



**THIRD SUPPLEMENT DATED 5 MARCH 2019
TO THE EURO MEDIUM TERM NOTE PROGRAMME BASE PROSPECTUS
DATED 11 JUNE 2018**

SNCF Réseau
(formerly Réseau Ferré de France)
(established as an "*établissement public industriel et commercial*"
under the laws of the Republic of France)
Euro 55,000,000,000
Euro Medium Term Note Programme

This third supplement (the "**Third Supplement**") is supplemental to, and should be read in conjunction with, the Base Prospectus dated 11 June 2018 (the "**Base Prospectus**") as supplemented by a first supplement dated 2 August 2018 (the "**First Supplement**") and the second supplement dated 4 December 2018 (the "**Second Supplement**") prepared in relation to the €55,000,000,000 Euro Medium Term Note Programme of SNCF Réseau (the "**Programme**"). The Base Prospectus as so supplemented constitutes a base prospectus for the purpose of the Directive 2003/71/EC (as amended by Directive 2010/73/EU, the "**Prospectus Directive**"). The *Autorité des marchés financiers* (the "**AMF**") has granted visa n°18-237 on 11 June 2018 to the Base Prospectus, visa n°18-352 on 2 August 2018 to the First Supplement and visa n°18-547 on 4 December 2018 to the Second Supplement.

Application has been made for approval of this Third Supplement to the AMF in its capacity as competent authority pursuant to article 212-2 of its *Règlement Général* which implements the Prospectus Directive in France. This Third Supplement constitutes a supplement to the Base Prospectus as supplemented by the First Supplement and the Second Supplement and has been prepared for the purpose of article 16.1 of the Prospectus Directive and of article 212-25 of the AMF's *Règlement Général*.

Terms defined in the Base Prospectus as supplemented by the First Supplement and the Second Supplement have the same meaning when used in the Third Supplement.

This Third Supplement has been prepared for the purposes of:

- updating the relevant sections (including the sections "Summary of the Programme" and "*Résumé en français du Programme* (French Language Summary of the Programme)" of the Base Prospectus, as supplemented by the First Supplement and the Second Supplement;
- incorporating by reference the French language audited consolidated and non-consolidated financial statements of SNCF Réseau for the financial year ended 31 December 2018 and updating the relevant sections (including the sections "Summary of the Programme" and "*Résumé en français du Programme* (French Language Summary of the Programme)") of the Base Prospectus, as supplemented by the First Supplement and the Second Supplement;
- updating the section "Description of the Issuer" of the Base Prospectus, as supplemented by the First Supplement and the Second Supplement; and

- updating the section “General Information” of the Base Prospectus, as supplemented by the First Supplement and the Second Supplement.

Save as disclosed in this Third 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 and the Second Supplement which is material in the context of the Programme since the publication of the Second Supplement. To the extent that there is any inconsistency between (a) any statements in this Third Supplement and (b) any other statement in, or incorporated in, the Base Prospectus as supplemented, the statements in the Third Supplement will prevail.

Copies of this Third Supplement (a) may be obtained, free of charge, during normal business hours at the specified office of the Issuer, the Fiscal Agent and the Registrar and any Transfer Agent, at the specified office in Luxembourg of the Principal Paying Agent and at the specified office in Paris of the Paris Paying Agent, (b) will be available on the website of the AMF (www.amf-france.org) and (c) will be available on the website of the Issuer (www.sncf-reseau.fr).

In relation to any offer of Notes to the public, and provided that the conditions of article 16 (2) of the Prospectus Directive are fulfilled, investors who have already agreed to purchase or subscribe for Notes to be issued under the Programme before this Third Supplement is published, have the right according to article 16 (2) of the Prospectus Directive, to withdraw their acceptances within a time limit of two (2) working days after the publication of this Third Supplement, i.e. until 7 March 2019 (inclusive).

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SUMMARY OF THE PROGRAMME

Subsection B.4b entitled “Trends” on page 13 of the Base Prospectus shall be deleted in its entirety and replaced with the following:

B.4b	Trends	<p>SNCF Réseau is currently pursuing a strategic vision for 2030 in the context of a new railway pact and the ongoing “Nouvel’R” project. As such, by 2019 many projects will be launched to prepare the new SNCF for the opening of railway companies to competition.</p> <p>2019 will be a landmark and active year for SNCF Réseau driven by the expected implementation as from 1 January 2020 of the main measures of the new rail pact, in particular the transformation into a state-owned <i>société anonyme</i> that will provide more flexibility while remaining a state-owned company, and the unified management of railway stations, Gares et Connexions becoming a subsidiary of the Issuer.</p> <p>The new railway pact also aims in implementing a more competitive social framework for the company, as well as more attractive and motivating for railway workers and future applicants. The opening to competition and digitalisation are significant challenges in terms of operational development, as are performance and productivity requirements and the end of the “<i>recrutement au statut</i>” resulting from the railway reform, which are drivers that lead to negotiations on the new social pact towards a new “<i>convention collective</i>” and new “<i>accords d’entreprises</i>” for the railway sector.</p> <p>The Nouvel’R company project rollout will pursue in order to lead the transformation of SNCF Réseau, to prepare the network of the future and better meet customers’ expectations. Nouvel’R is a long-term project with:</p> <ul style="list-style-type: none"> - within a year, stabilized processes and increased cross-functionality in the management methods of the Issuer; - within three years, a significantly improved service quality and the achievement of economic performance objectives; - within ten years, the first results of the High Performance Network. <p>The operational transformation project undertaken to obtain a "high-performance" network includes several modernization modules of the operating system to significantly reduce signal system failures, optimize rail lines capacity and achieve greater productivity through centralized traffic control. These modules will have a multiplier effect once deployed simultaneously.</p> <p>Efforts to modernize and improve the network will continue in the coming years. Following the example of the Eole project, an extension of the RER E to the west of the Capital is contemplated, which will reduce passenger traffic on RER lines A, B and D and which will be operational in two phases: in 2022 for the Haussmann-Saint-Lazare – Nanterre-la-Folie section and in 2024 for the entire rail line to Mantes-la-Jolie.</p> <p>Paris-Nord railway station will undergo a major expansion project to support the growth of the transport activities of SNCF Mobilités. By 2030, the daily passenger volume is expected to increase by more than 40%. The improvements will increase the capacity of the surface areas dedicated to passengers from 36,000 m² to</p>
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		<p>110,000 m²: a new departure terminal will improve traffic flow, the terminal dedicated to traffic to the United-Kingdom will be expanded, traffic areas will be increased by a factor of 2.5 and accessibility will be improved thanks to a greater number of elevators and escalators. These improvements are intended to be completed in time for the 2024 Olympic Games.</p> <p>Service quality is also one of the key leverage privileged by SNCF Réseau as part of its strategy for 2030. Through the H00 and FIRST initiatives, priority is given to passenger information and regularity by making railway services more punctual, more robust, with actions carried out on the network.</p> <p>safety is also a major concern for SNCF Réseau, particularly through the "PRISM" programme which aims at implementing an "excellence in safety" approach through six pillars: "Proactivity" of agents, analysis of "Risks", control of "Interfaces" between entities, "Simplification" of procedures, creation of "Managerial" conditions leading to the personal involvement of agents and access to innovative "Equipements".</p> <p>As part of the accounts as of 30 June 2018, the law overhauling the state rail company (<i>loi d'habilitation pour un nouveau pacte ferroviaire</i>) adopted on 14 June 2018, as well as the various statements of the French government, in particular as regard to the evolution of the infrastructure fee or the debt transfer, constituted new indications of impairment of value. As a result, an impairment test had been conducted on 30 June 2018. In the context of the accounts as of 31 December 2018, SNCF Réseau has not identified any new indications of impairment of value and, as a consequence, has not carried out any new impairment test.</p> <p>The SNCF group (including the Issuer) is currently subject to reorganisation as a result of the law overhauling the state rail company (<i>loi d'habilitation pour un nouveau pacte ferroviaire</i>) adopted on 14 June 2018 as described in B.13 below.</p>
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Subsections B.10 entitled “Audit report qualifications” on pages 16 to 20 of the Base Prospectus and B.12 entitled “Selected historical key financial information” on pages 20 to 22 of the Base Prospectus are hereby deleted and shall be replaced with the following:

