	0	4,000	28	0	0	28,500	196
Australian dollar	200	135	0	0	0	0	0	0	0	0	0	0
Euro	0	0	0	0	0	0	0	0	0	0	60	60
<b>Total</b>		<b>485</b>		<b>110</b>		<b>83</b>		<b>298</b>		<b>416</b>		<b>1,460</b>

<i>In millions</i>	Nominal commitments received 31/12/2013											
	Less than 1 year		1 to 2 years		2 to 3 years		3 to 4 years		4 to 5 years		More than 5 years	
	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate
Swiss franc	0	0	0	0	0	0	100	81	325	265	950	774
US dollar	0	0	0	0	100	73	0	0	0	0	0	0
Canadian dollar	0	0	150	102	0	0	0	0	0	0	0	0
Pound sterling	0	0	29	35	21	25	0	0	0	0	550	660
Yen	0	0	30,000	207	0	0	0	0	4,000	28	28,500	197
Australian dollar	0	0	200	130	0	0	0	0	0	0	0	0
Hong Kong dollar	832	78	0	0	0	0	0	0	0	0	0	0
Euro	0	0	0	0	0	0	0	0	0	0	60	60
<b>Total</b>		<b>78</b>		<b>474</b>		<b>98</b>		<b>81</b>		<b>292</b>		<b>1,691</b>

<i>In millions</i>	Nominal commitments given 31/12/2014					
	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Euro	502	112	66	247	333	1,586
<b>Total</b>	<b>502</b>	<b>112</b>	<b>66</b>	<b>247</b>	<b>333</b>	<b>1,586</b>

<i>In millions</i>	Nominal commitments given 31/12/2013					
	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Euro	73	502	112	66	247	1,811
<b>Total</b>	<b>73</b>	<b>502</b>	<b>112</b>	<b>66</b>	<b>247</b>	<b>1,811</b>

Future interest flows, based on year-end exchange rates and future interest rates implicit in the interest rate curve at the balance sheet date for floating rates, are as follows:

<i>In € millions</i>	<b>31/12/2014</b>		<b>31/12/2013</b>	
	Interest flows received	Interest flows paid	Interest flows received	Interest flows paid
Less than 1 year	105	-27	97	-28
1 to 2 years	86	-15	95	-28
2 to 3 years	82	-15	77	-16
3 to 4 years	80	-14	73	-16
4 to 5 years	73	-13	71	-15
More than 5 years	569	-170	471	-114
<b>Total</b>	<b>994</b>	<b>-253</b>	<b>885</b>	<b>-217</b>

#### 24.1.2 Currency swaps with an underlying asset

<i>In millions</i>	Nominal commitments given 31/12/2014											
	Less than 1 year		1 to 2 years		2 to 3 years		3 to 4 years		4 to 5 years		More than 5 years	
	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate
US dollar	35	29	0	0	0	0	0	0	0	0	0	0
Canadian dollar	150	107	0	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>135</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>

<i>In millions</i>	Nominal commitments given 31/12/2013											
	Less than 1 year		1 to 2 years		2 to 3 years		3 to 4 years		4 to 5 years		More than 5 years	
	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate	foreign currency	euro equivalent at the year-end exchange rate
Canadian dollar	0	0	150	102	0	0	0	0	0	0	0	0

<i>In millions</i>	Nominal commitments received 31/12/2014					
	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Euro	119	0	0	0	0	0
<b>Total</b>	<b>119</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<i>In millions</i>	Nominal commitments received 31/12/2013					
	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Euro	0	92	0	0	0	0
<b>Total</b>	<b>0</b>	<b>92</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Future interest flows, based on year-end exchange rates and future interest rates implicit in the interest rate curve at the balance sheet date for floating rates, are as follows:

<i>In € millions</i>	31/12/2014		31/12/2013	
	Interest flows received	Interest flows paid	Interest flows received	Interest flows paid
Less than 1 year	0	-5	0	-5
1 to 2 years	0	0	0	-5
<b>Total</b>	<b>0</b>	<b>-5</b>	<b>0</b>	<b>-9</b>

## 24.2. INTEREST RATE DERIVATIVES

The Group operates in the interest rate swap and swaption market in order to manage its exposure to interest rate risk on borrowings. The fair value of these instruments in the balance sheet breaks down as follows by instrument and transaction type:

	BALANCE SHEET FAIR VALUE AS AT 31/12/2014					BALANCE SHEET FAIR VALUE AS AT 31/12/2013				
	Cash flow hedge	Fair value hedge	Trading	Net investment hedge	TOTAL	Cash flow hedge	Fair value hedge	Trading	Net investment hedge	TOTAL
<i>In € millions</i>										
Fixed-rate receiver swaps	0	48	1,086	0	<b>1,134</b>	0	230	496	0	<b>726</b>
Fixed-rate payer swaps	20	-	0	0	<b>20</b>	92	0	0	0	<b>92</b>
Swaptions	0	-	0	0	<b>0</b>	0	0	0	0	<b>0</b>
<b>Asset derivative instruments</b>	<b>20</b>	<b>48</b>	<b>1,086</b>	<b>0</b>	<b>1,155</b>	<b>92</b>	<b>230</b>	<b>496</b>	<b>0</b>	<b>818</b>
Fixed-rate receiver swaps	5	0	0	0	<b>5</b>	0	0	0	0	<b>0</b>
Fixed-rate payer swaps	545	0	868	0	<b>1,413</b>	117	0	448	0	<b>566</b>
Swaptions	1	-	0	0	<b>1</b>	0	0	1	0	<b>1</b>
<b>Liability derivative instruments</b>	<b>551</b>	<b>0</b>	<b>868</b>	<b>0</b>	<b>1,419</b>	<b>118</b>	<b>0</b>	<b>449</b>	<b>0</b>	<b>566</b>
<b>Net interest rate position</b>	<b>-530</b>	<b>48</b>	<b>218</b>	<b>0</b>	<b>-264</b>	<b>-25</b>	<b>230</b>	<b>47</b>	<b>0</b>	<b>252</b>

As at 31 December 2014 and 2013, the nominal value and maturities of the different instruments subscribed were as follows:

	31/12/2014		31/12/2013	
	Net long-term debt	Net short-term debt	Net long-term debt	Net short-term debt
<i>In € millions</i>				
Fixed-rate receiver swaps	3,450	0	3,538	657
Fixed-rate payer swaps	5,857	100	5,513	285
Index-based swaps	0	0	13	0
Swaptions	0	46	121	0

Future interest flows, based on year-end exchange rates and future interest rates implicit in the interest rate curve at the balance sheet date for floating rates, are as follows:

<i>In € millions</i>	Net interest flows 31/12/2014					
	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Fixed-rate receiver swaps	135	136	136	136	136	647
Fixed-rate payer swaps	-140	-148	-149	-151	-142	-858
Index-based swaps	0	0	0	0	0	0
Swaptions	0	0	0	0	0	0
<b>Total</b>	<b>-4</b>	<b>-13</b>	<b>-14</b>	<b>-15</b>	<b>-6</b>	<b>-211</b>

<i>In € millions</i>	Net interest flows 31/12/2013					
	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Fixed-rate receiver swaps	126	128	128	128	128	743
Fixed-rate payer swaps	-157	-143	-142	-144	-145	-840
Index-based swaps	0	0	0	0	0	0
Swaptions	2	0	0	0	0	0
<b>Total</b>	<b>-29</b>	<b>-14</b>	<b>-14</b>	<b>-16</b>	<b>-17</b>	<b>-97</b>

## 25. MANAGING MARKET RISKS AND HEDGING

The management of market risks is governed by a general framework, approved by the Group Board of Directors, setting out the management principles for parent company risks that may be hedged by financial instruments.

This general framework defines the principles governing the selection of financial products, counterparties and underlyings for derivative products.

More specifically, the general framework defines risk limits for the management of euro and foreign currency cash balances and long-term net indebtedness.

In addition, it details the delegation and decision-making system and the reporting and control system and its frequency (daily, twice monthly, monthly and annually).

### 25.1. MANAGEMENT STRATEGY

#### 25.1.1. Interest rate risk management

The cost of long-term net indebtedness is optimised, with regard to interest rates, by managing the mix of fixed and floating rate borrowings. The Group uses firm and optional interest rate swap instruments within the limits defined, for SNCF Mobilités, by the aforementioned general framework.

From an economic standpoint, fixed-rate net borrowings of the parent company represented 110% of total borrowings as at 31 December 2014, compared to 96.77% as at 31 December 2013. On the same basis, the cost of long-term net indebtedness was 3.83% for fiscal year 2014, compared to 3.53% for fiscal year 2013.

#### **Sensitivity analysis:**

The sensitivity of profit or loss to the risk of interest rate fluctuations is related to:

- floating-rate net debt after taking into account hedges;
- fair value option debt;
- derivative instruments not qualified as hedges within the meaning of IAS 39.

The sensitivity of recyclable reserves (equity) to the risk of interest rate fluctuations is related to derivatives qualified as cash flow hedges.

The sensitivity analysis was determined based on a 1% increase in the interest rate curve at the year-end, and breaks down as follows:

<i>In € millions</i>	31/12/2014		31/12/2013	
	Profit or loss	Recyclable reserves	Profit or loss	Recyclable reserves
Floating-rate financial instruments (after taking into account hedges)	10		-8	
Fair value option debt	12		14	
Derivatives not qualified as hedges	6		13	
Derivatives qualified as cash flow hedges		120		78
<b>Total</b>	<b>28</b>	<b>120</b>	<b>19</b>	<b>78</b>

#### 25.1.2. Foreign currency risk management

The commercial activities of the Group do not expose it to material foreign currency risk.

Excluding subsidiaries operating in their own country, Group indebtedness denominated in currencies other than the euro is managed in line with the acceptable risk limit defined, for SNCF Mobilités, in the same general framework. The Group uses currency swaps for this purpose, generally set up when the borrowing is issued.

Foreign currency denominated borrowings as at 31 December 2014, after hedging by currency swaps, remained stable at 1.83%.

Given the small percentage of unhedged foreign currency denominated borrowings, net profit or loss is not, in the Group's opinion, sensitive to foreign currency risk.

#### 25.1.3. Commodity risk management

The Group's production requirements expose it to the risk of fluctuations in the price of petroleum products. This risk is managed using firm and optional derivatives (swaps, options, caps, floors).

For the full year 2014, no hedges were set up.

For 2015, a cash flow hedge was designated. Three zero premium tunnels were set up for a volume of 18,000 tonnes, giving rise to the recognition of a liability derivative at fair value for €2 million in operating payables.

#### 25.1.4. Counterparty risk management

The aforementioned general framework defines, for the parent company, the counterparty approval procedure, which is based on a quantitative and qualitative analysis of counterparties.

Volume limits according to investment terms are also defined for each counterparty, taking into account their equity, rating and nationality. The extent to which authorised limits are used, based on nominal transaction amount, is measured daily and reported.

The counterparty approval procedure for derivative products also involves the signature of a framework agreement as well as a collateral agreement. The extent to which the allocated limit is used is measured based on the collateral limit plus a lump-sum amount, taking into account the absolute value of the most significant changes in market value for all collateralised financial agreements with the counterparty.

The table below presents the information required by the amendment to IFRS 7 "Disclosures: offsetting financial assets and financial liabilities." For financial assets and liabilities subscribed as part of agreements with a legally enforceable netting clause, this involves a presentation of amounts before and after offsetting as at 31 December 2014. It includes commodity derivatives recognised in operating payables and receivables. As at 31 December 2014, they were classified as liabilities for €9 million (virtually nil as at 31 December 2013). The "Cash collateral" column corresponds to the outstandings on collateralisation agreements for



derivative financial instruments that do not meet the offsetting criteria established by IAS 32 "Financial instruments: presentation."

31/12/2014 <i>In € millions</i>	Gross amounts	Amounts offset in the balance sheet	Net amounts presented in the balance sheet	Amounts not offset in the balance sheet		Net amounts based on IFRS 7
				Cash collateral	Derivatives with netting agreement	
Asset derivatives	1,742		1,742	1,011	636	95
Liability derivatives	1,529		1,529	601	636	293

31/12/2013 <i>In € millions</i>	Gross amounts	Amounts offset in the balance sheet	Net amounts presented in the balance sheet	Amounts not offset in the balance sheet		Net amounts based on IFRS 7
				Cash collateral	Derivatives with netting agreement	
Asset derivatives	1,134		1,134	707	338	90
Liability derivatives	928		928	300	338	290

As at 31 December 2014, three counterparties represent 80% of the active position's credit risk. The remaining exposure is explained by trigger thresholds in the collateralisation agreements and monthly margin calls.

As at 31 December 2013, three counterparties represented 90% of the active position's credit risk.

The main transactions which could generate counterparty risk are mainly financial investments and financial instruments as described below:

#### 25.1.4.1. Financial investments

##### 1. Cash and cash equivalents

Financial investments are diversified. They primarily consist of negotiable debt instruments (certificates of deposit, commercial paper), treasury note repos and subscriptions to French money market mutual funds (UCITS). Given their short residual term and breakdown, no major credit risk exposure is generated.

##### 2. Portfolio of available-for-sale assets

In 2008, the Group created a portfolio of medium-term assets to hedge future investment costs. This portfolio, classified in available-for-sale assets, has expired since 31 December 2013. As at 31 December 2014, available-for-sale assets solely comprised non-consolidated investments.

#### 25.1.4.2. Derivative financial instruments

Derivative transactions seek to manage interest rate, foreign currency and commodity risk.

The aforementioned general framework defines, for the parent company, the counterparty approval procedure, which is based on a quantitative and qualitative analysis of counterparties. Investment volume and term limits are also defined for each counterparty. The extent to which authorised limits are used, based on future payments or replacement costs, is measured daily and reported.

The counterparty approval procedure for derivative products also involves the signature of a framework agreement. A collateral agreement is also signed with certain counterparties in order to limit counterparty risk.

### 25.1.5. Liquidity risk management

The parent company assures its daily liquidity through a commercial paper program capped at €3 billion, used in the amount of €0.145 billion as at 31 December 2014 (€0.135 billion as at 31 December 2013) and in the amount of €0.32 billion on average in 2014, compared to €0.11 billion in 2013.

The parent company also set up a Euro Commercial Paper program for a maximum amount of €2 billion, used in the amount of €1.3 billion as at 31 December 2014 (€0.75 billion as at 31 December 2013) and in the amount of €0.89 billion on average in 2014 (€1.18 billion in 2013).

