



RTE Réseau de transport d'électricité

Euro 10,000,000,000

Euro Medium Term Note Programme

This supplement (the "**Second Supplement**") is supplemental to, and should be read in conjunction with, the Base Prospectus dated 7 May 2015 (the "**Base Prospectus**") and the supplement thereto dated 6 November 2015 (the "**First Supplement**") prepared in relation to the €10,000,000,000 Euro Medium Term Note Programme (the "**Programme**") of RTE Réseau de transport d'électricité (the "**Issuer**"). The Base Prospectus as supplemented constitutes a base prospectus for the purpose of the Directive 2003/71/EC as amended (the "**Prospectus Directive**"). The *Autorité des marchés financiers* (the "**AMF**") has granted visa no. 15-183 on 7 May 2015 on the Base Prospectus and visa no. 15-564 on 6 November 2015 on the First Supplement.

Application has been made for approval of the Second Supplement to the AMF in its capacity as competent authority pursuant to Article 212-2 of its *Règlement Général* which implements the Prospectus Directive.

This Second Supplement constitutes a supplement to the Base Prospectus for the purposes of Article 16 of the Prospectus Directive and Article 212-25 of the *Règlement Général* of the AMF and has been prepared for the purposes of (i) incorporating by reference certain sections of the 2015 *Rapport de gestion - Comptes consolidés* which contains the audited consolidated annual financial statements of the Issuer for the financial year ended 31 December 2015 and the related statutory auditors' report and (ii) incorporating recent events in connection with the Issuer's position, activities and status. As a result, certain modifications to the sections entitled "Documents Incorporated by Reference", "Trend Information in respect of the Issuer", "Administrative, Management, and Supervisory Bodies of the Issuer", "Legal and Arbitration Proceedings" and "General Information" have been made.

Save as disclosed in this Second Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus as supplemented by the First Supplement which is material in the context of the Programme since the publication of the Base Prospectus as supplemented by the First Supplement. To the extent that there is any inconsistency between (a) any statement in this Second Supplement and (b) any other statement in, or incorporated by reference in, the Base Prospectus or in the First Supplement, the statements in (a) will prevail.

Unless the context otherwise requires, terms defined in the Base Prospectus shall have the same meaning when used in this Second Supplement.

Copies of this Second Supplement (a) may be obtained, free of charge, at the registered office of the Issuer during normal business hours, (b) will be available on the website of the Issuer (www.rte-france.com), (c) will be available on the website of the AMF (www.amf-france.org) and (d) will be available during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for collection at the offices of the Fiscal Agent so long as any of the Notes are outstanding.

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In this Second Supplement, unless otherwise stated, references to "**Company**" or "**RTE**" refer to the Issuer and references to "**RTE Group**" and "**Group**" refer to the Issuer and its respective consolidated subsidiaries taken as a whole.

DOCUMENTS INCORPORATED BY REFERENCE

The section "Documents Incorporated by Reference" on pages 17 to 20 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

This Base Prospectus should be read and construed in conjunction with the following documents all of which are incorporated by reference by in the Base Prospectus and which the Issuer has filed with the AMF:

- (a) sections referred to in the table below included in the 2015 *Rapport de gestion - Comptes consolidés*, in French, which contains the audited consolidated annual financial statements of the Issuer for the financial year ended 31 December 2015 and the related statutory auditors' report (the "**2015 Financial Report**");
- (b) sections referred to in the table below included in the 2014 *Rapport de gestion - Comptes consolidés*, in French, which contains the audited consolidated annual financial statements of the Issuer for the financial year ended 31 December 2014 and the related statutory auditors' report (the "**2014 Financial Report**");
- (c) the terms and conditions of the Notes contained in the base prospectus of the Issuer dated 16 May 2014 (the "**EMTN 2014 Conditions**");
- (d) the terms and conditions of the Notes contained in the base prospectus of the Issuer dated 16 May 2013 (the "**EMTN 2013 Conditions**");
- (e) the terms and conditions of the Notes contained in the base prospectus of the Issuer dated 3 May 2012 (the "**EMTN 2012 Conditions**"); and
- (f) the terms and conditions of the Notes contained in the base prospectus of the Issuer dated 5 May 2011 (the "**EMTN 2011 Conditions**") and together with the EMTN 2012 Conditions, the EMTN 2013 Conditions and the EMTN 2014 Conditions, the "**EMTN Previous Conditions**").