B.10	Audit report qualifications	<p>The consolidated and the non-consolidated financial statements of the Issuer for the years ended 31 December 2017 and 31 December 2018 were audited by the statutory auditors who issued audit reports. Such audited reports contain the following qualifications in respect of the financial year ended 31 December 2017 and the following qualifications in respect of the year ended 31 December 2018:</p> <p>The statutory auditors’ report on the consolidated financial statements for the year ended 31 December 2017 contains the following qualification: “As stated in Note 4.5 to the consolidated financial statements concerning the test of the value of infrastructure CGU assets, on 31 December 2015 SNCF Réseau carried out an impairment test which led to recognition of an impairment loss of €9.6 billion. In connection with the approval of the performance agreement by the Board of Directors on 20 December 2016, SNCF Réseau had identified indications of changes in the value of these assets and had consequently implemented at the end of the 2016 financial year i) an impairment test of its property, plant and equipment and intangible assets and ii) a separate evaluation of its deferred tax assets in accordance with prescriptive requirements, both of which based on assumptions taking into account the specific nature of SNCF Réseau’s business and serving to confirm the network’s economic value. At 31 December 2017, the discontinuation of the CICE tax credit as well as the changes in employer and employee contributions included in the French finance laws (lois de finance) and the French social security financing law (loi de financement de la sécurité sociale) for 2018 constituted indications of a change in value.</p>
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	<p><i>A new impairment test and new deferred tax asset evaluation were therefore carried out, applying the same methodology as that of the test carried out at 31 December 2016. For the railway network currently in service, 2030 was thus chosen as a standard year since the Company considers it to be the year that the network will be stabilised at expected performance levels. The cash flow projections, based on the 10-year financial trajectory of the performance agreement between the Company and the French State, incorporate (i) cash inflows (infrastructure fees, access charges and investment subsidies) which improve significantly over time and are mainly generated from commitments received from the French State, and (ii) expenses (installation work and maintenance) and capital investment in renovations and renewals in connection with the Company's significant productivity goals. The evaluations carried out support the carrying amounts presented for property, plant and equipment and intangible assets after deducting the impairment loss of €9.6 billion, as well as an amount of €3.5 billion in deferred tax assets. These amounts reflect the balance reached during negotiations between the Company and the French State and incorporated in the performance agreement. This balance is based on the assumptions that (i) the State will effectively implement all means and commitments required to support the recoverable amounts calculated using the approach detailed above and (ii) the Company is capable of achieving its productivity goals. The terminal value, which represents 95% of the assets' value in use, is based on a renovated, operational railway network that cannot be compared to any corresponding historical situation. There are therefore major risks and uncertainties involved in the assumptions used to assess the property, plant and equipment, intangible assets and deferred tax assets and consequently the amount of the related impairment loss could increase significantly. As a result, we are unable to assess the reliability of these projections and are therefore unable to give an opinion on the net value of the assets concerned, which after impairment amounted to €33.7 billion at 31 December 2017 for property, plant and equipment and intangible assets and €3.5 billion for deferred tax assets."</i></p> <p>The statutory auditor's report on the non-consolidated financial statements for the year ended 31 December 2017 contains the following qualification: <i>"As stated in Note 4.2.3 to the financial statements concerning the test of the value of infrastructure CGU assets, on 31 December 2015 SNCF Réseau carried out an impairment test which led to recognition of an impairment loss of €9.6 billion. In connection with the approval of the performance agreement by the Board of Directors on 20 December 2016, SNCF Réseau had identified indications of changes in the value of these assets and had consequently implemented at the end of the 2016 financial year an impairment test of its property, plant and equipment and intangible assets based on assumptions taking into account the specific nature of SNCF Réseau's business and serving to confirm the network's economic value. At 31 December 2017, the discontinuation of the CICE tax credit as well as the changes in employer and employee contributions included in the French finance laws (lois de finance) and the French social security financing law (loi de financement de la sécurité sociale) for 2018 constituted indications of a change in value. A new test was therefore carried out, applying the same methodology as that of the test carried out at 31 December 2016. For the railway network currently in service, 2030 was thus chosen as a standard year since the Company considers it to be the year that the network will be stabilised at expected performance levels. The cash flow projections, based on the 10-year financial trajectory of the performance agreement between the Company and the French State, incorporate (i) cash inflows (infrastructure fees, access charges and investment subsidies) which improve significantly over time and are mainly generated from commitments received from the French State, and (ii) expenses (installation work and maintenance) and capital investment in renovations and renewals in connection with the Company's significant productivity goals. The evaluations carried out support the carrying amounts presented for property, plant and equipment and intangible assets after deducting the impairment loss of €9.6 billion recognised at 31 December 2017. This amount reflects the balance reached during negotiations between the Company and the French State and</i></p>
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	<p><i>incorporated in the performance agreement. This balance is based on the assumptions that (i) the State will effectively implement all means and commitments required to support the recoverable amounts calculated using the approach detailed above and (ii) the Company is capable of achieving its productivity goals. The terminal value, which represents 95% of the assets' value in use, is based on a renovated, operational railway network that cannot be compared to any corresponding historical situation. There are therefore major risks and uncertainties involved in the assumptions used to assess the property, plant and equipment and intangible assets, and consequently the amount of the related impairment loss could increase significantly. As a result, we are unable to assess the reliability of these projections and are therefore unable to give an opinion on the net value of the assets concerned, which after impairment amounted to €33.7 billion at 31 December 2017."</i></p> <p>The statutory auditors' report on the consolidated financial statements for the year ended 31 December 2018 contains the following qualification:</p> <p><i>As stated in Note 4.5 to the consolidated financial statements concerning impairment testing of infrastructure CGU assets, the Company considered that the adoption on 14 June 2018 of the Law for a New Railway Pact (loi d'habilitation pour un nouveau pacte ferroviaire), in addition to various declarations of the French government concerning primarily a change in the methods for indexing infrastructure fees, constituted new indications of impairment. The Company therefore carried out an additional impairment test during the year, using the same methods that were used at 31 December 2017, and recognised an impairment loss of €3.4 billion, in addition to the €9.6 billion impairment loss recognised in 2015 to take into account the new balance in the negotiations between the Company and the French State. The new balance in the negotiations is based on the assumption that (i) the Company will achieve its productivity goals and (ii) the State will effectively implement all means and commitments necessary to support the recoverable amounts of the assets as determined above.</i></p> <p><i>The cash flow projections used for the test comprise (i) cash inflows (infrastructure fees, access charges and investment subsidies) mainly arising from commitments received from the French State, and (ii) expenses (installation work and maintenance), capital investment in renovations and renewals, and productivity gains.</i></p> <ul style="list-style-type: none"> <i>• 2030 was maintained by the Company as the standard final year for the railway network currently in service, considering that 2030 will correspond to the year in which the network will be stabilised at expected performance levels, although these levels have never been attained. Terminal value represents the essential factor in measuring value in use.</i> <i>• The cash flow projections used to justify these assets' values are based on the assumption that the Company will meet its productivity goals, which are even more ambitious than those used in previous years.</i> <i>• Projections for infrastructure fees in the regulated market have been left unchanged from the previous year-end, at a higher level than for open access operations despite the non-compliance opinion issued by the French road and rail office (ARAFER) in February 2019 regarding the 2020 National Rail Network Statement, as the Company considers that the draft legislation currently under review by the French Council of State (Conseil d'Etat) will enable it to continue to apply a different indexation to open access.</i> <i>• The investment subsidies allocated to renovation work — which are mainly financed by dividends earned by SNCF that is redistributed by the French State to SNCF Réseau — are based on a new financial trajectory for the Groupe Public Ferroviaire which does not include the possible consequences of future legal and tax restructuring. The investment subsidies arising from the aforementioned trajectory have not obtained a</i>
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		<p><i>formal commitment from the French State.</i></p> <ul style="list-style-type: none"> • <i>Lastly, the cash flow projections used are based on a new financial trajectory for SNCF Réseau that should be integrated in an amendment to the performance contract signed in April 2017, covering the residual period 2018-2026. The financial trajectory was presented for information purposes only to the SNCF Réseau Board of Directors on 25 July 2018 (without being formally approved).</i> <p><i>There are major risks and uncertainties involved in the discounted future cash flow assumptions used to measure the property, plant and equipment, intangible assets and deferred tax assets presented in the statement of financial position at 31 December 2018. Consequently, the amount of the related impairment loss could increase significantly, for the following reasons.</i></p> <p><i>For these reasons, we are unable to assess the pertinence of the projections and are therefore unable to express an opinion on the net value of the assets concerned, which amounted to €32.7 billion in the statement of financial position at 31 December 2018 after impairment for property, plant and equipment and intangible assets and €2.8 billion for deferred tax assets.</i></p> <p><i>The statutory auditor's report on the non-consolidated financial statements for the year ended 31 December 2018 contains the following qualification:</i></p> <p><i>As stated in Note 4.2.3 to the financial statements concerning impairment testing of infrastructure CGU assets, the Company considered that the adoption on 14 June 2018 of the Law for a New Railway Pact (loi d'habilitation pour un nouveau pacte ferroviaire), in addition to various declarations of the French government concerning primarily a change in the methods for indexing infrastructure fees, constituted new indications of impairment. The Company therefore carried out an additional impairment test during the year, using the same methods that were used at 31 December 2017, and recognised an impairment loss of €3.4 billion, in addition to the €9.6 billion impairment loss recognised in 2015 to take into account the new balance in the negotiations between the Company and the French State. The new balance in the negotiations is based on the assumption that (i) the Company will achieve its productivity goals and (ii) the State will effectively implement all means and commitments necessary to support the recoverable amounts of the assets as determined above. The cash flow projections used for the test comprise (i) cash inflows (infrastructure fees, access charges and investment subsidies) mainly arising from commitments received from the French State, and (ii) expenses (installation work and maintenance), capital investment in renovations and renewals, and productivity gains:</i></p> <ul style="list-style-type: none"> • <i>2030 was maintained by the Company as the standard final year for the railway network currently in service, considering that 2030 will correspond to the year in which the network will be stabilised at expected performance levels, although these levels have never been attained. Terminal value represents the essential factor in measuring value in use.</i> • <i>The cash flow projections used to justify these assets' values are based on the assumption that the Company will meet its productivity goals, which are even more ambitious than those used in previous years.</i> • <i>Projections for contractual infrastructure fees have been left unchanged from the previous year-end, at a higher level than for TGV and Rail Freight operations despite the opinion issued by the French road and rail office (ARAFER) in February 2019 regarding the 2020 National Rail Network Statement, as the Company considers that the draft legislation currently under review by the French Council of State (Conseil d'Etat) will enable it to continue to apply a different indexation to TGV and Rail Freight.</i> • <i>The investment subsidies allocated to renovation work — which are mainly financed by dividends earned by SNCF that is redistributed by the French State to SNCF</i>
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	<p><i>Réseau — are based on a new financial trajectory for the Groupe Public Ferroviaire which does not include the possible consequences of future legal and tax restructuring. The investment subsidies arising from the aforementioned trajectory have not obtained a formal commitment from the French State.</i></p> <p>• <i>Lastly, the cash flow projections used are based on a new financial trajectory for SNCF Réseau that should be integrated in an amendment to the performance contract signed in April 2017, covering the residual period 2018-2026. The financial trajectory was presented for information purposes only to the SNCF Réseau Board of Directors on 25 July 2018 (without being formally approved).</i></p> <p><i>There are major risks and uncertainties involved in the discounted future cash flow assumptions used to measure the property, plant and equipment, intangible assets presented in the statement of financial position at 31 December 2018. Consequently, the amount of the related impairment loss could increase significantly, for the following reasons.</i></p> <p><i>For these reasons outlined above, we are unable to assess the pertinence of the projections and are therefore unable to express an opinion on the net value of the assets concerned, which amounted to €32.7 billion in the statement of financial position at 31 December 2018 after impairment for property, plant and equipment and intangible assets.</i></p>																																																							
B.12	<p>Selected historical key financial information</p> <p>The below selected historical key financial information of the Issuer is extracted from the audited consolidated financial statements of the Issuer as of 31 December 2017 and 31 December 2018.</p> <p>Net profit for the year</p> <table><tr><th>In millions of euros</th><th>31 December 2017</th><th>31 December 2018</th></tr><tr><td>Recurring operating (loss)/profit</td><td>1,099</td><td>627</td></tr><tr><td>Net financial expense</td><td>(1,172)</td><td>(1,241)</td></tr><tr><td>Corporate income tax</td><td>(129)</td><td>(771)</td></tr><tr><td>Net profit for the year</td><td>(201)</td><td>(4,784)</td></tr></table> <p>Infrastructure fees</p> <table><tr><th>In millions of euros</th><th>31 December 2017</th><th>31 December 2018</th><th>Change</th></tr><tr><td>Access fees</td><td>1,971</td><td>1,971</td><td>15</td></tr><tr><td>Route reservation fees</td><td>2,079</td><td>2,053</td><td>(26)</td></tr><tr><td>Traffic fees</td><td>1,378</td><td>1,378</td><td>(142)</td></tr><tr><td>Platform Fees</td><td>122</td><td>121</td><td>(1)</td></tr><tr><td>Additional electricity and electricity transmission fees*</td><td>231</td><td>211</td><td>(20)</td></tr><tr><td>Other income</td><td>41</td><td>41</td><td>0</td></tr><tr><td>Infrastructure fees</td><td>5,821</td><td>5,648</td><td>(173)</td></tr><tr><td>Freight compensation</td><td>62</td><td>54</td><td>(8)</td></tr><tr><td>Other revenue</td><td>614</td><td>323</td><td>(291)</td></tr></table>	In millions of euros	31 December 2017	31 December 2018	Recurring operating (loss)/profit	1,099	627	Net financial expense	(1,172)	(1,241)	Corporate income tax	(129)	(771)	Net profit for the year	(201)	(4,784)	In millions of euros	31 December 2017	31 December 2018	Change	Access fees	1,971	1,971	15	Route reservation fees	2,079	2,053	(26)	Traffic fees	1,378	1,378	(142)	Platform Fees	122	121	(1)	Additional electricity and electricity transmission fees*	231	211	(20)	Other income	41	41	0	Infrastructure fees	5,821	5,648	(173)	Freight compensation	62	54	(8)	Other revenue	614	323	(291)
In millions of euros	31 December 2017	31 December 2018																																																						
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Total revenue	6,496	6,301	(195)			
*of which electricity transmission fee : M€ 146 as of 31 December 2017 and 133 as of 31 December 2018.						
Net financial expense						
In millions of euros	31 December 2017	31 December 2018	Change			
Expenses and income related to interests on debt and cash	(1,248)	(1,255)	(7)			
Other financial income	113	10	(103)			
Other financial expenses	(27)	(2)	25			
Cost of net debt	(1,163)	(1,247)	(84)			
Finance cost of employee benefits	(9)	7	16			
Net financial expense	(1,172)	(1,241)	(69)			
Net Debt						
In millions of euros	31 December 2017			31 December 2018		
	Current	Non-current	Net indebtedness	Current	Non-current	Net indebtedness
Equity investments	0	0	0	0	0	0
Other loans and receivables	1,084	255	1,338	1,120	489	1,609
Assets at fair value through profit or loss	50	0	50	0	0	0
Positive fair value of derivatives	33	1,059	1,092	259	820	1,079
PPP financial assets	301	2,418	2,719	266	2,384	2,650
Financial assets	1,467	3,732	5,199	1,645	3,693	5,337
Cash and cash equivalents	3,326	0	3,326	2,707	0	2,797
Sub-total borrowings	1,869	46,537	48,405	2,395	47,340	49,735
Negative fair value of derivatives	69	2,244	2,313	82	2,224	2,306
Cash borrowings and overdrafts	1,678	0	1,678	2,946	0	2,946
PPP financial liabilities	270	2,465	2,736	279	2,438	2,717
Debt	3,909	51,246	55,155	5,723	52,002	57,724