In addition, the parent company has bilateral credit lines of €780 million (€780 million in 2013). Total confirmed credit lines of the Group break down as follows:

<i>In € millions</i>	Total 31/12/2014	Maturity schedule		
		< 1 year	1 to 5 years	> 5 years
Confirmed credit lines	1,146	505	640	0

<i>In € millions</i>	Total 31/12/2013	Maturity schedule		
		< 1 year	1 to 5 years	> 5 years
Confirmed credit lines	1,128	13	1,115	0

## 25.2. CASH FLOW HEDGES

The fair value of derivatives designated as cash flow hedges breaks down by hedged item as follows:

<i>In € millions</i>	Balance sheet fair value as at 31/12/2014	Maturity schedule		
		< 1 year	1 to 5 years	> 5 years
Bonds	-141	-11	138	-268
Non-bond borrowings	-28	-8	-2	-18
Finance lease obligations	-30	0	-14	-17
Loans and receivables	0	0	0	0
Fair value of derivatives designated as cash flow hedges	-199	-19	123	-303

<i>In € millions</i>	Balance sheet fair value as at 31/12/2013	Maturity schedule		
		< 1 year	1 to 5 years	> 5 years
Bonds	-29	-9	51	-72
Non-bond borrowings	-13	0	-7	-6
Finance lease obligations	-31	-11	-10	-10
Loans and receivables	0	0	0	0
Fair value of derivatives designated as cash flow hedges	-74	-19	34	-89

The impacts on equity, profit or loss for the period and reserves break down as follows:

<i>In € millions</i>	Recyclable equity
Opening balance (01/01/2014)	-63
Recycled in profit or loss	-66
Changes in effective portion	-143
Changes in value of available-for-sale assets	7
Closing balance (31/12/2014)	-265

<i>In € millions</i>	Recyclable equity
Opening balance (01/01/2013)	-114
Recycled in profit or loss	33
Changes in effective portion	21
Changes in value of available-for-sale assets	-2
Closing balance (31/12/2013)	-63

### 25.3. FAIR VALUE HEDGES

Asset and liability items hedged as to fair value are initially recorded at amortised cost and subsequently remeasured at each balance sheet date based on the fair value of the risk hedged. Fair value gains and losses on the hedged risk are offset, except for the ineffective portion, by gains and losses on the hedging derivative.

<i>In € millions</i>	Value difference as at 01/01/2014	Change in fair value	Reclassification of transactions no longer meeting qualification criteria	Value difference as at 31/12/2014
Bonds	-434	70	-211	-575
Other financial assets	0	0	0	0
Total	-434	70	-211	-575

Hedging derivatives	267	-68	-21	179
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Ineffectiveness		3		
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<i>In € millions</i>	Value difference as at 01/01/2013	Change in fair value	Reclassification of transactions no longer meeting qualification criteria	Value difference as at 31/12/2013
Bonds	-610	173	4	-434
Other financial assets	2	-2	0	0
Total	-608	170	4	-434

Hedging derivatives	428	-165	3	267
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Ineffectiveness		6		
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## 26. OPERATING PAYABLES AND OTHER ACCOUNTS IN CREDIT

Operating payables break down as follows:

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>	<b>Change</b>
Trade payables and related accounts	4,508	5,383	-875
<i>o/w amounts payable to suppliers of PP&amp;E</i>	542	627	-85
Payments received on account for orders	450	678	-228
<i>o/w advances received on sales of PP&amp;E</i>	13	28	-16
Employee-related liabilities	2,029	2,385	-356
Amounts payable to the French State and local authorities	1,430	1,194	236
Other operating payables	431	440	-8
Deferred income	1,141	1,534	-393
<b>Total operating payables</b>	<b>9,989</b>	<b>11,613</b>	<b>-1,624</b>

The decrease was partially attributable to the reclassification of SNCF Infra liabilities to “Liabilities associated with assets classified as held for sale” (see Note 27).

## 27. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>
Assets classified as held for sale	4,086	1
Liabilities relating to assets classified as held for sale	3,103	4
<b>Net impact on balance sheet</b>	<b>983</b>	<b>-3</b>

### 27.1. SNCF INFRA DIVISION

Following the enactment of the Law 2014-872 on 4 August 2014, the SNCF Infra division which is to be transferred in connection with the rail reform (see Note 3) was treated as a “discontinued operation”, in accordance with the terms defined by IFRS 5. The division’s results during the fiscal year were as follows:

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>
Revenue	5,440	5,202
Purchases and external charges	-1,864	-1,709
Employee benefit expense	-3,196	-3,108
Taxes and duties other than income tax	-141	-128
Other operating income and expenses	115	62
Depreciation and amortisation	-107	-61
Net movements in provisions	-6	22
Net proceeds from asset disposals	1	1
Impairment losses	0	546
<b>Operating profit</b>	<b>241</b>	<b>827</b>
Share of net profit of companies consolidated under the equity method	1	4
<b>Operating profit after share of net profit of companies consolidated under the equity method</b>	<b>242</b>	<b>831</b>
<b>Finance cost</b>	<b>-12</b>	<b>-15</b>
<b>Profit/(loss) from transferred operations before tax (1)</b>	<b>230</b>	<b>816</b>
Income tax expense	-1	0
<b>Net profit/(loss) from transferred operations (1)</b>	<b>230</b>	<b>815</b>
<b>Net profit for the year</b>	<b>230</b>	<b>815</b>

(1) The standard heading of this line item, “Net profit/(loss) from discontinued operations”, was adapted since it only includes the net profit/(loss) of operations transferred in connection with the rail reform.

In addition, a deferred tax liability of €3 million was recorded for Common Operations and Investments due to the foreseeable reversal at the time of the transfer for the difference between the carrying amount and the taxable amount of one of the SNCF Infra transferred entities. This deferred tax was expensed under “Net profit/(loss) from transferred operations” and recorded in liabilities under “Liabilities associated with assets classified as held for sale”.

No material amounts were presented for this division in other comprehensive income.

The division's main asset and liability categories classified as held for sale were as follows as at 31 December 2014:

<i>In € millions</i>	<b>31/12/2014</b>
Intangible assets and property, plant and equipment	780
Investments in companies consolidated under the equity method	113
Deferred tax assets	109
Inventories and work-in-progress	437
Operating payables	2,074
Financial assets	0
Cash and cash equivalents	0
<b>Assets classified as held for sale</b>	<b>3,514</b>

<i>In € millions</i>	<b>31/12/2014</b>
Employee benefits	873
Provisions	114
Financial liabilities	0
Operating liabilities	2,037
<b>Liabilities associated with assets classified as held for sale</b>	<b>3,024</b>

The net cash flows of the transferred activity over the period were as follows:

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>
Cash flow from operating activities	243	463
Cash flow used in investing activities	-148	-248
Cash flow used in financing activities	-5	-38
Impact of changes in accounting policies	0	4
<b>Net increase in cash and cash equivalents</b>	<b>91</b>	<b>181</b>

Even if, as shown in Note 23, the SNCF Infra division's cash, representing its net indebtedness, is strictly within the Group, its transactions with external third parties generate cash flows that are outside the Group.

## 27.2. OTHER GROUPS OF ASSETS CLASSIFIED AS HELD FOR SALE

The draft application decrees of the Law of 4 August 2014 provide for the transfer to the new SNCF (parent EPIC) of other asset and liability groups within Common Operations and Investments. As these assets and liabilities do not satisfy the definition of a "discontinued operation" within the meaning of IFRS 5, they were classified as held for sale in the statement of financial position only. The main asset and liability categories were as follows as at 31 December 2014:

<i>In € millions</i>	<b>31/12/2014</b>
Intangible assets and property, plant and equipment	2
Investments in companies consolidated under the equity method	0
Deferred tax assets	0
Inventories and work-in-progress	0
Operating payables	46
Financial assets	2
Cash and cash equivalents	0
<b>Assets classified as held for sale</b>	<b>51</b>

<i>In € millions</i>	<b>31/12/2014</b>
Employee benefits	0
Provisions	1
Financial liabilities	0
Operating liabilities	68
<b>Liabilities associated with assets classified as held for sale</b>	<b>69</b>

## 27.3. OTHER NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Finally, the draft application decrees provide for the transfer to the new SNCF (parent EPIC) of separate non-current assets, i.e. property, plant and equipment for €461 million and intangible assets for €58 million.

## 28. OFF-BALANCE SHEET COMMITMENTS

Commitments received (in M€)		31/12/2014				31/12/2013
		Total commitment	Amount of commitments per period			Total commitment
			Less than one year	From one to five years	More than five years	
<b>Commitments relating to financing</b>		<b>1,283</b>	<b>595</b>	<b>659</b>	<b>21</b>	<b>1,207</b>
Personal collateral	(4)	122	90	3	21	79
Security interests		16	0	16	0	0
Unused confirmed credit lines	(8)	1,146	505	640	0	1,128
<b>Commitments relating to operations</b>		<b>6,584</b>	<b>2,528</b>	<b>3,261</b>	<b>798</b>	<b>6,405</b>
Investment commitments for operation of rail equipment	(1)	2,424	968	1,334	123	2,931
Purchase commitments for non-current assets other than rail equipment	(2)	826	200	535	91	659
Property sale undertakings		153	54	97	2	196
Operating guarantees	(13)	1,682	984	673	25	1,447
Operating leases: equipment	(6)	466	195	232	41	449
Operating leases: property	(6)	1,008	107	386	516	716
Commitments relating to operating and fixed asset purchase agreements		14	9	4	1	7
Firm commodity purchase commitments (electricity, diesel)		11	11	0	0	0
<b>Commitments relating to the Group consolidation scope</b>		<b>3</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>11</b>
Warranties		3	2	0	1	11
<b>Other commitments received</b>		<b>4</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total commitments received</b>	(14)	<b>7,875</b>	<b>3,129</b>	<b>3,921</b>	<b>819</b>	<b>7,624</b>



Commitments given (in € millions)		31/12/2014				31/12/2013
		Total commitment	Amount of commitments per period			Total commitment
			Less than one year	From one to five years	More than five years	
<b>Commitments relating to financing</b>		<b>1,569</b>	<b>149</b>	<b>232</b>	<b>1,188</b>	<b>1,608</b>
Personal collateral	(3)	287	136	53	98	285
Personal collateral: guarantees given for loans to employees	(5)	1,018	10	38	970	1,074
Security interests	(7)	229	3	106	120	216
Unused confirmed credit lines		35	0	35	0	33
<b>Commitments relating to operations</b>		<b>10,481</b>	<b>3,917</b>	<b>5,672</b>	<b>897</b>	<b>11,216</b>
Investment commitments for operation of rail equipment	(1)	4,419	1,744	2,662	12	5,369
Purchase commitments for non-current assets other than rail equipment	(2)	1,743	499	1,102	141	1,631
Property sale undertakings		152	55	97	0	195
Operating guarantees	(12)	675	255	183	238	600
Customs guarantees (Geodis)		167	128	16	23	172
Operating leases: equipment	(6)	969	306	551	113	1,047
Operating leases: property	(6)	1,566	359	843	368	1,484
Commitments relating to operating and fixed asset purchase agreements	(11)	189	171	14	3	247
Firm commodity purchase commitments (electricity, diesel)	(10)	602	400	203	0	470
<b>Commitments relating to the Group consolidation scope</b>		<b>666</b>	<b>7</b>	<b>655</b>	<b>4</b>	<b>597</b>
Security commitments (option contracts)	(9)	635	0	635	0	584
Other commitments relating to the Group consolidation scope		31	7	20	4	14
<b>Other commitments given</b>		<b>49</b>	<b>42</b>	<b>6</b>	<b>1</b>	<b>49</b>
<b>Total commitments given</b>	(14)	<b>12,765</b>	<b>4,114</b>	<b>6,564</b>	<b>2,089</b>	<b>13,470</b>

- (1) Commitments given concern investments concluded with rolling stock manufacturers, some of whom work in cooperation with the transport Organising Authorities for the future commissioning of rail equipment. The sharp decrease was due to the investments carried out during the period that exceeded the new commitments undertaken. Commitments received correspond to investment funding receivable from the Regions for ordered rolling stock. They decrease in the amount of the investments ordered by the Organising Authorities that were carried out and, conversely, increase in the amount of new investment orders. In 2014, they decreased primarily due to the delivery of new REGIOLIS and REGIO2N trains, a decrease that was offset by new Transilien network commitments for €482 million. The net decline was €327 million for these regulated local passenger transport activities. These deliveries reduced commitments given for train financing by €637 million. The decrease in these commitments given essentially stems from investments in TGV2N2 trains for €232 million and TGV Euroduplex trains for €60 million.
- (2) The increase in the financing commitment for maintenance and storage (creation, extension, safeguarding, etc.) workshop sites impacted the purchase commitments for non-current assets other than rail equipment in the amount of €140 million. These commitments received reflect the financing agreed with the Organising Authorities. An increase for virtually the same amount was recorded for non-current assets other than rail equipment.
- (3) Security interests given increased by €3 million and concern guarantees granted by SNCF Mobilités for €5 million (€16 million in 2013) in respect of Sofap bank borrowings.
- (4) The joint and several first-demand counter-guarantee given to SNCF Mobilités in respect of the loans granted to Sofiap was still recognised under personal collateral for €5 million (€16 million as at 31 December 2013).

- (5) Total outstanding on guarantees given by SNCF Mobilités in respect of property loans secured by employees. Statistically, guarantee calls are very limited.
- (6) Equipment and property operating leases given increased by €4 million primarily due to the payment of rent over one year that was more than offset by the conclusion of new leases. Equipment and property operating leases received increased by €308 million, including €189 million for a new contract for the development of commercial sites in stations.
- (7) Among security interests:
  - o Securities pledge of €108 million for the Ermewa group (€108 million as at 31 December 2013).
  - o Pledge of NTV securities to creditors for €101 million (€101 million as at 31 December 2013) as a guarantee of NTV solvency until repayment of the financing.
- (8) For the unused credit lines, see Notes 25.1.5 and 28.2.
- (9) Investment call and put options mainly corresponded to the put option on shares granted by the Group to its partners in the EIL joint venture. Given the characteristics of this derivative instrument, its value is estimated at virtually nil and it has no consequences on the Group consolidated financial statements.
- (10) Commodity purchase commitments essentially concern electricity supply contracts. The increase was attributable for €87 million to traction diesel purchase contracts subscribed in 2014.
- (11) Other operating purchase commitments given declined by €58 million. These commitments include rail and station access purchase commitments for €156 million that decreased by €55 million due to the lapse of time.
- (12) Operating guarantees given increased by €75 million mainly due to the set-up of new guarantees following the contracts won in the United Kingdom by Keolis.
- (13) Operating guarantees received primarily concern bank guarantees received from rail equipment suppliers.
- (14) The portion of commitments relating to joint ventures amounts to:
  - o €87 million for commitments received.
  - o €37 million for commitments given.

Total commitments received and given include respectively €39 million and €76 million relating to the SNCF Infra division, subject to the rail reform, and whose assets, liabilities and profit or loss items were reclassified to a separate line item in the income statement and statement of financial position in accordance with IFRS 5 (see Note 3).

## 28.1. LEASE TRANSACTIONS

SNCF EPIC (which became EPIC SNCF Mobilités on 1 January 2015) carried out transactions in the form rather than substance of a lease. These transactions comprised:

- the leasing of a qualified technological equipment network to a US lessor, who immediately sub-leases it to SNCF EPIC for a maximum period of 16 years. The assets in question are all the SNCF EPIC ticket sale and reservation equipment; or
- the sale of rolling stock (Corail TéoZ cars, TGV trains, etc. commissioned or to be delivered, etc.) to an investor who immediately sub-leases it to SNCF EPIC for a determined period of 4 to 25 years according to the contracts;
- the leasing of rolling stock to a US lessor for a period of around 40 years, who immediately sub-leases it to SNCF EPIC for a period of 20 years.

In certain cases, the lessor is a fiscally transparent special entity created for this transaction that can only operate for this purpose.

During the sub-leasing (16 years) or leasing (4 to 25 years) periods, all payments made and received in connection with the lease offset each other and do not impact the financial statements, apart from the net profit recognised in the transaction period (see Note 2.10). This profit corresponds to the retrocession of a

portion of the tax deferral obtained by the investor. The asset sold or leased is maintained in the Group balance sheet.

At the end of the sub-leasing or leasing periods, SNCF EPIC has several options based on the type of transaction:

- exercise a purchase option at a pre-determined price, thus maintaining its initial profit,
- give the equipment to the lessor, who will use it for his own purpose,
- give the equipment to the lessor, for whom SNCF EPIC will act as market sales agent for the equipment, guaranteeing a sale price at least equal to the amount of the purchase option,
- resell the equipment on the lessor's behalf, for a resale commission.