The information incorporated by reference that is not included in the cross-reference table below is considered as additional information and is not required by the relevant schedules of the Commission Regulation No. 809/2004, as amended.

Such documents shall be deemed to be incorporated in, and form part of this Base Prospectus, save that any statement contained in this Base Prospectus or in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any document which is subsequently incorporated by reference herein by way of a supplement prepared in accordance with Article 16 of the Prospectus Directive modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus.

This Base Prospectus and copies of the documents incorporated by reference in this Base Prospectus may be obtained without charge from the registered office of the Issuer, at the office of the Fiscal Agent and the Paying Agents and the website of the Issuer (www.rte-france.com).

The free English translations of the 2014 Financial Report and the 2015 Financial Report are available on, and may be obtained without charge from, the website of the Issuer (www.rte-france.com).

For the purposes of the Prospectus Directive, the information incorporated by reference in the Base Prospectus is set out in the following cross-reference table:

EMTN Previous Conditions	
EMTN 2014 Conditions	Pages 26 to 49 of the base prospectus of the Issuer dated 16 May 2014
EMTN 2013 Conditions	Pages 25 to 47 of the base prospectus of the Issuer dated 16 May 2013
EMTN 2012 Conditions	Pages 26 to 48 of the base prospectus of the Issuer dated 3 May 2012
EMTN 2011 Conditions	Pages 24 to 46 of the base prospectus of the Issuer dated 5 May 2011

The EMTN Previous Conditions are incorporated by reference in the Base Prospectus for the purpose only of further issues of Notes to be assimilated (*assimilées*) and form a single series with Notes already issued pursuant to the relevant EMTN Previous Conditions.

Annex IX of the European Regulation 809/2004/EC of 24 April 2004, as amended	Page no. of the 2015 Financial Report	Page no. of the 2014 Financial Report
5. Business Overview		
5.1.1. A brief description of the issuer's principal activities stating the main categories of products sold and/or services performed.	p. 3-16, p. 24-29 and p. 36-59	p. 3-15, p. 22-26 and page 33-51
11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES		
11.1 <u>Historical Financial Information</u> Audited historical financial information covering the latest 2 financial years (or such shorter period that the issuer has been in operation), and the audit report in respect of each year. Such financial information must be prepared according to Regulation (EC) No 1606/2002 s, or if not applicable to a Member's State national accounting standards for issuers from the Community. - Consolidated Financial statements: - Balance Sheet: - Income Statement: - Cash Flow Statements: Notes to consolidated Financial Statements:	p. 60-114 p. 60-64 p. 62 p. 60 p. 63 p. 65-113	p. 52-106 p. 52-56 p. 54 p. 52 p. 55 p. 57-105
11.2 <u>Financial statements</u> If the issuer prepares both own and consolidated financial statements, include at least the consolidated financial statements in the registration document.	p. 60-113	p. 52-105
11.3 <u>Auditing of historical annual financial information</u>		
11.3.1 A statement that the historical financial information has been audited. If audit reports on the historical financial information have been refused by the statutory auditors or if they contain qualifications or disclaimers, such refusal or such qualifications or disclaimers must be reproduced in full and the reasons given.	p. 114	p. 106
11.3.2 An indication of other information in the registration document which has	N/A	N/A

been audited by the auditors.		
11.3.3 Where financial data in the registration document is not extracted from the issuer's audited financial statements, state the source of the data and state that the data is unaudited.	N/A	N/A

Any information not listed in the cross-reference list but included in the documents incorporated by reference is given for information purposes only.