	Net debt IFRS Since 31 December 2018, the last day of the financial period in respect of which the most recent audited financial statements of the Issuer have been prepared, there has been (i) no significant change in the financial or trading position of the Issuer and (ii) no material adverse change in the prospects of the Issuer.”	-	-	46,630	-	-	49,590
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The fourth paragraph of subsection B.16 entitled “Controlling persons” on page 25 of the Base Prospectus shall be deleted in its entirety and replaced with the following:

B.16	Controlling persons	On 31 December 2018, the cumulative amount of capital injections amounted to €9.8 billion.
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RÉSUMÉ EN FRANÇAIS
(FRENCH LANGUAGE SUMMARY OF THE PROGRAMME)

The section entitled “*Résumé en Français (French Language Summary of the Programme)*” of the Base Prospectus shall be amended as follows:

Subsection B.4b entitled “*Tendances*” on page 62 of the Base Prospectus shall be deleted in its entirety and replaced with the following:

B.4b	Tendances	<p>Dans le contexte du nouveau pacte ferroviaire et du projet Nouvel’R en cours, SNCF Réseau s’organise autour de sa vision stratégique à horizon 2030, ainsi dès 2019 de nombreux chantiers sont lancés pour préparer la nouvelle SNCF à l’ouverture à la concurrence des entreprises ferroviaires.</p> <p>2019 sera une année charnière et active pour SNCF Réseau avec la préparation de la mise en œuvre au 1er janvier 2020 des principales mesures du nouveau pacte ferroviaire, notamment la transformation en société anonyme à capitaux publics qui permettra plus de souplesse tout en restant une société d’Etat, et la gestion unifiée des gares grâce au rattachement de Gares et Connexions via une filiale.</p> <p>Le nouveau pacte ferroviaire consiste également à construire un nouveau cadre social plus compétitif pour l’entreprise et plus attractif et motivant pour les cheminots et les futurs candidats. L’ouverture à la concurrence et la digitalisation sont de véritables défis en termes d’évolution des métiers, de même les exigences de performance et de productivité, et la fin du recrutement au statut prévue par la loi sont autant d’éléments qui conduisent à la négociation sur le nouveau pacte social vers une nouvelle convention collective et de nouveaux accords d’entreprises pour le ferroviaire.</p> <p>Le déploiement du projet d’entreprise Nouvel’R va se poursuivre afin de mener la transformation de SNCF Réseau, de préparer le réseau du futur et mieux répondre aux attentes des clients. Nouvel’R est un projet de long terme avec :</p> <ul style="list-style-type: none"> - d’ici un an, des processus stabilisés et une transversalité accrue dans les modes de management de l’Emetteur ; - d’ici trois ans, une qualité de service nettement améliorée et l’atteinte des objectifs de performance économique ; - d’ici dix ans, les premiers effets du Réseau Haute Performance. <p>Le projet de transformation de l’exploitation engagé afin d’obtenir un réseau « haute performance » comporte plusieurs modules de modernisation du système d’exploitation pour notamment permettre une réduction notable des défaillances du système de signalisation, une optimisation de la capacité des lignes ou encore obtenir une plus grande productivité liée à la centralisation de la commande des circulations. Les effets de ces modules seront démultipliés lorsqu’ils seront déployés simultanément.</p> <p>Les efforts de modernisation et d’amélioration du réseau vont continuer dans les années à venir. A l’instar du projet Eole, prolongement du RER E vers l’ouest de la Capitale, qui permettra d’alléger le trafic voyageurs des lignes de RER A, B et D et qui sera mis en service en deux temps : en 2022 pour le tronçon Haussmann-Saint-Lazare – Nanterre-la-Folie et en 2024 pour la ligne</p>
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		<p>complète jusqu'à Mantes-la-Jolie.</p> <p>La gare de Paris-Nord va connaître un important projet d'agrandissement pour accompagner la croissance de l'ensemble des activités de transport de SNCF Mobilités. Le nombre de voyageurs au quotidien devrait en effet augmenter de plus de 40 % d'ici 2030. Les travaux permettront de multiplier par trois les espaces dédiés aux voyageurs, passant de 36 000 m² à 110 000 m² : un nouveau terminal départ améliorera la fluidité, le terminal outre-manche sera agrandi, les espaces de circulation seront multipliés par 2,5 et l'accessibilité sera renforcée grâce à un plus grand nombre d'ascenseurs et d'escaliers mécaniques. Ces travaux devront être terminés pour les Jeux Olympiques de 2024.</p> <p>La qualité de service constitue également un des leviers-clés mis à l'honneur par SNCF Réseau dans le cadre de la stratégie à horizon 2030. A travers les démarches « H:00 » et « FIRST » la priorité est donnée à l'information voyageurs et à la régularité en rendant les services ferroviaires plus ponctuels, plus robustes avec des actions menées sur les causes réseau.</p> <p>Bien sûr la sécurité est un enjeu majeur pour SNCF Réseau, notamment à travers le programme « PRISME » qui vise à installer une démarche d'« excellence sécurité » à travers six piliers : « Proactivité » des agents, analyse des « Risques », maîtrise des « Interfaces » entre les entités, « Simplification » des procédures, création de conditions « Managériales » propices à l'implication personnelle des agents et accès à des « Equipements » à la pointe de l'innovation.</p> <p>Dans le cadre de la clôture des comptes de l'Emetteur au 30 juin 2018, la loi d'habilitation pour un nouveau pacte ferroviaire adoptée le 14 juin 2018, ainsi que les diverses déclarations du gouvernement, notamment sur l'évolution des indexations des péages ou la reprise de la dette, avaient constitué des indices de variation de valeur. En conséquence, un test de valeur avait été conduit au 30/06/2018. Dans le cadre de la clôture des comptes au 31/12/2018, SNCF Réseau n'a pas identifié de nouvel indice de perte de valeur et n'a pas réalisé de nouveau test de valeur.</p> <p>Le groupe SNCF (y compris l'Emetteur) est actuellement sujet à une réorganisation suite à la loi d'habilitation pour un nouveau pacte ferroviaire adoptée le 14 juin 2018, telle que cela est décrit en B.13 ci-dessous.</p>
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Subsections B.10 entitled “*Réserves du rapport d'audit*” on pages 64 to 68 of the Base Prospectus and B.12 entitled “*Informations financières historiques clés sélectionnées*” on pages 68 to 70 of the Base Prospectus are hereby deleted and shall be replaced with the following:

B.10	Réserves du rapport d'audit	<p>Les comptes consolidés et individuels de l'Emetteur pour les exercices clos le 31 décembre 2017 et 31 décembre 2018 ont été vérifiés par les commissaires aux comptes qui ont émis des rapports d'audit. Ces rapports d'audit contiennent concernant l'exercice clos le 31 décembre 2017 les réserves suivantes et concernant l'exercice clos le 31 décembre 2018 les réserves suivantes :</p> <p>Le rapport des commissaires aux comptes sur les comptes consolidés pour l'exercice clos le 31 décembre 2017 contient la réserve suivante : « <i>Comme mentionné en note 4.5 de l'annexe aux comptes consolidés relative au test de valeur des actifs de l'UGT infrastructure, l'entreprise avait mené au 31 décembre 2015 un test de perte de valeur qui avait conduit à la comptabilisation d'une dépréciation de 9,6 milliards d'euros. En lien avec l'approbation du contrat de performance par le Conseil d'Administration du 20 décembre 2016 SNCF Réseau avait identifié des indices de variation de valeur de ces actifs et avait en conséquence mis en</i></p>
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	<p>œuvre à la clôture de l'exercice 2016 i) un test de dépréciation sur ses actifs corporels et incorporels , ii) une évaluation distincte de ses actifs d'impôts différés – conformément aux exigences normatives, qui reposaient tous deux sur des hypothèses tenant compte du caractère spécifique de SNCF Réseau et qui avaient permis de confirmer la valeur économique du réseau. Au 31 décembre 2017, la suppression du CICE ainsi que les évolutions de cotisations patronales et salariales inscrites dans les lois de finance et loi de financement de la sécurité sociale pour 2018 ont constitué des indices de variation de valeur. Un nouveau test de dépréciation et une nouvelle évaluation des impôts différés ont donc été réalisés, selon la même méthodologie qu'au 31 décembre 2016. Ainsi, pour le réseau en service, l'entreprise a retenu l'année 2030 comme année normative considérant qu'elle correspond à l'année où le réseau est stabilisé au niveau de performance attendu. Les projections de trésorerie, fondées sur la trajectoire financière de 10 ans du contrat de performance entre l'Entreprise et l'Etat, intègrent (i) des entrées de trésorerie (péages, redevances d'accès, subventions d'investissement) émanant notamment d'engagements de l'Etat et progressant de façon significative, (ii) des dépenses (travaux et entretien des installations) et des investissements de renouvellement qui s'inscrivent dans des plans de productivité soutenus. Les évaluations réalisées soutiennent, d'une part, le montant de la valeur comptable des immobilisations corporelles et incorporelles déduction faite de la dépréciation de 9,6 milliards d'euros et, d'autre part, une valeur de 3,5 milliards d'euros d'actifs d'impôts différés, reflétant l'équilibre de négociations entre l'Entreprise et l'Etat acté dans le contrat de performance. Cet équilibre suppose, d'une part, la mise en œuvre effective par ce dernier de l'ensemble des moyens et engagements nécessaires pour soutenir la valeur recouvrable des actifs ainsi déterminée et, d'autre part, la capacité de l'Entreprise à atteindre ses plans de productivité. Enfin, la valeur terminale, qui constitue 95% de la valeur d'utilité, est établie sur la base d'un réseau stabilisé, qui ne peut être corrélée à aucune situation historique connue. Des aléas et des incertitudes majeurs pèsent donc sur les hypothèses retenues pour l'évaluation des actifs corporels, incorporels et d'impôts différés, et en conséquence le montant des dépréciations afférentes pourrait augmenter de manière importante. Pour ces raisons, nous ne sommes pas en mesure d'apprécier le caractère probant de ces projections et donc de nous prononcer sur la valeur nette des actifs concernés qui s'élève au bilan à 33,7 milliards d'euros après dépréciation au 31 décembre 2017 pour les immobilisations corporelles et incorporelles et à 3,5 milliards d'euros pour les actifs d'impôts différés. »</p> <p>Le rapport des commissaires aux comptes sur les comptes annuels pour l'exercice clos le 31 décembre 2017 contient la réserve suivante : « Comme mentionné en note 4.2.3 de l'annexe aux comptes annuels relative au test de valeur des actifs de l'UGT infrastructure, l'entreprise avait mené au 31 décembre 2015 un test de perte de valeur qui avait conduit à la comptabilisation d'une dépréciation de 9,6 milliards d'euros. En lien avec l'approbation du contrat de performance par le Conseil d'Administration du 20 décembre 2016 SNCF Réseau avait identifié des indices de variation de valeur de ces actifs et avait en conséquence mis en œuvre à la clôture de l'exercice 2016 un test de dépréciation sur ses actifs corporels et incorporels qui repose sur des hypothèses tenant compte du caractère spécifique de SNCF Réseau et qui avait permis de confirmer la valeur économique du réseau. Au 31 décembre 2017, la suppression du CICE ainsi que les évolutions de cotisations patronales et salariales inscrites dans les lois de finance et loi de financement de la sécurité sociale pour 2018 ont constitué des indices de variation de valeur. Un nouveau test a donc été réalisé, selon la même méthodologie que le test réalisé au 31 décembre 2016. Ainsi, pour le réseau en service, l'entreprise a retenu l'année 2030 comme année normative considérant qu'elle correspond à l'année où le réseau est stabilisé au niveau de performance attendu. Les projections de trésorerie, fondées sur la trajectoire financière de 10 ans du contrat de performance entre l'Entreprise et l'Etat, intègrent (i) des entrées de trésorerie (péages, redevances d'accès, subventions d'investissement) émanant notamment d'engagements de l'Etat et progressant de façon significative, (ii) des dépenses (travaux et entretien des installations) et des investissements de renouvellement qui s'inscrivent dans des plans de productivité soutenus. Les évaluations réalisées soutiennent le montant de la valeur comptable des immobilisations corporelles et incorporelles déduction faite de la dépréciation de 9,6 milliards d'euros, comptabilisée au 31 décembre 2015, reflétant l'équilibre de négociations entre l'Entreprise et l'Etat acté dans le contrat de performance. Cet équilibre suppose, d'une part, la mise en œuvre effective par ce dernier de l'ensemble des moyens et engagements nécessaires pour soutenir la valeur recouvrable des actifs ainsi déterminée et, d'autre part, la capacité de l'entreprise à atteindre ses plans de productivité.</p>
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	<p><i>Enfin, la valeur terminale, qui constitue 95% de la valeur d'utilité, est établie sur la base d'un réseau stabilisé, qui ne peut être corrélée à aucune situation historique connue. Des aléas et des incertitudes majeurs pèsent donc sur les hypothèses retenues pour l'évaluation des actifs corporels et incorporels, et en conséquence le montant des dépréciations afférentes pourrait augmenter de manière importante. Pour ces raisons, nous ne sommes pas en mesure d'apprécier le caractère probant de ces projections et donc de nous prononcer sur la valeur nette des actifs concernés qui s'élève au bilan à 33,7 milliards d'euros après dépréciation au 31 décembre 2017. »</i></p> <p>Le rapport des commissaires aux comptes sur les comptes consolidés pour l'exercice clos le 31 décembre 2018 contient la réserve suivante :</p> <p><i>Comme mentionné en note 4.5 de l'annexe aux comptes consolidés relative au test de valeur des actifs de l'UGT infrastructure, l'entreprise a considéré que l'adoption le 14 juin 2018 de la loi d'habilitation pour un nouveau pacte ferroviaire ainsi que diverses déclarations du gouvernement, concernant notamment une évolution des modalités d'indexation des péages, ont constitué de nouveaux indices de perte de valeur. L'entreprise a en conséquence réalisé un nouveau test en cours d'exercice selon la même méthodologie que celle utilisée au 31 décembre 2017, et a comptabilisé une dépréciation de 3,4 milliards d'euros complémentaire à celle de 9,6 milliards d'euros comptabilisée en 2015 traduisant un nouvel équilibre à date de négociations entre l'entreprise et l'Etat. Ce nouvel équilibre suppose, d'une part, l'atteinte par l'entreprise de ses plans de productivité et, d'autre part, la mise en œuvre effective, notamment par l'Etat, de l'ensemble des moyens et engagements nécessaires pour soutenir la valeur recouvrable des actifs ainsi déterminée.</i></p> <p><i>Ainsi, les projections de trésorerie utilisées dans le test intègrent (i) des entrées de trésorerie (péages, redevances d'accès, subventions d'investissement) émanant notamment d'engagements de l'Etat, (ii) des dépenses (travaux et entretien des installations), des investissements de renouvellement et des gains de productivité.</i></p> <ul style="list-style-type: none"> <i>• Pour le réseau en service, l'entreprise a maintenu l'année 2030 comme année normative considérant qu'elle correspondra à l'année où le réseau sera stabilisé au niveau de performance attendu, ce niveau n'ayant jamais été atteint auparavant. La valeur terminale constitue la part essentielle de la valeur d'utilité.</i> <i>• Les flux de trésorerie utilisés pour supporter la valeur de ces actifs supposent l'atteinte par l'entreprise de plans de productivité encore plus ambitieux que ceux retenus pour les exercices précédents.</i> <i>• La trajectoire des péages du domaine conventionné est maintenue inchangée, par rapport à la clôture précédente, à un niveau plus soutenu que les activités TGV et Fret et ce malgré l'avis rendu par l'Arafer en février 2019 sur le DRR 2020, l'Entreprise considérant que le projet d'ordonnance actuellement en cours de revue par le Conseil d'Etat lui permettra de continuer à appliquer une indexation différente de celle de TGV et Fret.</i> <i>• Les subventions d'investissement affectées aux travaux de régénération et qui sont financées notamment à travers un fonds de concours par la redistribution par l'Etat à SNCF Réseau de ses dividendes perçus de SNCF, reposent sur une nouvelle trajectoire financière du Groupe Public Ferroviaire qui n'intègre pas les conséquences éventuelles des restructurations juridiques et fiscales à venir. En outre, ces subventions d'investissement issues de la trajectoire du Groupe ferroviaire n'ont pas reçu l'engagement formel de l'Etat.</i> <i>• Enfin, les flux de trésorerie utilisés sont issus d'une nouvelle trajectoire financière de SNCF Réseau qui devrait être intégrée dans un nouveau contrat de performance pour couvrir la période résiduelle 2018-2026. Cette trajectoire a été présentée pour information au conseil d'administration de SNCF Réseau du 25 juillet 2018 sans faire l'objet d'une approbation formelle.</i> <p><i>Ainsi, des aléas et incertitudes majeurs pèsent sur les hypothèses de flux de trésorerie prévisionnels actualisés retenus pour l'évaluation des actifs corporels et incorporels et des actifs d'impôts différés figurant au bilan au 31 décembre 2018 et, en conséquence, le montant des dépréciations afférentes pourrait augmenter de manière importante.</i></p> <p><i>Pour ces raisons, nous ne sommes pas en mesure d'apprécier le caractère probant de ces</i></p>
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	<p><i>projections et donc de nous prononcer sur la valeur nette des actifs concernés qui s'élève au bilan au 31 décembre 2018 à 32,7 milliards d'euros après dépréciation pour les immobilisations corporelles et incorporelles et à 2,8 milliards d'euros pour les actifs d'impôts différés.</i></p> <p>Le rapport des commissaires aux comptes sur les comptes annuels pour l'exercice clos le 31 décembre 2018 contient la réserve suivante :</p> <p><i>Comme mentionné en note 4.2.3 de l'annexe aux comptes annuels relative au test de valeur des actifs de l'UGT infrastructure, l'entreprise a considéré que l'adoption le 14 juin 2018 de la loi d'habilitation pour un nouveau pacte ferroviaire ainsi que diverses déclarations du gouvernement, concernant notamment une évolution des modalités d'indexation des péages, ont constitué de nouveaux indices de perte de valeur. L'entreprise a en conséquence réalisé un nouveau test en cours d'exercice selon la même méthodologie que celle utilisée au 31 décembre 2017, et a comptabilisé une dépréciation de 3,4 milliards d'euros complémentaire à celle de 9,6 milliards d'euros comptabilisée en 2015 traduisant un nouvel équilibre à date de négociations entre l'entreprise et l'Etat. Ce nouvel équilibre suppose, d'une part, l'atteinte par l'entreprise de ses plans de productivité et, d'autre part, la mise en œuvre effective, notamment par l'Etat, de l'ensemble des moyens et engagements nécessaires pour soutenir la valeur recouvrable des actifs ainsi déterminée.</i></p> <p><i>Ainsi, les projections de trésorerie utilisées dans le test intègrent (i) des entrées de trésorerie (péages, redevances d'accès, subventions d'investissement) émanant notamment d'engagements de l'Etat, (ii) des dépenses (travaux et entretien des installations), des investissements de renouvellement et des gains de productivité.</i></p> <ul style="list-style-type: none"> <i>• Pour le réseau en service, l'entreprise a maintenu l'année 2030 comme année normative considérant qu'elle correspondra à l'année où le réseau sera stabilisé au niveau de performance attendu, ce niveau n'ayant jamais été atteint auparavant. La valeur terminale constitue la part essentielle de la valeur d'utilité.</i> <i>• Les flux de trésorerie utilisés pour supporter la valeur de ces actifs supposent l'atteinte par l'entreprise de plans de productivité encore plus ambitieux que ceux retenus pour les exercices précédents.</i> <i>• La trajectoire des péages du domaine conventionné est maintenue inchangée, par rapport à la clôture précédente, à un niveau plus soutenu que les activités TGV et Fret et ce malgré l'avis rendu par l'Arafer en février 2019 sur le DRR 2020, l'Entreprise considérant que le projet d'ordonnance actuellement en cours de revue par le Conseil d'Etat lui permettra de continuer à appliquer une indexation différente de celle de TGV et Fret.</i> <i>• Les subventions d'investissement affectées aux travaux de régénération et qui sont financées notamment à travers un fonds de concours par la redistribution par l'Etat à SNCF Réseau de ses dividendes perçus de SNCF, reposent sur une nouvelle trajectoire financière du Groupe Public Ferroviaire qui n'intègre pas les conséquences éventuelles des restructurations juridiques et fiscales à venir. En outre, ces subventions d'investissement issues de la trajectoire du Groupe ferroviaire n'ont pas reçu l'engagement formel de l'Etat.</i> <i>• Enfin, les flux de trésorerie utilisés sont issus d'une nouvelle trajectoire financière de SNCF Réseau qui devrait être intégrée dans un nouveau contrat de performance pour couvrir la période résiduelle 2018-2026. Cette trajectoire a été présentée pour information au conseil d'administration de SNCF Réseau du 25 juillet 2018 sans faire l'objet d'une approbation formelle.</i> <p><i>Ainsi, des aléas et incertitudes majeurs pèsent sur les hypothèses de flux de trésorerie prévisionnels actualisés retenus pour l'évaluation des actifs corporels et incorporels figurant au bilan au 31 décembre 2018 et, en conséquence, le montant des dépréciations afférentes pourrait augmenter de manière importante.</i></p> <p><i>Pour ces raisons, nous ne sommes pas en mesure d'apprécier le caractère probant de ces projections et donc de nous prononcer sur la valeur nette des actifs concernés qui s'élève au bilan au 31 décembre 2018 à 32,7 milliards d'euros après dépréciation pour les immobilisations corporelles et incorporelles.</i></p>
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B.12	Informations financières historiques clés sélectionnées			
	Les informations financières historiques clés de l'Emetteur ci-dessous sont extraites des états financiers consolidés vérifiés de l'Emetteur au 31 décembre 2017 et au 31 décembre 2018.			
	Résultat Net			
	En millions d'euros	31 décembre 2017	31 décembre 2018	
	Résultat opérationnel courant	1 099	627	
	Résultat financier	(1 172)	(1 241)	
	Impôts sur les résultats	(129)	(771)	
	Résultat net des activités ordinaires	(201)	(4 784)	
	Evolution de la ventilation des redevances perçues par type			
	En millions d'euros	31 décembre 2017	31 décembre 2018	Variation
	Redevance d'accès	1 971	1,971	15
	Redevance de réservation	2 079	2 053	(26)
	Redevance de circulation	1 378	1 378	(142)
	Redevance quai	122	121	(1)
	Redevances complémentaires d'électricité et de transport d'électricité *	231	211	(20)
	Autres recettes	41	41	0
	Redevances d'infrastructure	5 821	5 648	(173)
	Compensation FRET	62	54	(8)
	Autres produits	614	323	(291)
	Total Chiffre d'affaires	6 496	6 301	(195)
	* dont redevance de transport d'électricité : 146 M€ au 31 décembre 2017 et 133 au 31 décembre 2018			
	Résultat financier			
	En millions d'euros	31 décembre 2017	31 décembre 2018	Variation
	Charges et produits d'intérêts sur dette et trésorerie	(1 248)	(1 255)	(7)
	Autres produits financiers	113	10	(103)
	Autres charges financières	(27)	(2)	25
	Coût de l'endettement financier net et autres	(1 163)	(1,247)	(84)
	Coût financier net des avantages du personnel	(9)	7	16
	Résultat financier	(1 172)	(1,241)	(69)