The use, replacement, operation or definition of assets is in no way affected. The risks borne by SNCF EPIC are limited to equipment ownership, the risks generated by French law, and counterparty risks covered by collateralisation contracts.

## **28.2. KEOLIS**

At the end of December 2012, the following pledges had been given to financial institutions as a guarantee of the loan agreement signed on 24 May 2007 between Groupe Keolis SAS, its subsidiary Keolis and a consortium of banks:

- pledge by Groupe Keolis SAS of its bank accounts
- pledge by Groupe Keolis SAS of Keolis securities
- pledge by Keolis of Keolis UK securities.

The agreement, modified by several amendments, the last of which was dated 28 September 2011, concerned an amortisable loan for an initial principal amount of €395 million and the opening of revolving credit facilities for a total maximum amount of €200 million.

The pledges given were removed with the signature of a new five-year syndicated loan agreement on 12 July 2013 in the amount of €800 million in replacement of the previous agreement. At the end of December 2014, unused credit lines in this respect amounted to €310 million.

## **28.3. TRANSFER OF FINANCIAL ASSETS**

### **28.3.1 Transfer of concession financial assets**

No concession financial assets were transferred in fiscal 2014.

In December 2013, the Group transferred concession financial assets. The transfer consisted in the assignment of receivables to a securitisation fund in which the Group does not hold any investments. The fund's shareholder is independent of the Group in the same way as the members of the Board of Directors. The Group is not involved with the designation of these Board members.

The assigned receivables are managed and collected independently, with no Group involvement. Credit and late payment risks are transferred to the fund as well as any benefits relating to the receivables, as the Group can no longer receive expected future payments or use this receivable as a means to pay off any of its debts. There is no risk of dilution since the assigned receivables were certain, irrevocable and could not be compensated prior to their assignment and there is no foreign exchange risk as they are denominated and assigned in euros.

In substance, the Group does not control the fund and transfers to it the contractual rights to receive cash flows as well as virtually all the risks and rewards associated with the assigned receivables. The fund was therefore not consolidated and the receivables removed from the balance sheet. Furthermore, the Group did not retain any commitment or assume any new commitments with regard to these assignments.

The transaction resulted in a net cash inflow and a decrease in net financial debt of €141 million in 2013.

### 28.3.2. Transfer of the Competitiveness and Employment Tax Credit (CICE)

As in December 2013, the receivable generated by the Competitiveness and Employment Tax Credit set up by the French government (see Note 1.1.2.3) and recorded for French tax consolidation groups was assigned under the Dailly Law in December 2014.

In both cases, the assignment, carried out in December without the use of a discount, covered the entire receivable relating to the eligible payroll paid in the calendar year. The counterparty and late payment risks were transferred to the banking institution along with the rewards attached to the receivable, as the Group can no longer collect the future refund of the tax credit or allocate it to a future cost. As the receivable was denominated and assigned in euros, there is no foreign exchange risk. Accordingly, the Group is deemed to have transferred virtually all the risks and rewards relating to the receivable.

As this involved an operating receivable, the assignment represented a net receipt of €306 million (€184 million in 2013) in the cash flows from operating activities in the cash flow statement.

## 29. RELATED PARTY TRANSACTIONS

SNCF Mobilités, as an industrial and commercial public institution wholly owned by the French State (via the French Government Shareholding Agency), is related, within the meaning of IAS 24, Related Party Disclosures, to all companies and entities controlled by the French State.

Disclosures on individually or collectively material transactions with these entities concern the following related parties:

- the French State for all relations with it in its role as shareholder; conversely, taxes paid pursuant to ordinary law are excluded from the scope of related party transactions,
- transport Organising Authorities (Regions and STIF),
- RFF, which became SNCF Réseau on 1 January 2015,
- ICF Group ESH low-rental housing companies.

No Group companies other than the parent company carry out material transactions with these related parties.

### 29.1. TRANSACTIONS WITH THE FRENCH STATE

The information presented below concerns transactions entered into with the French State via its ministries, central authorities and transport Organising Authorities, not governed by ordinary law.

#### 29.1.1. Public assistance

Public assistance granted to SNCF Mobilités Group by the State and local communities is presented in the following table:

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>
Operating grants received	41	99
<b>TOTAL</b>	<b>41</b>	<b>99</b>

## 29.1.2. Government grants received and compensation for service concession arrangements

SNCF Mobilités Group receives government grants in the form of third-party financing, primarily from local authorities, mainly for rolling stock.

Government grants are deducted from the related assets. Government grants relating to intangible assets and property, plant and equipment are recorded in profit under “Depreciation and amortisation” based on the estimated useful life of the related assets.

Under service concession arrangements with the Organising Authorities, the Group receives compensation in the form of grants and/or contributions. In both cases, this compensation is considered as means of payment for the concession financial assets that are reduced in the balance sheet.

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>
Amounts received with regard to concession financial assets	906	645
Government grants relating to intangible assets and property, plant and equipment	205	286
<b>Total Regions</b>	<b>1,111</b>	<b>931</b>

Services provided with transport Organising Authorities (Regions and STIF) recorded in revenue amounted to €3,998 million for 2014, compared to €3,833 million in 2013. Services provided with the French State as the transport Organising Authority of the Trains d'Equilibre du Territoire amounted to €276 million in 2014, compared to €292 million in 2013.

These services include interest income on concession financial assets for €48 million (€43 million for the year ended 31 December 2013).

## 29.2. TRANSACTIONS WITH OTHER STATE COMPANIES

Transactions between SNCF Mobilités Group and other State companies (EDF, France Telecom, La Poste, etc.) are all performed on an arm's length basis, except for transactions entered into by mutual agreement with RFF (became SNCF Réseau on 1 January 2015), for whom SNCF Mobilités currently remains one of its main customers. The receivables and revenue generated with RFF were virtually all carried by the SNCF Infra division that is to be transferred in connection with the rail reform (see Note 3). Accordingly, the receivables were reclassified to “Assets classified as held for sale” in the statement of financial position and the revenue was reclassified to “Net profit/(loss) from transferred operations” in the income statement.

All other transactions entered into by the Group with related parties are performed on an arm's length basis.

### 29.2.1. Balance sheet headings

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>
RFF net receivables (*)	1,016	1,363
RFF payables	413	388

(\*) Balance sheet headings excluding the financial receivable presented separately in balance sheet assets (see Note 15).

### 29.2.2. Income and expenses

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>
Revenue with RFF	5,479	5,346
Infrastructure fees paid on the French rail network <sup>(1)</sup>	3,544	3,443
<b>Revenue net of infrastructure fees</b>	<b>1,935</b>	<b>1,903</b>

(1) Including €3,384 million directly paid to RFF (€3,227 million as at 31 December 2013) and €160 million through STIF (€216 million as at 31 December 2013)

As these transactions are between related parties owned by the French State, credit risk is considered nil. No doubtful receivables were identified.

### 29.3. TRANSACTIONS WITH ICF GROUP ESH LOW-RENTAL HOUSING COMPANIES

#### 29.3.1. Balance sheet headings

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>
Current financial assets	11	21
Non-current financial assets	288	284
Current financial liabilities	0	0
Non-current financial liabilities	0	0

Non-current financial assets primarily comprise building loans granted by SNCF Mobilités and ICF to ESH subsidiaries and equity investments of the ESH subsidiaries. The latter amounted to €145 million (€145million as of 31 December 2013) and are included in available-for-sale assets (see Note 15). Given the low rental housing regulations and the SNCF Mobilités structure, these assets cannot be transferred to other Group entities.

#### 29.3.2. Income and expenses

Transactions with low-rental housing companies recorded in the income statement are not material.

### 29.4. TRANSACTIONS WITH JOINT VENTURES

The following tables present the main transactions with joint ventures and Group balance sheet headings with respect to these companies.

These transactions were conducted on an arm's length basis.

#### 29.4.1. Balance sheet headings

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>
Current financial assets	22	15
Non-current financial assets	5	7
Current financial liabilities	6	41
Non-current financial liabilities	1	0

#### 29.4.2. Income and expenses

<i>In € millions</i>	<b>31/12/2014</b>	<b>31/12/2013</b>
Revenue	208	185
Purchases and external charges	-108	-195
Other income and expenses	34	31
<b>Gross profit with joint ventures</b>	<b>134</b>	<b>21</b>

### 29.5. TRANSACTIONS WITH ASSOCIATES

Transactions with associates, excluding Eurofima (see Note 16), are not material.

### 30. MANAGEMENT COMPENSATION

The Group's key management personnel are members of the SNCF Mobilités Group Executive Committee. Their cumulative taxable compensation indicated below corresponds to short-term benefits.

	31/12/2014	31/12/2013	Change
Number of managers concerned	17	17	0
Average number of managers during the year	15	16	-1
<b>Total compensation in € millions</b>	<b>5</b>	<b>6</b>	<b>-1</b>

## 31. LITIGATION AND DISPUTES

The Group is involved in a number of legal proceedings and disputes in the course of its operating activities, which are unresolved at the year-end. Provisions are recorded to cover the charges associated with these disputes where they are considered probable and can be quantified or estimated with reasonable accuracy.

### 31.1. RESOLVED LITIGATION

No major disputes were resolved during the period.

### 31.2. ONGOING LITIGATION

#### 31.2.1. Investigation of the Competition Authority regarding Fret SNCF

An investigation was conducted by the Competition Authority regarding Fret SNCF. An initial notice was received on 28 July 2011 with a certain number of grievances that were all dismissed in Fret SNCF's response, mainly on the grounds that there was no breach of competition rules. In March 2012, the reporting judges transmitted a final report to the Competition Authority upholding the initial grievances. On 28 May 2012, SNCF, which became SNCF Mobilités on 1 January 2015 (see Note 3), legally challenged the unfounded nature of the grievances and the lack of breach of competition rules. The hearing before the Competition Authority took place on 7 September 2012 and the decision was rendered on 18 December 2012. Eight grievances out of the initial thirteen were dismissed, as the Authority considered that the stipulated practices were not substantiated. For four of the five grievances upheld, the SNCF was ordered to pay a fine of €61 million for having conducted several practices that hindered or delayed the entry of new operators into the rail freight transport market. This fine was expensed in 2012 under "Purchases and external charges" within gross profit. As for the last grievance, the Authority issued a judicial order regarding SNCF Fret's pricing policy and imposed that certain measures, particularly of an accounting and commercial nature, be implemented and in effect at the end of a three-year period in order to render such policy more objective. In January 2013, the Group filed an appeal with the Competition Authority regarding all the notified grievances. The fine was paid in May 2013. A hearing before the Paris Appeal Court took place on 22 May 2014, during which the President set 30 October 2014 as the date for deliberation of the judgement. The Paris Appeal Court rendered its decision on 6 November 2014, judging that the grievance concerning predatory pricing was unsubstantiated and the order to pay was no longer justified. It also reduced the financial penalty that SNCF was ordered to pay to €48 million. SNCF obtained a reimbursement in the amount of €13 million. The Competition Authority appealed on 9 December 2014.

#### 31.2.2. Investigation of the Competition Authority regarding parcel delivery

The Competition Authority is currently investigating the various parcel delivery players. A notice of grievances was officially received in early July 2014 and challenged by the Group within the two months provided by the proceedings. No provision was set aside as the financial risk could not be assessed at this stage.

### 31.3. OTHER LEGAL PROCEEDINGS

Following the derailment on 12 July 2013 of Paris-Limoges intercity train no. 3657 in Brétigny-sur-Orge (Essonne) station, and after having filed the two expert reports requested by the investigating judges, RFF and SNCF, which became SNCF Réseau and SNCF Mobilités, respectively, on 1 January 2015 (see Note 3) were indicted for "involuntary manslaughter and unintentional injuries through carelessness, recklessness, inattention, negligence, or failure to observe an obligation of due care or precaution" and heard by the judges.

SNCF Réseau and SNCF Mobilités firmly challenged the expert reports, casting doubt on the seriousness of the metallurgical evaluation, and requested that additional work be carried out.

Since the accident, SNCF Mobilités has set up a dedicated team to assist the victims and their families. Under the aegis of the coordination authority designated by the Ministry of Transport, EPIC Mobilités immediately committed to a compensation programme for the accident's human and material consequences.

As a precautionary measure, on 8 October 2013 SNCF Mobilités and SNCF Réseau launched the Vigirail programme, designed to improve switching safety and upgrade track maintenance. This programme includes actions that meet the recommendations issued by the BEA-TT in its progress report of 10 January 2014.



## 32. SUBSEQUENT EVENTS

Other than the coming into force of the rail reform law on 1 January 2015 (see Note 3 to the consolidated financial statements), the main subsequent events are as follows.

### 32.1. A NEW ORGANISATION BY DIVISION

The new SNCF set up with the coming into force of the rail reform law (see Note 3) is organised into five business lines, of which three within SNCF Mobilités:

- SNCF Voyageurs which handles operations for all passenger rail transport activities based on the Transilien, Voyages SNCF, Intercités and TER activities, and Gares et Connexions, which covers station management and development.
- Keolis, which handles passenger mass transit operations.
- SNCF Logistics, which specialises in freight transport and logistics.

In 2015, the organisational change will bring about a new presentation for SNCF Mobilités Group's segment reporting in accordance with IFRS 8.

### 32.2. DECISION OF THE FRENCH RAIL REGULATORY AUTHORITY (ARAF)

Following the referral procedure of the Syndicat des Transports d'Ile de France (STIF) with respect to a dispute with the Gares & Connexions division of SNCF Mobilités, the French Rail Regulatory Authority (ARAF) handed down its decision on 3 February 2015. The claim relating to the allocation of the cash flow from operations generated by the Ile-de-France stations was dismissed. Among the other components of the decision, only the following three could impact the consolidated financial statements:

- The ARAF's order that SNCF Mobilités limit the capital investment rate to a range of 5.5% to 6.9% before tax, compared to the 9.2% currently applied, with respect to regulated services (passenger information facilities for example).
- The request to classify the underground stations of Paris Austerlitz, Paris Gare du Nord and Paris Gare de Lyon as Category B stations (regional stations) as of the 2015 service schedule. This classification will determine fee levels.
- The set-up of a new fee modulation system by no later than the 2017 service schedule, to better reflect the use of services by each carrier.

SNCF has one month to file an appeal with the Paris Court of Appeal.

In addition to representing indications of impairment pursuant to IAS 36 "Impairment of Assets," these decisions will require Gares & Connexions to adapt its business model and prepare new earnings forecasts.

It is only once this process has been completed that impairment tests can be concluded to determine any accounting consequences on the property, plant and equipment and intangible assets of this cash-generating unit, which amounted to €1.8 billion as at 31 December 2014. There are no indefinite-life intangible assets or goodwill in this CGU.

## 33. SCOPE OF CONSOLIDATION

### 33.1 NUMBER OF CONSOLIDATED COMPANIES

The number of companies consolidated by SNCF Mobilités Group breaks down as follows:

	31/12/2014	31/12/2013	Change
Parent company and fully consolidated companies	788	794	-6
Equity-accounted companies (joint ventures)	48	45	3
Equity-accounted companies (significant influence)	63	60	3
<b>Total scope of consolidation</b>	<b>899</b>	<b>899</b>	<b>0</b>

### 33.2 DETAILED SCOPE OF CONSOLIDATION

Consolidation methods:

FC: Full Consolidation

JO: Joint Operation – Recognition of shares of assets, liabilities, revenues and expenses

JV: Joint Venture – Equity-accounted

SI: Significant Influence – Equity-accounted

NC: Not Consolidated

F: Company absorbed by another Group company

**Percentage interest:** share in the share capital of the consolidated company held by the consolidating company, either directly or indirectly.