TREND INFORMATION IN RESPECT OF THE ISSUER

The section "Trend Information in respect of the Issuer" on page 71 of the Base Prospectus is deleted and replaced as follows:

There has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements for the year ended 31 December 2015.

ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES OF THE ISSUER

The end of the paragraph "Executive Board (*Directoire*)" of the section "Administrative, Management, and Supervision Bodies of the Issuer" on pages 3 to 7 of the First Supplement (which deleted the section "Administrative, Management, and Supervision Bodies of the Issuer" on pages 71 to 78 of the Base Prospectus) is supplemented as follows:

The corporate organisation of RTE Réseau de transport d'électricité is established in divisions.

One division is placed under the authority of the Chairman of the Executive Board:

- General Secretariat (Pierre-Yves Madignier and Frédéric Bonnin, General Secretaries).

These are in addition eight divisions:

- Prospective, Expertise and Solutions (Olivier Grabette, Deputy Executive Director, Prospective, Expertise and Solutions).

This division is in charge of economy, markets, innovation and information and telecommunication systems. It also comprises the National Grid Engineering Centre (CNER), in charge of policies and methods for developing, operating and maintaining the network.

- European and International Affairs (Hervé Laffaye, Deputy Chief Executive Officer, European and International Affairs)

This division is in charge of European and International Affairs.

- Human Resources (Bertrand Signé, Deputy Executive Director in charge of Human Resources)

This division is in charge of human resources.

- Grid Development, System Operation and Services (Clotilde Levillain, Deputy Executive Director, Grid Development, System Operation and Services).

This division is in charge of the operation of system infrastructure, network development projects and engineering and network access.

- Finance and Procurement (Valérie Champagne, Deputy Executive Director, Finance and Procurement)

This division sets RTE economic and financial policy. It is also in charge of accounting, management control, procurement and purchases.

- Grid Reliability, Regional Activities and Customers (Xavier Piechaczyk, Deputy Executive Director, Grid Reliability, Regional Activities and Customers)

This division is in charge of network maintenance, real estate and logistic, sustainable development, infrastructures' technical control and commercial activities.

- Legal and controlling (Alain Fiquet, Deputy Executive Director, Legal and Controlling)

This division is in charge of legal, company's security, audit and risks and general inspection.

- Business Development (Olivier Lavoine, Deputy Executive Director, Business Development)

This division is in charge of business development.

- The Executive Committee ("**COMEX**") is composed of:

- François Brottes;
- Valérie Champagne;
- Clotilde Levillain;
- Olivier Grabette;
- Xavier Piechaczyk;

- Alain Fiquet;
- Olivier Lavoine;
- Bertrand Signé;
- Hervé Laffaye.

The COMEX is the executive body of RTE Réseau de transport d'électricité. The subjects with which it is concerned can be classified in accordance with the five key themes of RTE Réseau de transport d'électricité's aims:

- to satisfy clients in the long term;
- to run well and to develop RTE Réseau de transport d'électricité's industrial resources;
- to proceed with the refinement of RTE Réseau de transport d'électricité's management and to improve dialogue within the company;
- to manage the company's finances and economic interests; and
- to expand RTE Réseau de transport d'électricité's field of activity.

The COMEX meets once a week. It examines:

- the weekly report of the Management of the Electricity System and Electricity Transport (*Directions Système Electrique et Transport d'Electricité*) on the monitoring and control of the electricity system and the transport of electricity, and on the development of its operations;
- the monthly report of the board showing the elements of the energy balance sheet, financial management, performance, the functioning of the electricity market and other information which has a non-monthly basis;
- issues presented for guidance or decision; and
- issues of current affairs that are relevant to RTE Réseau de transport d'électricité and its interests.