	Dette Nette	31 décembre 2017			31 décembre 2018		
	En millions d'euros						
		Courant	Non-courant	EFN*	Courant	Non-courant	EFN*
Titres de participation	0	0	0	0	0	0	0
Autres prêts et créances	1084	255	1338	1 120	489	1 609	
Actifs à la juste valeur par résultat	50	0	50	0	0	0	
Juste valeur positive des dérivés	33	1 059	1 092	259	820	1 079	
Actifs financiers PPP	301	2 418	2 719	266	2,384	2,650	
Actifs financiers	1 467	3 732	5 199	1 645	3 693	5 337	
Trésorerie et équivalents de trésorerie	3 326	0	3 326	2 707	0	2 797	
Sous-total Emprunts	18 69	46 537	48 405	2 395	47 340	49 735	
Juste valeur négative des dérivés	69	2 244	2 313	82	2 224	2 306	
Dettes de trésorerie et trésorerie passive	1 678	0	1 678	2 946	0	2 946	
Passifs financiers PPP	270	2 465	2 736	279	2 438	2 717	
Passifs financiers	3 909	51 246	55 155	5 723	52 002	57 724	
Endettement Financier Net	-	-	46 630	-	-	49 590	
* EFN : Endettement Financier Net							
Depuis le 31 décembre 2018, le dernier jour du dernier exercice pour lequel des états financiers vérifiés de l'Emetteur ont été publiés, (i) aucun changement significatif de la situation financière ou commerciale de l'Emetteur n'est survenu et (ii) aucune détérioration significative n'a affecté les perspectives de l'Emetteur."							