**Percentage control:** percentage of voting rights held by the consolidating company in the consolidated company, either directly or indirectly.

Company	Country	M	PC Year Y	PI Year Y	PC Year Y-1	PI Year Y-1
<b>Parent company</b>						
SNCF Mobilités	FRANCE	FC	100.00	100.00	100.00	100.00
<b>SNCF Voyages</b>						
ALLEO	GERMANY	JV	50.00	50.00	50.00	50.00
Avancial	FRANCE	FC	100.00	100.00	100.00	100.00
CRM Services	FRANCE	FC	100.00	100.00	100.00	100.00
Ecolutis	FRANCE	FC	100.00	100.00	100.00	100.00
Elipos	SPAIN	JV	50.00	50.00	50.00	50.00
Expretio	CANADA	FC	51.00	51.00	51.00	51.00
French Rail Inc	UNITED STATES	FC	100.00	100.00	100.00	100.00
French Railways Ltd (FRL)	UNITED KINGDOM	FC	100.00	100.00	100.00	100.00
Hexatourisme	FRANCE	JV	45.00	45.00	45.00	45.00
IDTGV	FRANCE	FC	100.00	100.00	100.00	100.00
Intercapital Regional Rail Ltd	UNITED KINGDOM	SI	35.00	35.00	35.00	35.00
L'Agence Voyages-sncf.com	FRANCE	FC	50.10	50.10	50.10	50.10
Lyria	FRANCE	JV	74.00	74.00	74.00	74.00
NTV	ITALY	SI	20.00	20.00	20.00	20.00
Rail Distribution Systems	FRANCE	FC	88.00	88.00	88.00	88.00
Rail Europe Espana	SPAIN	FC	100.00	100.00	100.00	100.00
Rail Europe Group Limited	UNITED KINGDOM	FC	100.00	100.00	100.00	100.00
Rail Europe Inc	UNITED STATES	FC	88.00	88.00	88.00	88.00
Rail Europe Limited	UNITED KINGDOM	FC	100.00	100.00	100.00	100.00
Rail Holding AG	AUSTRIA	JV	28.00	28.00	28.00	28.00
Rail Solutions SAS	FRANCE	FC	100.00	100.00	100.00	100.00
RailLink bv	NETHERLANDS	SI	25.00	25.00	25.00	25.00
Railteam bv	NETHERLANDS	SI	25.00	25.00	25.00	25.00
RE 4A	FRANCE	JV	50.00	50.00	50.00	50.00
SNCF VoYages Belgique	BELGIUM	FC	100.00	100.00	100.00	100.00
SNCF Voyages Deutschland	GERMANY	FC	100.00	100.00	100.00	100.00
SNCF Voyages Italia (SVI) Srl	ITALY	FC	100.00	100.00	100.00	100.00
SNCF-C6 (ID BUS)	FRANCE	FC	100.00	100.00	100.00	100.00
SVD SAS	FRANCE	FC	100.00	100.00	100.00	100.00
Thalys International	BELGIUM	JV	62.00	62.00	62.00	62.00
THI FACTORY	BELGIUM	SI	60.00	60.00	60.00	60.00
VFE e-commerce	FRANCE	FC	100.00	100.00	100.00	100.00
Voyages-Sncf Benelux	BELGIUM	FC	100.00	100.00	100.00	100.00
Voyages-Sncf Deutschland	GERMANY	FC	100.00	100.00	100.00	100.00
Voyages-Sncf Italia	ITALY	FC	100.00	100.00	100.00	100.00
Voyages-Sncf Suisse	SWITZERLAND	FC	100.00	100.00	100.00	100.00
Voyages-SNCF.com	FRANCE	FC	100.00	100.00	100.00	100.00
VSC Technologies	FRANCE	FC	100.00	100.00	100.00	100.00
WBCP Development Gmbh	AUSTRIA	JV	28.00	28.00	28.00	28.00
Westbahn Management Gmbh	AUSTRIA	JV	28.00	28.00	28.00	28.00
Westeam Gmbh	AUSTRIA	JV	28.00	28.00	28.00	28.00
<u>Groupe Eurostar International Limited (EIL)</u>						
Eurostar Express Limited	UNITED KINGDOM	JV	55.00	55.00	55.00	55.00
Eurostar Group	UNITED KINGDOM	JV	55.00	55.00	55.00	55.00
Eurostar International Ltd	UNITED KINGDOM	JV	55.00	55.00	55.00	55.00
Eurostar International S.A.	FRANCE	JV	55.00	55.00	55.00	55.00
Eurostar International SPRL	BELGIUM	JV	55.00	55.00	55.00	55.00
<b>SNCF Proximités</b>						
Itiremia	FRANCE	FC	100.00	100.00	100.00	100.00
RITMx SAS	FRANCE	FC	100.00	98.50	100.00	98.50
SNCF Partenariat	FRANCE	FC	100.00	100.00	100.00	100.00
Transferis	FRANCE	JV	50.00	50.00	50.00	50.00
<u>Groupe KEOLIS</u>						

Aerobag	FRANCE	FC	100.00	69.69	100.00	69.64
Aerolignes	FRANCE	FC	100.00	69.69	100.00	69.64
Aerolis	FRANCE	FC	50.10	34.92	50.10	34.89
Aéroport Angers Marce	FRANCE	FC	100.00	69.69	100.00	69.64
Aéroport de Troyes Barberey	FRANCE	FC	100.00	69.69	100.00	69.64
Aerosat	FRANCE	FC	85.00	59.24	85.00	59.20
Airelle	FRANCE	FC	100.00	69.69	100.00	69.64
Athis Cars	FRANCE	FC	100.00	69.69	100.00	69.64
Autobus de Genval	BELGIUM	FC	100.00	69.69	100.00	69.64
Autobus Dony	BELGIUM	FC	100.00	69.69	100.00	69.64
Autobus Dujardin	BELGIUM	FC	100.00	69.69	100.00	69.64
Autobus Lienard	BELGIUM	FC	100.00	69.69	100.00	69.64
Autobussen Monserez-Verhenne	BELGIUM	F	0	0	100.00	69.64
Autocars Delion SAS	FRANCE	FC	100.00	69.69	100.00	69.64
Autocars Planche	FRANCE	FC	100.00	69.69	100.00	69.64
C.T.C.O.P.	FRANCE	JV	50.00	34.85	50.00	34.82
Caennaise de Services	FRANCE	FC	100.00	69.69	100.00	69.64
Canal TP	FRANCE	FC	100.00	69.69	100.00	69.64
Cardona-Deltenre	BELGIUM	FC	100.00	69.69	100.00	69.64
Cariane Internationale Développement	BELGIUM	NC	0	0	100.00	69.64
Cariane Littoral	FRANCE	FC	100.00	69.69	100.00	69.64
Cars de Bordeaux	FRANCE	FC	100.00	69.69	100.00	69.64
Cars Planche	FRANCE	FC	100.00	69.69	100.00	69.64
Cie Tpts Méditerranéens	FRANCE	FC	100.00	69.69	100.00	69.64
CINTRA	BELGIUM	FC	100.00	69.69	100.00	69.64
CINTRAL	BELGIUM	FC	100.00	69.69	100.00	69.64
Citypendeln	SWEDEN	FC	100.00	69.69	100.00	69.64
Compagnie du Blanc Argent	FRANCE	FC	99.41	69.28	99.41	69.23
CSG Commuter Security	SWEDEN	FC	100.00	69.69	100.00	69.64
De Turck BVBA	BELGIUM	FC	100.00	69.69	0	0
Devilleirs	FRANCE	FC	100.00	69.69	100.00	69.64
Drop & go EURL	FRANCE	FC	100.00	69.69	100.00	69.64
Effia (holding)	FRANCE	FC	100.00	69.69	100.00	69.64
Effia Concessions	FRANCE	FC	100.00	69.69	100.00	69.64
Effia SEM Roubaix	FRANCE	JV	50.00	34.85	50.00	34.82
Effia Stationnement Cassis	FRANCE	FC	100.00	69.69	0	0
Effia Stationnement et Mobilité	FRANCE	FC	100.00	69.69	100.00	69.64
EFFIA Stationnement Grenoble	FRANCE	FC	100.00	69.69	100.00	69.64
Effia stationnement Lille	FRANCE	FC	100.00	69.69	100.00	69.64
Effia stationnement Lyon	FRANCE	FC	100.00	69.69	100.00	69.64
Effia Stationnement Saint-Etienne	FRANCE	FC	100.00	69.69	100.00	69.64
EFFIA Synergies	FRANCE	FC	100.00	69.69	100.00	69.64
Effia Transport	FRANCE	FC	100.00	69.69	100.00	69.64
Eltebe	BELGIUM	FC	100.00	69.69	100.00	69.64
Enlèvement et Gardiennage Services	FRANCE	FC	100.00	69.69	0	0
Entreprise Charles Caron	FRANCE	FC	100.00	69.69	100.00	69.64
Etablissement Abu Dhabi	UNITED ARAB EMIRATES	FC	100.00	69.69	0	0
Eurobus Holding	BELGIUM	FC	100.00	69.69	100.00	69.64
Eurobussing Airport	BELGIUM	FC	100.00	69.69	100.00	69.64
Eurobussing Brussels	BELGIUM	FC	100.00	69.69	100.00	69.64
Eurobussing Wallonie	BELGIUM	FC	100.00	69.69	100.00	69.64
First / Keolis Holdings Limited	UNITED KINGDOM	JV	45.00	31.36	45.00	31.34
First / Keolis Transpennine	UNITED KINGDOM	JV	45.00	31.36	45.00	31.34
First / Keolis Transpennine Holding Ltd	UNITED KINGDOM	JV	45.00	31.36	45.00	31.34
Flanders Bus	BELGIUM	FC	100.00	69.69	100.00	69.64
Garage du Perron	BELGIUM	FC	100.00	69.69	100.00	69.64
Garrel et Navarre	FRANCE	FC	100.00	69.69	100.00	69.64
Gep Vidal	FRANCE	FC	100.00	69.69	100.00	69.64
Gino Tours	BELGIUM	FC	100.00	69.69	100.00	69.64
Govia	UNITED KINGDOM	JV	35.00	24.39	35.00	24.38
Govia Thameslink Railway Limited	UNITED KINGDOM	JV	35.00	24.39	0	0

Groupe Keolis SAS	FRANCE	FC	69.69	69.69	69.64	69.64
Groupe Orleans Express	CANADA	F	0	0	100.00	69.64
Heyerick	BELGIUM	FC	100.00	69.69	100.00	69.64
Holding Striebig	FRANCE	FC	100.00	69.69	0	0
Institut Keolis	FRANCE	FC	100.00	69.69	100.00	69.64
Interhone	FRANCE	FC	100.00	69.69	100.00	69.64
Intrabus Orly	FRANCE	FC	100.00	69.69	100.00	69.64
Joye	BELGIUM	FC	100.00	69.69	100.00	69.64
KBO	BELGIUM	FC	100.00	69.69	0	0
KDR Gold Coast PTY LTD	AUSTRALIA	FC	100.00	35.54	51.00	35.52
KDR Victoria Pty Ltd	AUSTRALIA	FC	100.00	35.54	51.00	35.52
Keolis	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Abbeville	FRANCE	FC	99.02	69.01	99.02	68.96
Keolis Agen	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Aix Les Bains	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Alençon	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis America Inc.	UNITED STATES	FC	100.00	69.69	100.00	69.64
Keolis Amiens	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Angers	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Arles	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Armor	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Arras	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Artois	FRANCE	FC	99.99	69.69	99.99	69.64
Keolis Atlantique	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Auch	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Aude	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Australie Pty	AUSTRALIA	FC	100.00	69.69	100.00	69.64
Keolis Baie des Anges	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Bassin de Pompey	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Besançon	FRANCE	FC	99.96	69.67	99.96	69.62
Keolis Blois	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Bordeaux	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Bordeaux Métropole	FRANCE	FC	100.00	69.69	0	0
Keolis Boulogne sur Mer	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Bourgogne	FRANCE	FC	99.00	69.00	99.00	68.95
Keolis Brest	FRANCE	FC	100.00	69.69	100.00	69.64
KEOLIS BUS VERTS	FRANCE	FC	100.00	69.69	0	0
Keolis Caen	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Cahors	FRANCE	F	0	0	100.00	69.64
Keolis Calvados	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Camargue	FRANCE	FC	99.97	69.67	99.97	69.63
Keolis Canada Inc	CANADA	FC	100.00	69.69	100.00	69.64
Keolis Centre	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Chalons-en-Champagne	FRANCE	FC	99.24	69.17	99.24	69.12
Keolis Charente Maritime	FRANCE	FC	99.94	69.66	99.94	69.61
Keolis Château Thierry	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Chateauroux	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Châtelleraut	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Chaumont	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Chauny - Tergnier	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Cherbourg	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Commutter Services LLC	UNITED STATES	FC	100.00	81.82	0	0
Keolis Concarneau	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Conseil et Projets	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Côte d'Azur	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Danmark	DENMARK	FC	75.00	52.27	100.00	69.64
Keolis Deutschland Berlin	GERMANY	FC	100.00	69.69	100.00	69.64
Keolis Deutschland COKG	GERMANY	FC	100.00	69.69	100.00	69.64
Keolis Deutschland Verwaltung	GERMANY	FC	100.00	69.69	100.00	69.64
Keolis Dijon	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Downer	AUSTRALIA	FC	51.00	35.54	0	0
Keolis Drôme Ardèche	FRANCE	FC	100.00	69.69	100.00	69.64

Keolis Drouais	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Emeraude	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis en Cévennes	FRANCE	FC	99.19	69.13	99.19	69.08
Keolis Epinal	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Espagne	SPAIN	FC	100.00	69.69	100.00	69.64
Keolis Eure	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Eure et Loir	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Garonne	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Gascogne	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Gironde (formerly SNCOA)	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Grand River L.P	CANADA	FC	100.00	69.69	0	0
Keolis Grand Tarbes	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Hyderabad Mass Rapid Transit System Private Limited	INDIA	FC	100.00	69.69	100.00	69.64
Keolis Ille et Vilaine	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Languedoc	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Laval	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Lille	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Littoral	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Lorient	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Lyon	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Manche	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Maritime	FRANCE	FC	99.00	69.00	99.00	68.95
Keolis Maritime Brest	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Marmande	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Mobilité Hauts de Seine	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Mobilité Roissy	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Montargis	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Montélimar	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Montluçon	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Morlaix	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Multimodal International	FRANCE	F	0	0	100.00	69.64
Keolis Narbonne	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Nederland Holding	NETHERLANDS	FC	100.00	69.69	100.00	69.64
Keolis Nevers	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Nord Allier	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Nordic	SWEDEN	FC	100.00	69.69	100.00	69.64
Keolis Norge AS	NORWAY	FC	100.00	69.69	51.00	35.52
Keolis Obernai	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Oise	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Orléans	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Oyonnax	FRANCE	FC	100.00	69.69	100.00	69.64
KEOLIS PAYS D'AIX	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Pays de Montbéliard	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Pays des Volcans	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Pays Nancéien	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Pays Normands	FRANCE	FC	100.00	69.69	100.00	69.64
KEOLIS PMR RHONE	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Pyrénées	FRANCE	FC	95.16	66.32	95.16	66.27
Keolis Quimper	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Rail Service America	UNITED STATES	FC	100.00	69.69	100.00	69.64
Keolis Rail Service Virginia	UNITED STATES	FC	100.00	69.69	100.00	69.64
Keolis Rennes	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Réseau Départemental Sud Oise	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Rouen Vallée de Seine	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Saint Malo	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Saintes	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Seine Maritime	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Somme	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Sud Allier	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Sud Lorraine	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Sverige	SWEDEN	FC	100.00	69.69	100.00	69.64