LEGAL AND ARBITRATION PROCEEDINGS

The paragraph "Tax Disputes" of the section "Legal and Arbitration Proceedings" on page 79 is deleted and replaced by the following:

Tax disputes

RTE Réseau de transport d'électricité has been subject to tax audits concerning the tax years 2005 to 2009 and 2010 to 2011. The reassessment remaining under dispute relates to the tax-deductibility of provisions for annuities following work-related accidents and illness. Despite two favourable opinions on this question from the National Commission for Direct Taxes and Sales Taxes (*Commission nationale des impôts directs et des taxes sur le chiffre d'affaires*), a favourable ruling by the Montreuil Administrative Court (*Tribunal administratif de Montreuil*) on 16 December 2013, and a favourable ruling by the Versailles Administrative Court of Appeal (*Cour administrative d'appel de Versailles*) on 21 July 2015, the Tax Authority has brought an appeal to the Council of State (*Conseil d'Etat*) on 16 September 2015.

GENERAL INFORMATION

The paragraphs (2) and (4) of the section “General Information” on pages 97 and 98 of the Base Prospectus are amended as follows:

- (2) The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in France in connection with the Programme.

The establishment of the Programme was authorised by a decision of the Executive Board (*Directoire*) of the Issuer dated 3 July 2006.

Any drawdown of Notes under the Programme requires the prior authorisation of the Executive Board (*Directoire*) of the Issuer, with the prior authorisation of the Supervisory Board (*Conseil de Surveillance*), which may delegate its powers to its *Président* or to any member of the Executive Board (*Directoire*) of the Issuer.

Pursuant to a decision of the Executive Board (*Directoire*) of the Issuer dated 21 December 2015, issues of obligations have been authorised, as approved by a decision of the Supervisory board (*Conseil de Surveillance*) of the Issuer dated 3 December 2015, up to a maximum amount of Euro 1,600,000,000 of obligations from 1 January 2016 to 31 December 2016 (unless previously cancelled) (subject to an overall maximum aggregate amount of Euro 1,600,000,000 for all financings made available to the Issuer from 1 January 2016 to 31 December 2016) and the Executive Board (*Directoire*) of the Issuer has delegated to its Chairman and to its member and *Directeur Général Adjoint en charge de la Direction Finances* the authority to issue obligations within the limits fixed by the Executive Board (*Directoire*) of the Issuer and determine the terms and conditions of the *obligations*.

- (4) There has been no significant change in the financial or trading position of the Issuer or of the Group since the date of the last published audited financial statements for the financial year ended 31 December 2015 of the Issuer or of the Group.

PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE SECOND SUPPLEMENT

In the name of the Issuer

We declare, to the best of our knowledge (having taken all care to ensure that such is the case), that the information contained in this Second Supplement is in accordance with the facts and contains no omission likely to affect its import.

Paris, 31 March 2016

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TSA 41000
92919 Paris La Défense cedex
France

duly represented by
Valérie Champagne, *Membre du Directoire*



Autorité des marchés financiers

In accordance with Articles L. 412-1 and L. 621-8 of the French *Code monétaire et financier* and with the General Regulations (*Règlement Général*) of the *Autorité des marchés financiers* ("**AMF**"), in particular Articles 212-31 to 212-33, the AMF has granted to this Second Supplement the visa no. 16-112 on 31 March 2016. This document and the Base Prospectus as supplemented may only be used for the purposes of a financial transaction if completed by Final Terms. It was prepared by the Issuer and its signatories assume responsibility for it. In accordance with Article L. 621-8-1-I of the French *Code monétaire et financier*, the visa was granted following an examination by the AMF of "whether the document is complete and comprehensible, and whether the information it contains is coherent". It does not imply that the AMF has verified the accounting and financial data set out in it. This visa has been granted subject to the publication of Final Terms in accordance with Article 212-32 of the AMF's General Regulations, setting out the terms of the securities being issued.