The fourth paragraph of subsection B.16 entitled “*Contrôle*” on page 73 of the Base Prospectus shall be deleted in its entirety and replaced with the following:

B.16	Contrôle	A la date du 31 décembre 2018, le montant cumulé des dotations en capital s'établit à 9,8 milliards d'euros.
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RISK FACTORS

The risk factor entitled “*Risk relating to the assumptions used to measure the net value of the assets of the Issuer*” of the Base Prospectus on page 107 of the Base Prospectus is hereby deleted and shall be replaced with the following:

“Risk relating to the assumptions used to measure the net value of the assets of the Issuer

The statutory auditors report on the consolidated financial statements as at 31 December 2018, contains a qualification, identifying risks and uncertainties resulting from the assumptions used by the Issuer to measure the net value of property, plant and equipment, intangible assets and deferred tax assets, which is set out below:

As stated in Note 4.5 to the consolidated financial statements concerning impairment testing of infrastructure CGU assets, the Company considered that the adoption on 14 June 2018 of the Law for a New Railway Pact (loi d’habilitation pour un nouveau pacte ferroviaire), in addition to various declarations of the French government concerning primarily a change in the methods for indexing infrastructure fees, constituted new indications of impairment. The Company therefore carried out an additional impairment test during the year, using the same methods that were used at 31 December 2017, and recognised an impairment loss of €3.4 billion, in addition to the €9.6 billion impairment loss recognised in 2015 to take into account the new balance in the negotiations between the Company and the French State. The new balance in the negotiations is based on the assumption that (i) the Company will achieve its productivity goals and (ii) the State will effectively implement all means and commitments necessary to support the recoverable amounts of the assets as determined above.

The cash flow projections used for the test comprise (i) cash inflows (infrastructure fees, access charges and investment subsidies) mainly arising from commitments received from the French State, and (ii) expenses (installation work and maintenance), capital investment in renovations and renewals, and productivity gains.

- *2030 was maintained by the Company as the standard final year for the railway network currently in service, considering that 2030 will correspond to the year in which the network will be stabilised at expected performance levels, although these levels have never been attained. Terminal value represents the essential factor in measuring value in use.*
- *The cash flow projections used to justify these assets’ values are based on the assumption that the Company will meet its productivity goals, which are even more ambitious than those used in previous years.*
- *Projections for infrastructure fees in the regulated market have been left unchanged from the previous year-end, at a higher level than for open access operations despite the non-compliance opinion issued by the French road and rail office (ARAFER) in February 2019 regarding the 2020 National Rail Network Statement, as the Company considers that the draft legislation currently under review by the French Council of State (Conseil d’Etat) will enable it to continue to apply a different indexation to open access.*
- *The investment subsidies allocated to renovation work — which are mainly financed by dividends earned by SNCF that is redistributed by the French State to SNCF Réseau — are based on a new financial trajectory for the Groupe Public Ferroviaire which does not include the possible consequences of future legal and tax restructuring. The investment subsidies arising from the aforementioned trajectory have not obtained a formal commitment from the French State.*
- *Lastly, the cash flow projections used are based on a new financial trajectory for SNCF Réseau that should be integrated in an amendment to the performance contract signed in April 2017, covering the residual period 2018-2026. The financial trajectory was presented for information purposes only to the SNCF Réseau Board of Directors on 25 July 2018 (without being formally approved).*

There are major risks and uncertainties involved in the discounted future cash flow assumptions used to measure the property, plant and equipment, intangible assets and deferred tax assets presented in the statement of financial position at 31 December 2018. Consequently, the amount of the related impairment loss could increase significantly, for the following reasons.

For these reasons, we are unable to assess the pertinence of the projections and are therefore unable to express an opinion on the net value of the assets concerned, which amounted to €32.7 billion in the statement of financial position at 31 December 2018 after impairment for property, plant and equipment and intangible assets and €2.8 billion for deferred tax assets.

The auditors' reports on the non-consolidated financial statements as at 31 December 2017 and 31 December 2018 contain similar qualifications and are, together with the auditors' report on the consolidated financial statements as at 31 December 2017 and 31 December 2018, incorporated by reference in this Base Prospectus.

DOCUMENTS INCORPORATED BY REFERENCE

The section entitled “Documents Incorporated by Reference” of the Base Prospectus on pages 126 to 129 of the Base Prospectus is hereby deleted and shall be replaced with the following:

“This Base Prospectus should be read and construed in conjunction with the following documents, which have previously been published or are published simultaneously with this Base Prospectus and have been filed with the AMF as competent authority in France for the purposes of the Prospectus Directive and shall be incorporated in, and shall be deemed to form part of, this Base Prospectus:

- the sections referred to in the table below included in the 2017 English language financial report (including, *inter alia*, the Issuer's audited annual consolidated and non-consolidated financial statements, comprising the balance sheets, income statements and cash flow statements) including the free English language translation of the statutory auditors' reports and the notes relating to such financial statements for the financial year ended 31 December 2017 (**2017 Financial Report**),
- the sections referred to in the table below included in the 2018 French language financial report (including, *inter alia*, the Issuer's audited annual consolidated and non-consolidated financial statements, comprising the balance sheets, income statements and cash flow statements) including the French language statutory auditors' reports and the notes relating to such financial statements for the financial year ended 31 December 2018 (**2018 Financial Report**),
- the sections referred to in the table below included in the 2018 French language corporate governance report (**2018 Corporate Governance Report**), and
- the terms and conditions included in the base prospectus and information memoranda referred to in the table below,

save that any statement contained in this Base Prospectus or in any of the documents incorporated by reference in, and forming part of, this Base Prospectus 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 subsequently incorporated by reference by way of a supplement prepared in accordance with Article 16 of the Prospectus Directive modifies or supersedes such statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus may be obtained in accordance with paragraph 7 “Documents available” in section “General Information” of this Base Prospectus.

The table below sets out the relevant page references for the Issuer's audited annual non-consolidated financial statements for each of the financial years ended 31 December 2017 and 2018, the annual consolidated financial statements for the financial year ended 31 December 2017 and 2018, the statutory auditors' reports thereto and the 2018 Corporate Governance Report.