Keolis Touraine	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Tours	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Transit America	UNITED STATES	FC	100.00	69.69	100.00	69.64
Keolis Travel Services	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Trois Frontières	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis UK	UNITED KINGDOM	FC	100.00	69.69	100.00	69.64
Keolis Urbest	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Val d' Oise	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Val de Maine	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Val de Saone	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Val Hainaut	FRANCE	FC	96.32	67.13	96.32	67.08
Keolis Vesoul	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Vichy	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Vlaanderen	BELGIUM	FC	100.00	69.69	100.00	69.64
Keolis Voyages	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis Yvelines	FRANCE	FC	100.00	69.69	100.00	69.64
Keolis-Arney Docklands Ltd	UNITED KINGDOM	FC	70.00	48.79	0	0
Kibel	BELGIUM	FC	100.00	69.69	100.00	69.64
Kilux	LUXEMBOURG	FC	100.00	69.69	100.00	69.64
KTA	FRANCE	FC	100.00	69.69	100.00	69.64
L.I.M. Collard-Lambert	BELGIUM	FC	100.00	69.69	100.00	69.64
Le Cinacien	BELGIUM	FC	100.00	69.69	100.00	69.64
Les Autobus d'Arcachon	FRANCE	FC	100.00	69.69	100.00	69.64
Les Cars du Bassin de Thau	FRANCE	FC	100.00	69.69	100.00	69.64
Les cars Roannais	FRANCE	FC	100.00	69.69	100.00	69.64
Les Courriers Catalans	FRANCE	FC	100.00	69.69	100.00	69.64
Les Courriers d' Ile de France	FRANCE	FC	99.99	69.69	99.99	69.64
Les Courriers Du Midi	FRANCE	FC	100.00	69.69	100.00	69.64
Les Transports Dunois	FRANCE	FC	100.00	69.69	100.00	69.64
Loisirs et Voyages	FRANCE	FC	100.00	69.69	100.00	69.64
London Midland	UNITED KINGDOM	JV	35.00	24.39	35.00	24.38
London&South Eastern Railway - LSER	UNITED KINGDOM	JV	35.00	24.39	35.00	24.38
Luxbus	LUXEMBOURG	FC	100.00	69.69	100.00	69.64
Millau Cars	FRANCE	FC	100.00	69.69	100.00	69.64
Monnet Tourisme	FRANCE	FC	100.00	69.69	100.00	69.64
Monts Jura Autocars	FRANCE	FC	100.00	69.69	100.00	69.64
MTI Conseil	FRANCE	FC	100.00	69.69	100.00	69.64
N.V. Autobusbedrijf Bronckaers	BELGIUM	FC	100.00	69.69	100.00	69.64
N.V. Autobussen De Reys	BELGIUM	FC	100.00	69.69	100.00	69.64
Netlog	GERMANY	SI	33.00	23.00	33.00	22.98
New Southern Railway	UNITED KINGDOM	JV	35.00	24.39	35.00	24.38
Nottingham Trams Ltd	UNITED KINGDOM	FC	80.00	55.75	80.00	55.72
NV Aotocars De Boeck	BELGIUM	FC	100.00	69.69	100.00	69.64
Orgebus	FRANCE	JV	50.00	34.85	50.00	34.82
Pacific Car	FRANCE	FC	100.00	69.69	100.00	69.64
Passerelle CDG	FRANCE	SI	34.00	23.70	34.00	23.68
Picavet	BELGIUM	FC	100.00	69.69	0	0
Pirnay	BELGIUM	FC	100.00	69.69	100.00	69.64
Prioris	FRANCE	FC	66.00	46.00	66.00	45.97
Prometro	PORTUGAL	SI	20.00	13.94	20.00	13.93
Ramoudt Tours	BELGIUM	FC	100.00	69.69	100.00	69.64
Reniers & C°	BELGIUM	FC	50.03	34.86	50.03	34.84
Réseau en Vosges	FRANCE	FC	70.00	48.79	70.00	48.75
S.A.D.A.R.	BELGIUM	FC	100.00	69.69	100.00	69.64
S.T.2.L. Westeel	FRANCE	FC	100.00	69.69	100.00	69.64
S.T.A. Chauny	FRANCE	JV	50.00	34.85	50.00	34.82
S.T.E.F.I.M.	FRANCE	FC	100.00	69.69	100.00	69.64
SA ABC Cars	BELGIUM	FC	100.00	69.69	100.00	69.64
SA Sap Drogoul	FRANCE	FC	100.00	69.69	100.00	69.64
SAP Cariane Provence	FRANCE	FC	100.00	69.69	99.87	69.55
Satracom	BELGIUM	FC	100.00	69.69	100.00	69.64
SCAC	FRANCE	FC	100.00	69.69	100.00	69.64

SCAC Bagnis	FRANCE	FC	51.00	35.54	51.00	35.52
Scodec	FRANCE	SI	35.00	24.39	35.00	24.38
SEA Albert-Picardie	FRANCE	FC	51.00	35.54	50.94	35.48
Setver	FRANCE	FC	100.00	69.69	100.00	69.64
SFD	FRANCE	FC	100.00	69.69	100.00	69.64
Shangai Keolis Public Transport operation Management Co.	CHINA	SI	49.00	34.15	0	0
Société Bordelaise d'Exploitation de Services	FRANCE	FC	100.00	69.69	0	0
Société de Promotion et d'Exploitation de Parkings	FRANCE	JV	49.97	34.82	49.97	34.80
Société d'Exploitation de l'Aéroport Dole Jura	FRANCE	FC	51.00	35.54	51.00	35.52
Société du Parc Lyon-Diderot	FRANCE	FC	50.00	34.85	50.00	34.82
Société Nantaise de Fourrière Automobile	FRANCE	FC	100.00	69.69	100.00	69.64
Sodetrav	FRANCE	FC	95.08	66.26	95.07	66.21
SOMAP	FRANCE	FC	100.00	69.69	100.00	69.64
Sophibus	BELGIUM	FC	100.00	69.69	100.00	69.64
Southern Railway Ltd	UNITED KINGDOM	JV	35.00	24.39	35.00	24.38
SPRL Bertrand	BELGIUM	FC	100.00	69.69	100.00	69.64
SPRL Taxis Melkior	BELGIUM	FC	100.00	69.69	100.00	69.64
SPRL Truck Bus Repair	BELGIUM	FC	100.00	69.69	100.00	69.64
SPRL Voyages F. Lenoir	BELGIUM	FC	100.00	69.69	100.00	69.64
STA	FRANCE	FC	100.00	69.69	100.00	69.64
STA Creilloise	FRANCE	FC	100.00	69.69	100.00	69.64
STACA	BELGIUM	FC	100.00	69.69	0	0
STCAR	FRANCE	FC	100.00	69.69	100.00	69.64
Sté des tpts urbains d'Oyonnax	FRANCE	FC	100.00	69.69	100.00	69.64
Sté Rennaise Tpts et Services	FRANCE	FC	100.00	69.69	100.00	69.64
Sté Tpts Commun Nimois	FRANCE	FC	100.00	69.69	100.00	69.64
Sté Tpts Robert	FRANCE	FC	100.00	69.69	100.00	69.64
Sté Transports Services Aéroportuaires	FRANCE	FC	100.00	69.69	100.00	69.64
Strasb. d'Enlèv. et de Gard.	FRANCE	FC	100.00	69.69	100.00	69.64
Striebig Deutschland	GERMANY	FC	100.00	69.69	0	0
SVTU	FRANCE	FC	100.00	69.69	100.00	69.64
Syntus	NETHERLANDS	FC	100.00	69.69	100.00	69.64
T.C.M. Cars	BELGIUM	FC	100.00	69.69	100.00	69.64
T.I.C.E.	FRANCE	SI	19.00	13.24	19.00	13.23
Thameslink Rail Limited	UNITED KINGDOM	JV	35.00	24.39	35.00	24.38
TPR	FRANCE	FC	100.00	69.69	100.00	69.64
Tpt de la Brière	FRANCE	FC	60.00	41.82	60.00	41.79
Tpts Evrard	FRANCE	FC	100.00	69.69	100.00	69.64
Train Bleu St Marcellin	FRANCE	FC	100.00	69.69	100.00	69.64
Trans Pistes	FRANCE	JV	40.00	27.88	40.00	27.86
Trans Val de Lys	FRANCE	FC	100.00	69.69	100.00	69.64
Transetude	FRANCE	FC	100.00	69.69	100.00	69.64
Transévry	FRANCE	JV	39.43	27.48	39.43	27.46
Transports de l'agglomération de Metz Métropole	FRANCE	SI	40.00	32.42	40.00	32.41
Transports Penning	BELGIUM	FC	100.00	69.69	100.00	69.64
Transroissy	FRANCE	FC	100.00	69.69	100.00	69.64
Trimi	BELGIUM	FC	100.00	69.69	100.00	69.64
Var Tour	FRANCE	FC	99.45	65.90	99.45	65.85
Voyages Autocars Services	FRANCE	FC	100.00	69.69	100.00	69.64
Voyages Chargelègue	FRANCE	FC	100.00	69.69	100.00	69.64
Voyages Doppagne	BELGIUM	FC	100.00	69.69	0	0
Voyages Dourlens	FRANCE	FC	100.00	69.69	100.00	69.64
Voyages MONNET	FRANCE	FC	100.00	69.69	100.00	69.64
Voyages Nicolay	BELGIUM	FC	100.00	69.69	100.00	69.64
VTS Roissy	FRANCE	FC	100.00	69.69	100.00	69.64
West Belgium Coach Company	BELGIUM	FC	100.00	69.69	100.00	69.64
Westhoek	BELGIUM	F	0	0	100.00	69.64
Wuhan tianhe airport transport center operation and management co. LTD	CHINA	SI	40.00	27.88	0	0
<b>SNCF Infrastructure</b>						
EURAILSCOUT France	FRANCE	JV	51.32	51.32	51.32	51.32



Europool BV	NETHERLANDS	JV	50.00	50.00	50.00	50.00
SFERIS	FRANCE	FC	100.00	100.00	100.00	100.00
<b>Groupe SYSTRA</b>						
Canarail consultant	CANADA	SI	38.00	38.00	38.00	38.00
Consulcio Consultor Systra / Cade Idepe / Geoconsult	CHILE	NC	0	0	16.77	16.77
Foncière du Coq	FRANCE	NC	0	0	41.92	41.92
GIE COSEA	FRANCE	SI	0.42	0.42	0	0
MVA Asia	HONG KONG	SI	41.92	41.92	41.92	41.92
MVA Beijing	CHINA	SI	20.96	20.96	20.96	20.96
MVA Consultancy Limited	UNITED KINGDOM	SI	41.92	41.92	41.92	41.92
MVA Consulting Group	UNITED KINGDOM	SI	41.92	41.92	41.92	41.92
MVA Hong Kong Limited	HONG KONG	SI	41.92	41.92	41.92	41.92
MVA Shenzen	CHINA	SI	41.92	41.92	41.92	41.92
MVA Singapour	SINGAPORE	SI	41.92	41.92	41.92	41.92
MVA Thaïlande	THAILAND	SI	41.91	41.91	41.91	41.91
MVA W	HONG KONG	SI	41.92	41.92	0	0
RWPM Saudi Arabia	SAUDI ARABIA	SI	18.24	17.29	18.24	17.29
SAI	INDIA	SI	27.25	27.25	0	0
SAS DPR COSEA	FRANCE	SI	0.42	0.42	0.42	0.42
SAS MESEA	FRANCE	SI	12.58	12.58	12.58	12.58
SEP Ambarès	FRANCE	SI	0.47	0.47	0.47	0.47
SEP SGC	FRANCE	SI	18.44	18.44	18.44	18.44
SEP SGE	FRANCE	SI	5.45	5.45	5.45	5.45
SEP SGS - DP/BT	FRANCE	SI	12.03	12.03	12.03	12.03
SEP SGST	FRANCE	SI	20.96	20.96	20.96	20.96
SNSR-PMA JV Saudi Arabia	SAUDI ARABIA	SI	18.24	17.29	18.24	17.29
SOGET	UNITED STATES	SI	41.92	41.92	41.92	41.92
Systra (Shangai) Consulting Co Ltd	CHINA	SI	41.92	41.92	41.92	41.92
Systra Algérie	ALGERIA	SI	41.78	41.78	41.78	41.78
Systra Asia Pacific Ltd	HONG KONG	SI	39.82	39.82	37.73	37.73
Systra Brasil	BRAZIL	SI	41.92	41.92	0	0
Systra Consulting	UNITED STATES	SI	41.92	41.92	41.92	41.92
Systra Foncier	FRANCE	SI	41.92	41.92	41.92	41.92
Systra Inc	UNITED STATES	SI	41.92	41.92	41.92	41.92
Systra India	INDIA	SI	41.92	41.92	41.92	41.92
Systra Korea Co., Ltd	SOUTH KOREA	SI	41.92	41.92	41.92	41.92
Systra Limited	UNITED KINGDOM	SI	41.92	41.92	41.92	41.92
Systra Maroc	MOROCCO	SI	41.84	41.84	41.84	41.84
Systra Philippines	PHILIPPINES	SI	27.64	27.64	27.64	27.64
Systra SA	FRANCE	SI	41.92	41.92	41.92	41.92
Systra Sotecni SpA	ITALY	SI	41.92	41.92	41.92	41.92
SYSTRACADE	CHILE	SI	20.96	20.96	20.96	20.96
<b>SNCF Logistics (formerly SNCF Geodis)</b>						
A.A.T.	FRANCE	FC	100.00	96.04	100.00	96.04
AFA	ITALY	JV	50.00	50.00	50.00	50.00
Akidis	FRANCE	JV	50.01	48.03	50.01	48.03
AKIEM	FRANCE	FC	100.00	100.00	100.00	100.00
Akiem Maroc	MOROCCO	FC	100.00	100.00	100.00	100.00
Alpes Maritimes Express	FRANCE	FC	100.00	100.00	100.00	100.00
Arca	FRANCE	FC	100.00	100.00	100.00	100.00
Artois Express	FRANCE	FC	49.90	49.90	49.90	49.90
Ateliers d'Orval	FRANCE	FC	100.00	100.00	100.00	100.00
Autotrasporti Ribì	ITALY	NC	0	0	100.00	100.00
Aveyron Express	FRANCE	FC	100.00	100.00	100.00	100.00
Avirail	FRANCE	FC	51.00	51.00	51.00	51.00
Avirail Italia	ITALY	SI	49.00	49.00	49.00	49.00
Banz Geodis Wilson WLL Bahreïn	BAHRAIN	JV	50.00	50.00	0	0
Barbour European Ltd	UNITED KINGDOM	FC	100.00	100.00	100.00	100.00
Batrans	FRANCE	FC	100.00	96.04	100.00	96.04
BCB	GERMANY	FC	100.00	100.00	100.00	100.00
BEnga	ROMANIA	FC	51.00	48.98	51.00	48.98

Blazy	FRANCE	FC	100.00	100.00	100.00	100.00
BM Chimie Grenoble (formerly Geodis Theta)	FRANCE	FC	100.00	100.00	100.00	100.00
BM Chimie Lacq (formerly Geodis Trepoda)	FRANCE	FC	100.00	100.00	100.00	100.00
BM Chimie Lillebonne	FRANCE	FC	100.00	100.00	100.00	100.00
BM Chimie Martigues	FRANCE	FC	100.00	100.00	100.00	100.00
BM Chimie Metz	FRANCE	FC	100.00	100.00	100.00	100.00
BM Chimie Sens	FRANCE	FC	100.00	100.00	100.00	100.00
BM Chimie Villers Saint Paul	FRANCE	FC	100.00	100.00	100.00	100.00
BM Multimodal (Geodis)	FRANCE	FC	100.00	100.00	100.00	100.00
BM Services	FRANCE	FC	100.00	100.00	100.00	100.00
BM Sidérurgie Lorraine (formerly Giraud Lorraine)	FRANCE	FC	100.00	100.00	100.00	100.00
BM Virolle	FRANCE	SI	35.50	35.50	35.50	35.50
Bouches du Rhône Express	FRANCE	FC	100.00	100.00	100.00	100.00
Bourgey Montreuil (Holding)	FRANCE	FC	100.00	100.00	100.00	100.00
Bourgey Montreuil Alsace	FRANCE	FC	100.00	100.00	100.00	100.00
Bourgey Montreuil Aquitaine (formerly Telf Lamaysouette)	FRANCE	FC	100.00	100.00	100.00	100.00
Bourgey Montreuil Atlantique (formerly Transport Huet)	FRANCE	FC	100.00	100.00	99.97	99.97
Bourgey Montreuil Auvergne	FRANCE	FC	100.00	100.00	100.00	100.00
Bourgey Montreuil Champagne Bourgogne	FRANCE	FC	100.00	100.00	100.00	100.00
Bourgey Montreuil Deutschland	GERMANY	FC	100.00	100.00	100.00	100.00
Bourgey Montreuil Equipement 1	FRANCE	FC	100.00	100.00	100.00	100.00
Bourgey Montreuil Equipement 2	FRANCE	FC	100.00	100.00	100.00	100.00
Bourgey Montreuil Equipement 3	FRANCE	FC	100.00	100.00	100.00	100.00
Bourgey Montreuil Francilienne	FRANCE	FC	100.00	100.00	100.00	100.00
Bourgey Montreuil Italia	ITALY	FC	100.00	100.00	99.75	99.75
Bourgey Montreuil Limousin (formerly SMC)	FRANCE	FC	100.00	100.00	100.00	100.00
Bourgey Montreuil Lorraine (formerly Sotrameuse)	FRANCE	FC	100.00	100.00	100.00	100.00
Bourgey Montreuil Nord (formerly Transnord)	FRANCE	FC	100.00	100.00	100.00	100.00
Bourgey Montreuil Normandie	FRANCE	FC	100.00	100.00	100.00	100.00
Bourgey Montreuil Presse (formerly Beugniet)	FRANCE	FC	100.00	100.00	100.00	100.00
Bourgey Montreuil Provence	FRANCE	FC	100.00	100.00	100.00	100.00
Bourgey Montreuil Rhône-Alpes (formerly Foissin)	FRANCE	FC	100.00	100.00	100.00	100.00
Bourgey Montreuil Savoie (formerly BM Route)	FRANCE	FC	100.00	100.00	100.00	100.00
Burger Feron (formerly Geodis Ricoba)	FRANCE	FC	51.00	51.00	51.00	51.00
C.A.A.T.	FRANCE	FC	100.00	96.04	100.00	96.04
CADEFER	SPAIN	SI	20.00	20.00	20.00	20.00
Calberson Alsace	FRANCE	FC	100.00	99.99	100.00	99.99
Calberson Armorique	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Auvergne	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Bretagne	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Croatia - 4PL	CROATIA	FC	100.00	100.00	100.00	100.00
Calberson Equipement	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Eure et Loir	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Europe Ile-de-France	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson GE	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Grèce	GREECE	FC	52.00	52.00	52.00	52.00
Calberson Ile de France	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson International	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Loiret	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Lorraine	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Méditerranée	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Moselle	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Normandie	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Oise	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Paris	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Paris Europe	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Picardie	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Rhône Alpes	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Romania (devise RON) - 4PL	ROMANIA	FC	100.00	100.00	100.00	100.00
Calberson Romania SA	ROMANIA	FC	100.00	100.00	100.00	100.00
Calberson Roussillon	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson SAS	FRANCE	FC	100.00	100.00	100.00	100.00

Calberson Seine et Marne	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Sud-Ouest	FRANCE	FC	100.00	100.00	100.00	100.00
Calberson Yvelines	FRANCE	FC	100.00	100.00	100.00	100.00
Calvados Express	FRANCE	FC	100.00	100.00	100.00	100.00
Cap Train Deutschland	GERMANY	FC	100.00	100.00	100.00	100.00
Cap Train Italia	ITALY	FC	100.00	100.00	100.00	100.00
Cap Train UK	UNITED KINGDOM	FC	100.00	100.00	100.00	100.00
CapTrain Romania	ROMANIA	FC	100.00	100.00	100.00	100.00
Captrain Belgium SA/NV	BELGIUM	FC	100.00	100.00	100.00	100.00
Captrain Danemark	DENMARK	FC	100.00	100.00	100.00	100.00
Captrain Netherlands B.V.	NETHERLANDS	FC	100.00	100.00	100.00	100.00
Captrain Sweden	SWEDEN	FC	100.00	100.00	100.00	100.00
Car & Commercial	UNITED KINGDOM	FC	100.00	96.04	100.00	96.04
Car & Commercial deliveries	UNITED KINGDOM	FC	100.00	96.04	100.00	96.04
Car & Commercial land	UNITED KINGDOM	FC	100.00	96.04	100.00	96.04
Cargo Docks	ITALY	FC	100.00	100.00	100.00	100.00
Cargo Link AB	SWEDEN	FC	93.89	93.89	93.89	93.89
CferJ	FRANCE	FC	100.00	100.00	100.00	100.00
Challenge International SA	FRANCE	FC	100.00	100.00	100.00	100.00
Challenge International Belgium	BELGIUM	FC	99.98	99.98	99.98	99.98
Chaveneau Bernis Transport	FRANCE	FC	99.98	72.40	99.98	72.40
Chemfreight (Rail Cargo Logistics)	AUSTRIA	JV	34.00	34.00	34.00	34.00
Ciblex Financière	FRANCE	NC	0	0	100.00	100.00
Cical	FRANCE	SI	49.98	49.98	49.98	49.98
Cofital	FRANCE	FC	100.00	96.04	100.00	96.04
Combined Logistics (Hong Kong) Limited	CHINA	FC	100.00	100.00	100.00	100.00
Combined Logistics Shanghai Ltd	CHINA	FC	100.00	100.00	100.00	100.00
Compagnie des Conteneurs Réservoirs	FRANCE	FC	99.97	99.97	99.97	99.97
Compagnie Modalohr Express Holding	FRANCE	FC	100.00	100.00	50.98	50.98
COMSA Rail Transport	SPAIN	SI	25.00	25.00	25.00	25.00
Container Finance Company 2 LTD	IRELAND	FC	100.00	100.00	100.00	100.00
CTC	FRANCE	FC	100.00	100.00	100.00	100.00
DE	GERMANY	FC	65.00	65.00	65.00	65.00
Dusolier Calberson	FRANCE	FC	99.94	99.94	99.94	99.94
Ecorail	FRANCE	FC	100.00	100.00	100.00	100.00
Ecorail Transport	FRANCE	FC	100.00	100.00	0	0
ECT	GERMANY	FC	100.00	86.44	100.00	71.07
Egerland France	FRANCE	FC	100.00	91.33	100.00	83.80
Egerland Lease	GERMANY	FC	100.00	86.44	100.00	19.20
Egerland Sud	GERMANY	FC	100.00	86.44	100.00	71.07
ERMAGRI	FRANCE	FC	100.00	100.00	0	0
Ermechem	FRANCE	FC	100.00	100.00	100.00	100.00
Ermefret Berlin	GERMANY	FC	100.00	100.00	100.00	100.00
Ermewa (Berlin)	GERMANY	FC	100.00	100.00	100.00	100.00
Ermewa (Geneva)	SWITZERLAND	FC	100.00	100.00	100.00	100.00
Ermewa (Paris)	FRANCE	FC	100.00	100.00	100.00	100.00
Ermewa Ferroviaire	FRANCE	FC	100.00	100.00	100.00	100.00
Ermewa Ferroviaire (SWITZERLAND)	SWITZERLAND	FC	100.00	100.00	100.00	100.00
Ermewa Holding	FRANCE	FC	100.00	100.00	100.00	100.00
Ermewa Iberica	SPAIN	FC	100.00	100.00	100.00	100.00
Ermewa Intermodal	FRANCE	FC	100.00	100.00	100.00	100.00
Ermewa Intermodal (SWITZERLAND)	SWITZERLAND	FC	100.00	100.00	100.00	100.00
Ermewa Interservices	FRANCE	FC	100.00	100.00	100.00	100.00
Ermewa investissements	FRANCE	FC	51.02	51.02	51.03	51.03
Ermewa Italia	ITALY	FC	100.00	100.00	100.00	100.00
Europe intermodal Holding	FRANCE	FC	100.00	100.00	100.00	100.00
Eurotainer Asie	SINGAPORE	FC	100.00	100.00	100.00	100.00
Eurotainer Australia	AUSTRALIA	FC	100.00	100.00	100.00	100.00
Eurotainer Brasil	BRAZIL	FC	100.00	100.00	100.00	100.00
Eurotainer Inc	UNITED STATES	FC	100.00	100.00	100.00	100.00
Eurotainer SAS	FRANCE	FC	100.00	100.00	100.00	100.00
Eurotainer Shanghai	CHINA	FC	100.00	100.00	100.00	100.00

EVS	FRANCE	FC	65.60	65.60	65.60	65.60
Exceed AB	SWEDEN	FC	100.00	100.00	100.00	100.00
Exceed Denmark A/S	DENMARK	FC	100.00	100.00	100.00	100.00
Exceed Sweden AB	SWEDEN	FC	100.00	100.00	100.00	100.00
Férifos	FRANCE	FC	100.00	100.00	100.00	100.00
Ferrus Immo	FRANCE	FC	100.00	96.04	100.00	96.04
Financière Ermewa	SWITZERLAND	NC	0	0	100.00	100.00
Flandre Express	FRANCE	FC	100.00	100.00	100.00	100.00
Fortec Distribution Network Ltd	UNITED KINGDOM	FC	100.00	100.00	100.00	100.00
France Location Distribution	FRANCE	FC	100.00	100.00	100.00	100.00
France Toupie Location	FRANCE	FC	100.00	100.00	100.00	100.00
Froidcombi	FRANCE	JV	49.00	49.00	49.00	49.00
FVE	GERMANY	FC	100.00	100.00	100.00	100.00
Geodis Automotive	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Automotive Est	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Automotive Nord	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis BM Germany GMBH	GERMANY	FC	100.00	100.00	100.00	100.00
Geodis BM Iberica	SPAIN	FC	100.00	100.00	100.00	100.00
Geodis BM Netherlands BV	NETHERLANDS	FC	100.00	100.00	100.00	100.00
Geodis BM Portugal	PORTUGAL	FC	100.00	100.00	100.00	100.00
Geodis BM Réseau	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Brock	NEW CALEDONIA	FC	99.85	99.85	99.85	99.85
Geodis Calberson Finland Oy	FINLAND	FC	100.00	100.00	100.00	100.00
Geodis Calberson Aquitaine	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Calberson Belgium	BELGIUM	FC	100.00	100.00	100.00	100.00
Geodis Calberson Bosphorus Lojistik A.S.	TURKEY	FC	100.00	100.00	100.00	100.00
Geodis Calberson Hungaria 4PL	HUNGARY	FC	100.00	100.00	100.00	100.00
Geodis Calberson Hungaria Kft	HUNGARY	FC	100.00	100.00	100.00	100.00
Geodis Calberson Lille Europe	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Calberson Paris Normandie	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Calberson Polska	POLAND	FC	100.00	100.00	100.00	100.00
Geodis Calberson Polska SP zoo 4PL	POLAND	FC	100.00	100.00	100.00	100.00
Geodis Calberson RUS	RUSSIAN FEDERATION	FC	100.00	100.00	100.00	100.00
Geodis Calberson Russia 3PL	RUSSIAN FEDERATION	FC	100.00	100.00	100.00	100.00
Geodis Calberson s.r.o.	CZECH REPUBLIC	FC	100.00	100.00	100.00	100.00
Geodis Calberson s.r.o. 4PL	CZECH REPUBLIC	FC	100.00	100.00	100.00	100.00
Geodis Calberson Slovensko 4PL	SLOVAKIA (Slovak Republic)	FC	100.00	100.00	100.00	100.00
Geodis Calberson Slovensko s.r.o.	SLOVAKIA (Slovak Republic)	FC	100.00	100.00	100.00	100.00
Geodis Calberson Valenciennes	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Ciblex	FRANCE	NC	0	0	100.00	100.00
Geodis Ciblex Belgium	BELGIUM	NC	0	0	100.00	100.00
Geodis Ciblex Netherlands	NETHERLANDS	NC	0	0	100.00	100.00
Geodis Division Messagerie Services	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Euromatic Logistics	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Freight Forwarding	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Gestion Immobilière	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Global Lojistik Hizmetler	TURKEY	FC	100.00	100.00	100.00	100.00
Geodis Global Solution Ireland	IRELAND	FC	100.00	100.00	100.00	100.00
Geodis Global Solution Israel	ISRAEL	FC	100.00	100.00	100.00	100.00
Geodis Global Solutions Argentina	ARGENTINA	FC	100.00	100.00	100.00	100.00
Geodis Global Solutions Argentina (Ecuador)	ECUADOR	FC	100.00	100.00	100.00	100.00
Geodis Global Solutions Argentina (Uruguay)	URUGUAY	FC	100.00	100.00	100.00	100.00
Geodis Global Solutions Australia	AUSTRALIA	FC	100.00	100.00	100.00	100.00
Geodis Global Solutions Austria	AUSTRIA	FC	100.00	100.00	100.00	100.00
Geodis Global Solutions Belgium NV	BELGIUM	FC	100.00	100.00	100.00	100.00
Geodis Global Solutions Canada	CANADA	FC	100.00	100.00	100.00	100.00
Geodis Global Solutions Colombia	COLOMBIA	FC	100.00	100.00	100.00	100.00
Geodis Global Solutions Germany	GERMANY	FC	100.00	100.00	100.00	100.00