Information Incorporated by Reference	Reference
4. Risk factors	2018 Financial Report, pages 25-34
5. Information about the Issuer	
5.2 Investments	2018 Financial Report, pages 17-24
6. Business overview	
6.1 Principal activities	2018 Financial Report, pages 12-15
8. Trend information	
8.2 Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year.	2018 Financial Report, page 56
10. Corporate governance	
10. Administrative, Management and Supervisory bodies	2018 Corporate Governance Report, pages 3-17

Information Incorporated by Reference	Reference
13. Financial Information Concerning The Issuer's Assets And Liabilities, Financial Position And Profits And Losses	
The Consolidated Balance Sheet as at 31 December 2017 and 2018	2017 Financial Report, pages 51-52 2018 Financial Report, pages 59-60
The Consolidated Income Statement for the years ended 31 December 2017 and 2018	2017 Financial Report, pages 53 2018 Financial Report, pages 61-62
The Consolidated Statement of Cash Flows as at 31 December 2017 and 2018	2017 Financial Report, page 56 2018 Financial Report, page 64
The Consolidated Statement of changes in equity as at 31 December 2017 and 2018	2017 Financial Report, page 55 2018 Financial Report, page 63
The Notes to the Consolidated Financial Statements as at 31 December 2017 and 2018	2017 Financial Report, pages 57-104 2018 Financial Report, pages 65-121
The Statutory Auditors' Report on the Consolidated Financial Statements for the years ended 31 December 2017 and 2018	2017 Financial Report, pages 156-163 2018 Financial Report, pages 179-188
The Non-consolidated Balance Sheet as at 31 December 2017 and 2018	2017 Financial Report, pages 122-123 2018 Financial Report, pages 143-144
The Non-consolidated Income Statement for the years ended 31 December 2017 and 2018	2017 Financial Report, page 124 2018 Financial Report, page 145
The Non-Consolidated Statement of Cash Flows as at 31 December 2017 and 2018	2018 Financial Report, page 146
The Notes to the Non-consolidated Financial Statements as at 31 December 2017 and 2018	2017 Financial Report, pages 125-155 2018 Financial Report, pages 147-178
The Statutory Auditors' Report on the Non-consolidated Financial Statements for the years ended 31 December 2017 and 2018	2017 Financial Report, pages 164-171 2018 Financial Report, pages 189-198
13.6 Legal and arbitration proceedings	2018 Financial Report, pages 85-86

The table below sets out the relevant page references for the Terms and Conditions Incorporated by Reference.

The Terms and Conditions Incorporated by Reference are incorporated by reference in this Base Prospectus for the purpose only of further issues of Notes to be consolidated and form a single series with Notes already issued pursuant to the relevant Terms and Conditions Incorporated by Reference.

Terms and Conditions Incorporated by Reference	Reference
Base Prospectus filed with the AMF on 30 May 2017	Pages 120 to 168
Base Prospectus filed with the AMF on 31 May 2016	Pages 87 to 132
Base Prospectus filed with the AMF on 1 June 2015	Pages 81 to 186
Base Prospectus filed with the AMF on 5 June 2014	Pages 77 to 121
Base Prospectus filed with the AMF on 6 June 2013	Pages 77 to 122
Base Prospectus filed with the AMF on 7 June 2012	Pages 43 to 75
Base Prospectus filed with the AMF on 9 June 2011	Pages 41 to 73

Base Prospectus approved by the Commission de Surveillance du Secteur Financier (CSSF) on 10 June 2010	Pages 28 to 60
Base Prospectus approved by the CSSF on 11 June 2009	Pages 27 to 58
Base Prospectus approved by the CSSF on 13 June 2008	Pages 27 to 58
Base Prospectus approved by the CSSF on 18 June 2007	Pages 24 to 52
Base Prospectus approved by the CSSF on 12 July 2006	Pages 21 to 45
Base Prospectus approved by the CSSF on 6 September 2005	Pages 20 to 44
Information Memorandum registered by the Luxembourg Stock Exchange on 8 July 2004	Pages 11 to 36
Information Memorandum registered by the Luxembourg Stock Exchange on 11 July 2003	Pages 11 to 36
Information Memorandum registered by the Luxembourg Stock Exchange on 4 July 2002	Pages 11 to 35
<i>Document de Base</i> registered by the <i>Commission des Opérations de Bourse (COB)</i> 3 July 2002	Pages 12 to 37
Information Memorandum registered by the Luxembourg Stock Exchange on 10 April 2001	Pages 10 to 33
<i>Document de Base</i> registered by the COB on 10 April 2001	Pages 11 to 36
Information Memorandum registered by the Luxembourg Stock Exchange on 30 November 2000 and registered by the COB on 29 November 2000	Pages 10 to 33
Information Memorandum registered by the Luxembourg Stock Exchange on 26 November 1999	Pages 10 to 33
Information Memorandum registered by the Luxembourg Stock Exchange on 29 October 1998	Pages 11 to 30

DESCRIPTION OF SNCF RESEAU

The paragraph entitled “Capital” of the subsection entitled “Capital and external controls” of the section entitled “Description of SNCF Réseau” of the Base Prospectus on page 193 of the Base Prospectus is hereby deleted and shall be replaced with the following:

“Capital

As a State-owned company, SNCF Réseau does not have any share capital in the legal sense of the term. SNCF Réseau’s capital at its date of incorporation amounted to €0.86 billion, corresponding to the difference in value between its assets and liabilities. From its incorporation until 2003, this amount was supplemented by yearly capital injections by the French State. At 31 December 2018, the cumulative amount of capital injections amounted to € 9.8 billion.

At 31 December 2018, total equity amounted to € 10.02 billion.

SNCF Réseau has no shares and pays no dividends.”

The paragraph entitled “Board of Directors” of the section entitled “Description of SNCF Réseau” of the Base Prospectus on pages 199 to 201 of the Base Prospectus are hereby deleted and shall be replaced with the following:

“The Board of Directors

As of the date of this Base Prospectus, the composition of the Board of Directors of the Issuer consists of the following:

Patrick JEANTET

Chairman of the Board of Directors

Fanny ARAV

Représentante UNSA des Salariés

Stéphane BEAUDET

Vice-Président STIF et Vice-Président Région IdF

Ann BILLIAU

Représentante de l'Epic SNCF

Infrabel

Didier BOUSQUIE

Représentant CGT des Salariés

Joëlle BRAVAIS

Représentante de l'Epic SNCF

Directrice cadre Dirigeants – SNCF

Denis CHARISSOUX

Représentant de l'Etat

Sous-directeur à la Direction du Budget

Muriel DAUVERGNE

Représentante CGT des Salariés

Jean-René DELEPINE

Représentant Sud-Rail des Salariés

Carole DESNOST

Représentante de l'Epic SNCF

Directrice Innovation et Recherche

Corinne ETAIX

Représentante de l'Etat

Membre permanent du CGEDD

Anne FLORETTE

Représentante de l'Etat

CGEDD

Cédric GARCIN

Représentant de l'Etat

APE – Directeur de participations adjoint – Secteur Transports

Patricia LACOSTE

Représentante de l'Epic SNCF

Président - Directeur général du groupe PREVOIR

Anne-LASSMAN-TRAPPIER

Représentante des Associations de protection de l'environnement

France Nature Environnement

Dominique MAILLARD

Représentant de l'Epic SNCF

Ancien Président RTE

Christine MEQUIGNON

Représentante CGT des Salariés

Michel NEUGNOT

Représentant de l'ARF

Céline PIERRE

Représentante CFDT des Salariés

Thierry SALMON

Représentant UNSA des Salariés

Pascale VIE

Représentante des usagers du transport ferroviaire de personnes et marchandises

Entreprise Solvay

Stéphane VOLANT

Représentant de l'Epic SNCF

Secrétaire Général de la SNCF

Guy ZIMA

Représentant CGT des Salariés

Commissaire du gouvernement:

Madame Sandrine CHINZI

Commissaire du Gouvernement

Olivier ROLIN

Commissaire du Gouvernement adjoint

Mission de contrôle économique et financier des transports

Philippe DUPUIS

Chef de la mission de contrôle économique et financier des transports

Commission consultative :

Monsieur Yves DECELLE

Secrétaire de la commission consultative constituée auprès de SNCF Réseau

Professional address of the members of the Board of Directors is: 15/17, rue Jean-Philippe Rameau, CS 80001, 93418 La Plaine Saint Denis Cedex France.

The Issuer is not aware of any potential conflicts of interest between the duties of the persons listed above and their private interests or other duties.”

The paragraph entitled “Non-consolidated net debt as at 31 May 2018” of the section entitled “Description of SNCF Réseau” of the Base Prospectus on page 202 of the Base Prospectus is hereby deleted and shall be replaced with the following:

“Non-consolidated net debt as at 31 December 2018

As at 31 December 2018, the non-consolidated net debt of SNCF Réseau amounted to € 48.25 billion increased by a net amount of € 2.74 million as compared with the amount shown in the 31 December 2017 audited non-consolidated balance sheet.”

KEY FIGURES

The section entitled “Selected Financial Information (from consolidated financial statements)” of the Base Prospectus on pages 205 to 207 of the Base Prospectus is hereby deleted and shall be replaced with the following:

“Selected Financial Information (from consolidated financial statements)”

Net profit for the year

In millions of euros	31 December 2017	31 December 2018
Recurring operating (loss)/profit	1,099	627
Net financial expense	(1,172)	(1,241)
Corporate income tax	(129)	(771)
Net profit for the year	(201)	(4,784)

Infrastructure fees

In millions of euros	31 December 2017	31 December 2018	Change
Access fees	1,971	1,971	15
Route reservation fees	2,079	2,053	(26)
Traffic fees	1,378	1,378	(142)
Platform Fees	121	121	(1)
Additional electricity and electricity transmission fees*	231	211	(20)
Other income	41	41	0
Infrastructure fees	5,821	5,648	(173)
Freight compensation	62	54	(8)
Other revenue	614	323	(291)
Total revenue	6,496	6,301	(195)

*of which electricity transmission fee: M€ 146 as of 31 December 2017 and 133 as of 31 December 2018.