Geodis Global Solutions Italy	ITALY	FC	100.00	100.00	100.00	100.00
Geodis Global Solutions Mexico	MEXICO	FC	100.00	100.00	100.00	100.00
Geodis Global Solutions Philippines	PHILIPPINES	FC	100.00	100.00	100.00	100.00
Geodis Global Solutions Spain	SPAIN	FC	100.00	100.00	100.00	100.00
Geodis Global Solutions Switzerland	SWITZERLAND	FC	100.00	100.00	100.00	100.00
Geodis Global Solutions UK	UNITED KINGDOM	FC	100.00	100.00	100.00	100.00
Geodis Global Solutions USA Inc	UNITED STATES	FC	100.00	100.00	100.00	100.00
Geodis Global Solutions Venezuela	VENEZUELA	FC	100.00	100.00	100.00	100.00
Geodis Holding BV	NETHERLANDS	FC	100.00	100.00	100.00	100.00
Geodis Holding Italia	ITALY	FC	100.00	100.00	100.00	100.00
Geodis Holding Japan	JAPAN	FC	100.00	100.00	100.00	100.00
Geodis Iberia Holding	SPAIN	FC	100.00	100.00	100.00	100.00
Geodis Ile-de-France Service	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Immobiliare Italia	ITALY	NC	0	0	100.00	100.00
Geodis International	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Interservices	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Ireland Ltd	IRELAND	FC	100.00	100.00	100.00	100.00
Geodis Logistica do Brasil Ltda	BRAZIL	FC	100.00	100.00	100.00	100.00
Geodis Logistics	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Logistics Almere BV	NETHERLANDS	FC	100.00	100.00	100.00	100.00
Geodis Logistics Belgium NV	BELGIUM	FC	100.00	100.00	100.00	100.00
Geodis Logistics Deutschland GmbH	GERMANY	FC	100.00	100.00	100.00	100.00
Geodis Logistics Europarts	FRANCE	NC	0	0	100.00	100.00
Geodis Logistics Ile-de-France	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Logistics Maroc	MOROCCO	FC	99.99	99.99	99.99	99.98
Geodis Logistics Netherlands BV	NETHERLANDS	FC	100.00	100.00	100.00	100.00
Geodis Logistics Nord	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Logistics Ouest	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Logistics Rhône-Alpes	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Logistics S.P.A.	ITALY	FC	100.00	100.00	100.00	100.00
Geodis Logistics Services	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Logistics Spain	SPAIN	FC	100.00	100.00	100.00	100.00
Geodis Logistics Sud	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Logistics Sud-Ouest	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Logistique Tunisie	TUNISIA	FC	100.00	50.00	100.00	50.00
Geodis Networks	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Networks 4PL	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Nova Logistics	BELGIUM	FC	60.00	60.00	60.00	60.00
Geodis Oil and Gaz	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Overseas Hong Kong - 4PL	HONG KONG	FC	100.00	100.00	100.00	100.00
Geodis Overseas Hong-Kong Ltd	HONG KONG	FC	100.00	100.00	100.00	100.00
Geodis Overseas India	INDIA	FC	100.00	100.00	100.00	100.00
Geodis Overseas international Forwarding - 4PL	CHINA	FC	100.00	100.00	100.00	100.00
Geodis Overseas International Freight Forwarding (Shenzhen) Co., Ltd	CHINA	FC	100.00	100.00	100.00	100.00
Geodis OverseasIndia - 4PL	INDIA	FC	100.00	100.00	100.00	100.00
Geodis Projets	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Projets Cameroun	CAMEROON	FC	100.00	100.00	100.00	100.00
Geodis Projets Niger	NIGER	FC	100.00	100.00	100.00	100.00
Geodis Projets Tchad	CHAD	FC	100.00	100.00	100.00	100.00
Geodis Rakotrans s.r.o	CZECH REPUBLIC	FC	52.00	52.00	52.00	52.00
Geodis SA	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis SCO	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis SCO Japan Co. Ltd.	JAPAN	FC	100.00	100.00	100.00	100.00
Geodis solucoesGlobais de Logistica do Brasil	BRAZIL	FC	100.00	100.00	100.00	100.00
Geodis Solutions	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Trans Slovakia s.r.o	SLOVAKIA (Slovak Republic)	FC	100.00	100.00	100.00	100.00
Geodis Tunisie	TUNISIA	FC	50.00	50.00	50.00	50.00
Geodis UK Ltd Logistique contractuelle	UNITED KINGDOM	FC	100.00	100.00	100.00	100.00
Geodis UK Ltd Messagerie	UNITED KINGDOM	FC	100.00	100.00	100.00	100.00
Geodis Wilson Argentina S.A.	ARGENTINA	FC	100.00	100.00	100.00	100.00

Geodis Wilson Australia Holdings Pty Ltd	AUSTRALIA	FC	100.00	100.00	100.00	100.00
Geodis Wilson Bangladesh Ltd	BANGLADESH	FC	100.00	100.00	100.00	100.00
Geodis Wilson Belgium N.V.	BELGIUM	FC	100.00	100.00	100.00	100.00
Geodis Wilson Canada Limited	CANADA	FC	100.00	100.00	100.00	100.00
Geodis Wilson Chile - 4PL	CHILE	FC	100.00	100.00	100.00	100.00
Geodis Wilson Chile Limitada	CHILE	FC	100.00	100.00	100.00	100.00
Geodis Wilson Chile S.A.	CHILE	FC	99.86	99.86	99.86	99.86
Geodis Wilson China Limited	CHINA	FC	100.00	100.00	100.00	100.00
Geodis Wilson Denmark - 4PL	DENMARK	FC	100.00	100.00	100.00	100.00
Geodis Wilson Denmark A/S	DENMARK	FC	100.00	100.00	100.00	100.00
Geodis Wilson Finland - 4PL	FINLAND	FC	100.00	100.00	100.00	100.00
Geodis Wilson Finland Oy	FINLAND	FC	100.00	100.00	100.00	100.00
Geodis Wilson Forwarding Services SDN BHD	MALAYSIA	FC	100.00	100.00	100.00	100.00
Geodis Wilson France	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Wilson Freight Management - 4PL	MALAYSIA	FC	100.00	100.00	100.00	100.00
Geodis Wilson Freight Management Holdings AB	SWEDEN	FC	100.00	100.00	100.00	100.00
Geodis Wilson Freight Management Sdn Bhd, Malaysia	MALAYSIA	FC	100.00	100.00	100.00	100.00
Geodis Wilson Germany GmbH & Co KG	GERMANY	FC	100.00	100.00	100.00	100.00
Geodis Wilson Holding AB	SWEDEN	FC	100.00	100.00	100.00	100.00
Geodis Wilson Hong Kong Ltd.	CHINA	FC	100.00	100.00	100.00	100.00
Geodis Wilson Indonesia - 4PL	INDONESIA	FC	100.00	100.00	100.00	100.00
Geodis Wilson International GmbH	GERMANY	FC	100.00	100.00	100.00	100.00
Geodis Wilson Italia Spa	ITALY	FC	100.00	100.00	100.00	100.00
Geodis Wilson Japan	JAPAN	FC	100.00	100.00	100.00	100.00
Geodis Wilson Korea - 4PL	REPUBLIC OF KOREA (South Korea)	FC	100.00	100.00	100.00	100.00
Geodis Wilson Korea Ltd	REPUBLIC OF KOREA (South Korea)	FC	100.00	100.00	100.00	100.00
Geodis Wilson Kuwait LLC	KUWAIT	FC	100.00	100.00	100.00	100.00
Geodis Wilson Logistics Shanghai Ltd	CHINA	FC	100.00	100.00	100.00	100.00
Geodis Wilson Management B.V	NETHERLANDS	F	0	0	100.00	100.00
Geodis Wilson Maroc	MOROCCO	FC	100.00	100.00	100.00	100.00
Geodis Wilson Mexico S.A. de C.V.	MEXICO	FC	100.00	100.00	100.00	100.00
Geodis Wilson Netherlands B.V.	NETHERLANDS	FC	100.00	100.00	100.00	100.00
Geodis Wilson Network SAS	FRANCE	FC	100.00	100.00	100.00	100.00
Geodis Wilson New Zealand - 4PL	NEW ZEALAND	FC	100.00	100.00	100.00	100.00
Geodis Wilson Norway - 4PL	NORWAY	FC	100.00	100.00	100.00	100.00
Geodis Wilson Norway AS	NORWAY	FC	100.00	100.00	100.00	100.00
Geodis Wilson Overseas AB	SWEDEN	FC	100.00	100.00	100.00	100.00
Geodis Wilson Peru - 4PL	PERU	FC	100.00	100.00	100.00	100.00
Geodis Wilson Peru S.A.	PERU	FC	100.00	100.00	100.00	100.00
Geodis Wilson Polynésie SA	FRENCH POLYNESIA	FC	100.00	100.00	100.00	100.00
Geodis Wilson Projects USA, Inc	UNITED STATES	FC	100.00	100.00	100.00	100.00
Geodis Wilson Pty Ltd Australia	AUSTRALIA	FC	100.00	100.00	100.00	100.00
Geodis Wilson Qatar LLC	QATAR	FC	97.00	97.00	97.00	97.00
Geodis Wilson Réunion	FRANCE	NC	0	0	100.00	100.00
Geodis Wilson Shanghai - 4PL	CHINA	FC	100.00	100.00	100.00	100.00
Geodis Wilson Singapore - 4PL	SINGAPORE	FC	100.00	100.00	100.00	100.00
Geodis Wilson Singapore Pte Ltd	SINGAPORE	FC	100.00	100.00	100.00	100.00
Geodis Wilson South Africa - 4PL	SOUTH AFRICA	FC	100.00	100.00	100.00	100.00
Geodis Wilson Spain, S.L.U.	SPAIN	FC	100.00	100.00	100.00	100.00
Geodis Wilson Sweden - 4PL	SWEDEN	FC	100.00	100.00	100.00	100.00
Geodis Wilson Sweden AB	SWEDEN	FC	100.00	100.00	100.00	100.00
Geodis Wilson Tai - 4PL	THAILAND	FC	100.00	100.00	100.00	100.00
Geodis Wilson Taiwan - 4PL	TAIWAN, CHINESE PROVINCE	FC	100.00	100.00	100.00	100.00
Geodis Wilson Taiwan Ltd	TAIWAN, CHINESE PROVINCE	FC	100.00	100.00	100.00	100.00
Geodis Wilson Thai Ltd	THAILAND	FC	100.00	100.00	100.00	100.00
Geodis Wilson Thailand Ltd.	THAILAND	FC	100.00	100.00	100.00	100.00
Geodis Wilson UAE L.L.C	UNITED ARAB EMIRATES	FC	100.00	100.00	100.00	100.00

Geodis Wilson UK Ltd	UNITED KINGDOM	FC	100.00	100.00	100.00	100.00
Geodis Wilson USA Inc.	UNITED STATES	FC	100.00	100.00	100.00	100.00
Geodis Wilson Vietnam Ltd	VIETNAM	FC	100.00	100.00	100.00	100.00
Geodis Wilson Vietnam Ltd - 4PL	VIETNAM	FC	100.00	100.00	100.00	100.00
Geodis Wilson, South Africa (Pty.) Ltd.	SOUTH AFRICA	FC	100.00	100.00	100.00	100.00
Geodis Wilson. Colombia Ltda	COLOMBIA	FC	100.00	100.00	100.00	100.00
Geodis Wilson. New Zealand Ltd	NEW ZEALAND	FC	100.00	100.00	100.00	100.00
Geodis Wison Transport Ltd, Thailand	THAILAND	FC	100.00	100.00	100.00	100.00
Geodis Züst Ambrosetti	ITALY	NC	0	0	100.00	100.00
Geodisglob, Solucoes Globais de Logistica	PORTUGAL	FC	100.00	100.00	100.00	100.00
GeodisGlobal Solutions Netherlands BV	NETHERLANDS	FC	100.00	100.00	100.00	100.00
Geoparts	FRANCE	FC	100.00	100.00	100.00	100.00
Geowaste	FRANCE	FC	100.00	100.00	100.00	100.00
GGS USA Inc	UNITED STATES	FC	100.00	100.00	100.00	100.00
GIE Contrôle Qualité Sécurité	FRANCE	FC	92.50	92.50	92.80	92.80
GIE France Express	FRANCE	FC	76.29	76.34	76.29	74.87
GIE Prisme	FRANCE	FC	100.00	100.00	100.00	100.00
Giraud CEE	FRANCE	FC	100.00	100.00	100.00	100.00
Giraud Nord	FRANCE	FC	100.00	100.00	100.00	100.00
Giraud Ouest	FRANCE	F	0	0	100.00	100.00
Giraud Rhône-Alpes	FRANCE	FC	100.00	100.00	100.00	100.00
Giraud SRL	ROMANIA	FC	100.00	100.00	100.00	100.00
Gironde Express	FRANCE	FC	100.00	100.00	100.00	100.00
GOGLS Algeria Sarl	ALGERIA	FC	99.99	99.99	99.99	99.99
Grimaldi ACL France	FRANCE	JV	60.00	60.00	60.00	60.00
Groupe MOVIS (comprising 12 entities)	FRANCE	SI	40.00	40.00	40.00	40.00
GSTM	MOROCCO	FC	99.99	96.62	99.99	96.62
GW Freight Management Brazil	BRAZIL	FC	100.00	100.00	100.00	100.00
Hansebahn Bremen	GERMANY	FC	51.00	51.00	51.00	51.00
Haute Provence Express	FRANCE	FC	100.00	100.00	100.00	100.00
Helf	GERMANY	FC	100.00	95.56	100.00	94.79
HTB	GERMANY	FC	100.00	100.00	100.00	100.00
IGB	GERMANY	FC	50.21	50.21	50.21	50.21
Immobilière Geodis I	FRANCE	FC	100.00	100.00	100.00	100.00
Immobilière Geodis II Logistics	FRANCE	FC	100.00	100.00	100.00	100.00
Immolog Paris Ouest	FRANCE	FC	100.00	100.00	100.00	100.00
ITL Benelux B.V.	NETHERLANDS	F	0	0	100.00	100.00
ITL Cargo GmbH	GERMANY	FC	100.00	100.00	100.00	100.00
ITL Eisenbahngesellschaft mbH	GERMANY	FC	100.00	100.00	100.00	100.00
ITL Polska	POLAND	FC	100.00	100.00	100.00	100.00
ITL Prag	CZECH REPUBLIC	FC	100.00	100.00	100.00	100.00
ITNOVEM	FRANCE	FC	100.00	100.00	100.00	100.00
Les Courtiers Associés	FRANCE	FC	75.00	38.25	75.00	38.25
Les Rouleurs du Cambresis	FRANCE	FC	100.00	100.00	100.00	100.00
Lexser France	FRANCE	FC	100.00	100.00	100.00	100.00
Lexser Luxembourg	LUXEMBOURG	F	0	0	100.00	100.00
Lexser Luxembourg (formerly. BM Luxembourg)	LUXEMBOURG	FC	100.00	100.00	100.00	100.00
Lexsis	LUXEMBOURG	F	0	0	100.00	100.00
Lexsis (formerly. BM Sidérurgie Luxembourg)	LUXEMBOURG	FC	100.00	100.00	100.00	100.00
Logifer	FRANCE	SI	50.00	50.00	50.00	50.00
Logistica	FRANCE	JV	50.00	50.00	50.00	50.00
LORRY Rail	LUXEMBOURG	FC	58.34	58.34	58.34	58.34
MAW	FRANCE	F	0	0	100.00	100.00
MF Cargo	HUNGARY	FC	100.00	100.00	100.00	100.00
MG Transports	FRANCE	FC	100.00	100.00	100.00	100.00
MGL	FRANCE	F	0	0	99.91	99.91
MOSTVA	POLAND	SI	50.00	48.02	50.00	48.02
Naviland Cargo	FRANCE	FC	99.98	99.98	99.98	99.98
NEB	GERMANY	JV	66.92	33.60	66.92	33.60
Norferrus	FRANCE	FC	100.00	96.04	100.00	96.04
Normanche	FRANCE	FC	100.00	96.04	100.00	96.04
Normandie Rail Services	FRANCE	FC	100.00	100.00	100.00	100.00

Noyon	FRANCE	SI	35.59	35.59	35.59	35.59
One Source Logistics LLC	UNITED STATES	FC	100.00	100.00	100.00	100.00
Ortrans	FRANCE	FC	100.00	96.04	100.00	96.04
P.L.C.	FRANCE	FC	100.00	100.00	100.00	100.00
Pan European Transport UK Logistics	UNITED KINGDOM	NC	0	0	100.00	100.00
Paris 8	FRANCE	FC	100.00	100.00	100.00	100.00
Pelsolutions SA.	CHILE	FC	100.00	100.00	100.00	100.00
Perfectrans	FRANCE	FC	99.64	99.64	96.00	96.00
Pharmalog	FRANCE	FC	100.00	100.00	100.00	100.00
PT Geodis Wilson Indonesia	INDONESIA	FC	100.00	100.00	100.00	100.00
Rail4Captrain Gmbh	GERMANY	FC	100.00	100.00	100.00	100.00
Railcar Finance Company 2 LTD	IRELAND	FC	100.00	100.00	100.00	100.00
RBB	GERMANY	FC	100.00	100.00	100.00	100.00
Recontec	GERMANY	FC	100.00	86.44	100.00	71.07
Rhône Dauphiné Express	FRANCE	FC	100.00	100.00	100.00	100.00
Rhône Ferrus	FRANCE	FC	100.00	96.04	100.00	96.04
Rohde & Liesenfeld Canada Inc.	CANADA	SI	50.00	50.00	50.00	50.00
Rohde & Liesenfeld International GmbH & Co. KG	GERMANY	FC	100.00	100.00	100.00	100.00
Rohde & Liesenfeld Project GMBH (India)	INDIA	FC	100.00	100.00	100.00	100.00
Rohde & Liesenfeld Projects (China) Ltd.	CHINA	FC	100.00	100.00	100.00	100.00
Rohde & Liesenfeld Projects GmbH	GERMANY	FC	100.00	100.00	100.00	100.00
Rohde & Liesenfeld Verwaltungsges. mbH	GERMANY	FC	100.00	100.00	100.00	100.00
S.G.W.	FRANCE	FC	100.00	100.00	100.00	100.00
S.M.T.R. Calberson	FRANCE	FC	100.00	100.00	100.00	100.00
S.N.T.C.	FRANCE	FC	100.00	96.04	100.00	96.04
SARI	FRANCE	FC	100.00	100.00	100.00	100.00
SCI BM Chelles	FRANCE	FC	100.00	100.00	100.00	100.00
SCI BM Le Fontanil	FRANCE	FC	100.00	100.00	100.00	100.00
SCI BM Mery	FRANCE	FC	100.00	100.00	100.00	100.00
SCI BM Salaise	FRANCE	FC	100.00	100.00	100.00	100.00
SCI Borny	FRANCE	FC	100.00	100.00	100.00	100.00
SCI Charval	FRANCE	FC	100.00	100.00	100.00	100.00
SCI Danjoutin	FRANCE	FC	100.00	100.00	100.00	100.00
SCI de la Brèche	FRANCE	FC	100.00	100.00	100.00	100.00
SCI de la Poudriere	FRANCE	FC	100.00	100.00	100.00	100.00
SCI de Vaux	FRANCE	FC	100.00	100.00	100.00	100.00
SCI du Rouvray	FRANCE	FC	100.00	100.00	100.00	100.00
SCI Etupes	FRANCE	FC	100.00	100.00	100.00	100.00
SCI FGH	FRANCE	FC	75.00	67.00	75.00	67.00
SCI Horizons	FRANCE	FC	100.00	100.00	100.00	100.00
SCI JCC	FRANCE	FC	100.00	100.00	100.00	100.00
SCI Le Polygone	FRANCE	FC	100.00	100.00	100.00	100.00
SCI Ouest	FRANCE	FC	100.00	100.00	100.00	100.00
SCI Région Alsace	FRANCE	F	0	0	100.00	100.00
SCI Région Bretagne	FRANCE	F	0	0	100.00	100.00
SCI Région Champagne Ardennes	FRANCE	FC	100.00	100.00	100.00	100.00
SCI Région Ile-de-France	FRANCE	F	0	0	100.00	100.00
SCI Région Normandie	FRANCE	NC	0	0	100.00	100.00
SCI Région Sud-Est	FRANCE	FC	100.00	100.00	100.00	100.00
SCI Région Sud-Ouest	FRANCE	F	0	0	100.00	100.00
SCI Royneau Le Coudray	FRANCE	FC	100.00	100.00	100.00	100.00
SCI Voujeaucourt	FRANCE	FC	100.00	100.00	100.00	100.00
SD Calberson	FRANCE	FC	99.99	99.99	99.99	99.99
Sealogis	FRANCE	FC	100.00	100.00	100.00	100.00
SEGI	FRANCE	FC	100.00	100.00	100.00	100.00
Seine Express	FRANCE	FC	100.00	100.00	100.00	100.00
Sénart Affrètement	FRANCE	FC	65.00	65.00	65.00	65.00
SEP Transpul	FRANCE	FC	100.00	41.50	100.00	41.50
Setcargo	FRANCE	FC	100.00	100.00	100.00	100.00
Setrada	FRANCE	FC	100.00	96.04	100.00	96.04
Setram	SPAIN	SI	25.00	24.01	25.00	24.01
SIBELIT	LUXEMBOURG	SI	42.50	42.50	42.50	42.50



Smethwick Properties Management Ltd	UNITED KINGDOM	NC	0	0	100.00	100.00
SNC Bercy	FRANCE	FC	100.00	100.00	100.00	100.00
SNCF Fret Deutschland Gmbh	GERMANY	FC	100.00	100.00	100.00	100.00
SNCF Geodis Services	FRANCE	FC	100.00	100.00	100.00	100.00
Somap	FRANCE	FC	81.75	81.75	81.75	81.75
Somedat	FRANCE	FC	100.00	96.04	100.00	96.04
Soptrans	FRANCE	FC	100.00	96.04	100.00	96.04
Sopyrim	FRANCE	FC	100.00	96.04	100.00	96.04
Sotraf	FRANCE	FC	100.00	96.04	100.00	96.04
Sté Propriétaire Wagons Modalohr	FRANCE	FC	100.00	100.00	100.00	50.98
STSI	FRANCE	FC	99.45	99.45	99.45	99.45
STVA SA	FRANCE	FC	96.04	96.04	96.04	96.04
STVA UK	UNITED KINGDOM	FC	100.00	96.04	100.00	96.04
TBB	GERMANY	FC	100.00	100.00	100.00	100.00
Tethys	FRANCE	FC	100.00	96.04	100.00	96.04
TGP	FRANCE	FC	100.00	100.00	100.00	100.00
Thales Geodis Freight & Logistics	FRANCE	JV	50.00	50.00	50.00	50.00
TIBERCO	ITALY	FC	100.00	100.00	100.00	100.00
Transalpin Eisenbahn AG	SWITZERLAND	FC	100.00	100.00	100.00	100.00
Transfer International	FRANCE	FC	98.37	98.37	98.37	98.37
Transport Ferroviaire Holding	FRANCE	FC	100.00	100.00	100.00	100.00
Transport Ferroviaire Services	FRANCE	FC	100.00	100.00	100.00	100.00
Transport Logistique Partenaires	FRANCE	FC	100.00	100.00	100.00	100.00
Transports Bernis	FRANCE	FC	67.69	67.69	67.69	67.69
Transports J. Savin	FRANCE	FC	100.00	100.00	100.00	100.00
Transportvoiture	BELGIUM	FC	99.95	96.00	99.95	96.00
Transquercy	FRANCE	FC	100.00	100.00	100.00	100.00
Transwaters	FRANCE	JV	50.00	50.00	50.00	50.00
TWE	GERMANY	FC	100.00	100.00	100.00	100.00
Uniroute	FRANCE	FC	100.00	96.04	100.00	96.04
Val Ferrus	FRANCE	FC	100.00	96.04	100.00	96.04
Valenda	FRANCE	FC	100.00	100.00	100.00	100.00
Valtrans	FRANCE	FC	100.00	96.04	100.00	96.04
VC Italia	ITALY	FC	100.00	100.00	100.00	100.00
VFLI	FRANCE	FC	100.00	100.00	100.00	100.00
VIIA	FRANCE	FC	100.00	100.00	100.00	100.00
VIIA Atlantique	FRANCE	FC	100.00	100.00	0	0
VIIA Atlantique Construction	FRANCE	FC	100.00	100.00	0	0
VIIA Atlantique Exploitation	FRANCE	FC	100.00	100.00	0	0
VIIA CONNECT BOURGNEUF-AITON	FRANCE	FC	100.00	100.00	100.00	100.00
Vilogistique	FRANCE	FC	100.00	96.04	100.00	96.04
Vitesse Logistics BV	NETHERLANDS	FC	100.00	100.00	100.00	100.00
Walbaum	FRANCE	FC	99.76	99.76	99.76	99.76
Waren Shipping	FRANCE	FC	100.00	100.00	100.00	100.00
WEA	GERMANY	FC	90.00	86.44	74.00	71.07
Wilson Denmark Holding A/S STP	DENMARK	FC	100.00	100.00	100.00	100.00
XP LOG	FRANCE	FC	99.97	99.97	99.97	99.97

### Gares & Connexions

A2C	FRANCE	FC	100.00	100.00	100.00	100.00
AREP	FRANCE	FC	100.00	100.00	100.00	100.00
AREP Groupe	FRANCE	FC	100.00	100.00	100.00	100.00
AREP Pekin	CHINA	FC	100.00	100.00	100.00	100.00
AREP Vietnam	VIETNAM	FC	100.00	100.00	100.00	100.00
AREP Ville	FRANCE	FC	100.00	100.00	100.00	100.00
Menighetti	FRANCE	FC	100.00	100.00	41.92	41.92
Parvis	FRANCE	FC	100.00	100.00	100.00	100.00
Société des commerces en gares	FRANCE	JV	50.00	50.00	0	0
Sté d'Aménagement Mézzanine Paris Nord	FRANCE	FC	60.00	60.00	60.00	60.00
VALGA	FRANCE	FC	100.00	100.00	100.00	100.00

### Common Operations and Investments

Eco-Mobilité Partenaires SAS	FRANCE	FC	100.00	100.00	100.00	100.00
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Ecomobilité Ventures	FRANCE	JV	49.39	49.39	54.29	54.29
Espaces Ferroviaires Aménagement	FRANCE	FC	100.00	100.00	100.00	100.00
Espaces Ferroviaires Résidences du Rail	FRANCE	FC	100.00	100.00	100.00	100.00
Espaces Ferroviaires Transactions	FRANCE	FC	100.00	100.00	100.00	100.00
EUROFIMA	SWITZERLAND	SI	22.60	22.60	22.60	22.60
GARE	FRANCE	FC	100.00	100.00	100.00	100.00
GIE Eurail Test	FRANCE	JV	90.00	90.00	90.00	90.00
ICF	FRANCE	FC	100.00	100.00	100.00	100.00
MASTERIS	FRANCE	FC	100.00	100.00	100.00	100.00
NOVEDIS-ICF	FRANCE	FC	100.00	100.00	99.98	99.98
Noviaserv	FRANCE	FC	100.00	100.00	100.00	100.00
Orfea- SERHR	FRANCE	FC	50.00	50.00	50.00	50.00
Rail Immo	FRANCE	FC	100.00	100.00	0	0
S2FIT	FRANCE	FC	100.00	100.00	100.00	100.00
S2FIT1	FRANCE	FC	100.00	100.00	100.00	100.00
SA Chateau d'Arcy	FRANCE	FC	98.36	98.36	98.08	98.08
SCI du Cercle	FRANCE	FC	100.00	100.00	100.00	100.00
SCI La Chapelle	FRANCE	FC	100.00	100.00	100.00	100.00
SCI Ney	FRANCE	FC	100.00	100.00	100.00	100.00
SCI Paradis Clichy	FRANCE	FC	100.00	100.00	100.00	100.00
SNC Monceau	FRANCE	FC	100.00	100.00	100.00	100.00
SNC VEZELAY	FRANCE	FC	100.00	100.00	100.00	100.00
SNCF America Inc	UNITED STATES	FC	100.00	100.00	100.00	100.00
SNCF Conseil	FRANCE	FC	100.00	100.00	100.00	100.00
SNCF Développement	FRANCE	FC	100.00	100.00	100.00	100.00
SNCF Energie	FRANCE	FC	100.00	100.00	100.00	100.00
SNCF International	FRANCE	FC	100.00	100.00	100.00	100.00
SNCF Interservices	FRANCE	FC	100.00	100.00	100.00	100.00
SNCF Participations	FRANCE	FC	100.00	100.00	100.00	100.00
SNCF RE	LUXEMBOURG	FC	100.00	100.00	100.00	100.00
Société des Trains Expositions (STE)	FRANCE	FC	99.99	99.99	99.99	99.99
Ste Nationale d Espaces Ferroviaires	FRANCE	FC	100.00	100.00	100.00	100.00
STELSIA	FRANCE	FC	100.00	100.00	100.00	100.00
Trans'actif Immobilier	FRANCE	FC	100.00	100.00	100.00	100.00

**REPORT ON SNCF MOBILITÉS GROUP'S  
CORPORATE GOVERNANCE  
AND INTERNAL CONTROL**

## CHAIRMAN'S REPORT ON THE TERMS AND CONDITIONS GOVERNING THE PREPARATION AND ORGANISATION OF THE BOARD OF DIRECTORS' WORK AND THE INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

The report on the terms and conditions governing the preparation and organisation of the Board of Directors' work and the internal control and risk management procedures was presented by the Chairman to the Board of Directors.

The report is based on the reference framework of the AMF (French Securities Regulator).

The main improvements to the SNCF Mobilités internal control and risk management functions for 2014 concern the following:

- With regard to internal control, the continuation of the self-assessment campaigns for around 300 Group entities focusing on the control environment and certain financial processes: revenues, inventories, electrical energy purchases, slot purchases, rolling stock assets, investment grants, etc. and, as a result, the roll-out of certain action plans.
- The additions to the checkpoints database which now covers all the processes featuring in the AMF reference framework implementation guide, as well as the various "control environment" components.
- Promotion of awareness among persons in charge of supplier payments within the Group on the increasing risk of fraudulent international transfers (fraud involving the "Chairman" and similar cases).
- The communication by the Ethics Department of new practical information on internal fraud and the procedures to be implemented for employee departures.
- The organisation of "Ethics mornings", for clarification and discussion with recognised experts and to increase the awareness of participants on issues such as corruption and moral harassment.
- The creation within the SNCF Logistics Geodis division of an Ethics and Compliance Department in charge of defining and setting up internal control procedures relating to the risk of non-compliance with laws governing corruption, competition and export control.
- The start of the implementation by the Prevention & Health branch of the massive training programme carried out with the CNAM for the chairmen of Committees for Health, Safety and Working Conditions and all managers. The aim is to train 10,000 managers in two years.
- The complete overhaul by the Audit and Risk and Group Finance Departments of the training tools designed for internal control, risk management and fraud prevention and used in connection with the Finance training programme.
- The set-up by the Security Department of a national rail security leader who serves as the "single Security contact" in the event of disruptions.
- The roll-out by the Security Department of new innovative tools such as autogyros for operational assignments or even drones for the development of surveillance and prevention of metal theft.

This report is available on simple request from the SNCF Mobilités Audit and Risk department – 1-7 place aux Etoiles – 93212 LA PLAINE ST DENIS CEDEX.