Net financial expense

In millions of euros	31 December 2017	31 December 2018	Change
Expenses and income related to interests on debt and cash	(1,248)	(1,255)	(7)
Other financial income	113	10	(103)
Other financial expenses	(27)	(2)	25

In millions of euros	31 December 2017	31 December 2018	Change
Cost of net debt	(1,163)	(1,247)	(84)
Finance cost of employee benefits	(9)	7	16
Net financial expense	(1,172)	(1,241)	(69)

Net Debt

In millions of euros	31 December 2017			31 December 2018		
	Current	Non-current	Net indebtedness	Current	Non-current	Net indebtedness
Equity investments	0	0	0	0	0	0
Other loans and receivables	1,084	255	1,338	1,120	489	1,609
Assets at fair value through profit or loss	50	0	50	0	0	0
Positive fair value of derivatives	33	1,059	1,092	259	820	1,079
PPP financial assets	301	2,418	2,719	266	2,384	2,650
Financial assets	1,467	3,732	5,199	1,645	3,693	5,337
Cash and cash equivalents	3,326	0	3,326	2,707	0	2,797
Sub-total borrowings	1,869	46,537	48,405	2,395	47,340	49,735
Negative fair value of derivatives	69	2,244	2,313	82	2,224	2,306
Cash borrowings and overdrafts	1,678	0	1,678	2,946	0	2,946
PPP financial liabilities	270	2,465	2,736	279	2,438	2,717
Debt	3,909	51,246	55,155	5,723	52,002	57,724
Net debt	-	-	46,630	-	-	49,590

TAXATION

The subsection entitled “Withholding Tax” under the section entitled “France Taxation” of the Base Prospectus on pages 261 to 262 of the Base Prospectus is hereby deleted and shall be replaced with the following:

“Withholding tax

“Pursuant to Article 125 A III of the French *Code général des impôts*, payments of interest and other assimilated revenues made by the Issuer with respect to the Notes issued as from 1 March 2010 (other than Notes (described below) which are consolidated (*assimilables* for the purposes of French law) and form a single series with Notes issued before 1 March 2010 having the benefit of Article 131 *quater* of the French *Code général des impôts*) will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France to persons domiciled or established in a non-cooperative state or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* or paid to a bank account opened in a financial institution located in such a non-cooperative state. If such payments under the Notes are made in a non-cooperative state or territory within the meaning of Article 238-0 A of the French *Code Général des Impôts* other than the State or territory mentioned at paragraph 2 bis, 2° of said Article 238-0- A of the French *Code Général des Impôts*, a 75 per cent. withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*. The list of non-cooperative States within the meaning of Article 238-0 A of the French *Code Général des impôts* (a “Non-Cooperative State”) is published by a ministerial executive order and may be updated at any time and at least once a year. As from December 1, 2018, a new law published on October 24, 2018 no 2018-898 has (i) removed the specific exclusion of the Member States of the European Union, (ii) expanded such list to the states and jurisdictions included on the black list published by the Council of the European Union as amended from time to time and (iii) therefore expanded this withholding tax regime to certain States and jurisdictions included in such blacklist.

Furthermore, according to Article 238 A of the French *Code général des impôts*, interest and other assimilated revenues on such Notes will not be deductible from the Issuer's taxable income, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to a bank account opened in a financial institution located in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Article 109 *et seq.* of the French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* of the French *Code général des impôts*, at rates of 30 per cent. or 12.8 per cent. for individuals or 75 per cent. (subject to the more favourable provisions of any applicable double tax treaty).

Notwithstanding the foregoing, the Law provides that neither the 75 per cent. withholding tax set out under Article 125 A III of the French *Code général des impôts* nor the non-deductibility for tax purposes as set out under Article 238 A of the French *Code général des impôts* to the extent the relevant interest and other assimilated revenues relate to a genuine transaction and are not abnormal or exaggerated in their amount, will apply in respect of a particular issue of Notes if the Issuer can prove that the principal purpose and effect of such issue of Notes was not that of allowing the payments of interest or other assimilated revenues to be made in a Non-Cooperative State (the **Exception**).

Pursuant to the *Bulletin Officiel de Finances Publiques-Impôts* BOI-INT-DG-20-50-20140211, n°990, BOI-RPPM-RCM-30-10-20-40-20140211, n°60 and 70 and BOI-IR-DOMIC-10-20-20-60-20150320, n°10, an issue of the Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of Notes, if such Notes are:

- (i) offered by means of a public offer within the meaning of Article L.411-.1 of the French Code monétaire et financier or pursuant to an equivalent offer made in a State other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or

- (ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system **provided that** such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
- (iii) admitted, at the time of their issue, to the operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of Article L .561-2 of the French Code *monétaire et financier*, or of one or more similar foreign depositories or operators **provided that** such depository or operator is not located in a Non-Cooperative State.”

GENERAL INFORMATION

The subsection 9 entitled “No Significant or material adverse change” of the section entitled “General Information” of the Base Prospectus on page 267 of the Base Prospectus is hereby deleted and shall be replaced with the following:

- “9. Since 31 December 2018, the last day of the financial period in respect of which the most recent audited financial statements of the Issuer have been prepared, there has been (i) no significant change in the financial or trading position of the Issuer and (ii) no material adverse change in the prospects of the Issuer.”

The paragraph (d) of the subsection 10 entitled “Documents available” of the section entitled “General Information” of the Base Prospectus on pages 267 and 268 of the Base Prospectus is hereby deleted and shall be replaced with the following:

- “(d) the audited financial statements of the Issuer (including the auditors' reports with respect thereto) for the years ended 31 December 2017 and 2018 and, hereafter, its most recent publicly available audited financial statements (including the auditors' reports with respect thereto); and”

The subsection 12 entitled “Auditors” of the section entitled “General Information” of the Base Prospectus on page 268 of the Base Prospectus is hereby deleted and shall be replaced with the following:

- “12. The auditors of the Issuer are PricewaterhouseCoopers Audit 63, rue de Villiers, 92208 Neuilly sur Seine, and Ernst & Young Audit 1/2, place des Saisons, 92400 Courbevoie, Paris, La Défense 1, belonging to the *Compagnie Nationale des Commissaires aux Comptes de Versailles* and under the authority of the *Haut Conseil du Commissariat aux Comptes*. PricewaterhouseCoopers Audit and Ernst & Young Audit, auditors of the Issuer for the financial years 2017 and 2018, have audited the Issuer's financial non-consolidated statements with a qualification for the years ended 31 December 2017 and 31 December 2018, in accordance with French generally accepted accounting principles and the Issuer's consolidated financial statements, with a qualification for the years ended 31 December 2017 and 31 December 2018, in accordance with IFRS as adopted in the European Union. The auditors of the Issuer have no material interest in the Issuer.”

PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE THIRD SUPPLEMENT

Person responsible for this Third Supplement

Patrick Jeantet

Président du Conseil d'administration of SNCF Réseau

Declaration by person responsible for this Third Supplement

The Issuer declares, after having taken all reasonable care to ensure that such is the case and to the best of the knowledge of the Issuer, that the information contained in this Third Supplement is in accordance with the facts and contains no omission likely to affect its import.

The consolidated and the non-consolidated financial statements of SNCF Réseau for the years ended 31 December 2017 and 31 December 2018 were audited by the statutory auditors who issued audit reports which are reproduced on pages 158-165 and 166-173 of the 2017 Financial Report and on pages 179-188 and 189-198 of the 2018 Financial Report. These reports contain qualifications.

The statutory auditors' report on the consolidated financial statements for the year ended 31 December 2017 contains the following qualification: *"As stated in Note 4.5 to the consolidated financial statements concerning the test of the value of infrastructure CGU assets, on 31 December 2015 SNCF Réseau carried out an impairment test which led to recognition of an impairment loss of €9.6 billion. In connection with the approval of the performance agreement by the Board of Directors on 20 December 2016, SNCF Réseau had identified indications of changes in the value of these assets and had consequently implemented at the end of the 2016 financial year i) an impairment test of its property, plant and equipment and intangible assets and ii) a separate evaluation of its deferred tax assets in accordance with prescriptive requirements, both of which based on assumptions taking into account the specific nature of SNCF Réseau's business and serving to confirm the network's economic value. At 31 December 2017, the discontinuation of the CICE tax credit as well as the changes in employer and employee contributions included in the French finance laws (lois de finance) and the French social security financing law (loi de financement de la sécurité sociale) for 2018 constituted indications of a change in value. A new impairment test and new deferred tax asset evaluation were therefore carried out, applying the same methodology as that of the test carried out at 31 December 2016. For the railway network currently in service, 2030 was thus chosen as a standard year since the Company considers it to be the year that the network will be stabilised at expected performance levels. The cash flow projections, based on the 10-year financial trajectory of the performance agreement between the Company and the French State, incorporate (i) cash inflows (infrastructure fees, access charges and investment subsidies) which improve significantly over time and are mainly generated from commitments received from the French State, and (ii) expenses (installation work and maintenance) and capital investment in renovations and renewals in connection with the Company's significant productivity goals. The evaluations carried out support the carrying amounts presented for property, plant and equipment and intangible assets after deducting the impairment loss of €9.6 billion, as well as an amount of €3.5 billion in deferred tax assets. These amounts reflect the balance reached during negotiations between the Company and the French State and incorporated in the performance agreement. This balance is based on the assumptions that (i) the State will effectively implement all means and commitments required to support the recoverable amounts calculated using the approach detailed above and (ii) the Company is capable of achieving its productivity goals. The terminal value, which represents 95% of the assets' value in use, is based on a renovated, operational railway network that cannot be compared to any corresponding historical situation. There are therefore major risks and uncertainties involved in the assumptions used to assess the property, plant and equipment, intangible assets and deferred tax assets and consequently the amount of the related impairment loss could increase significantly. As a result, we are unable to assess the reliability of these projections and are therefore unable to give an opinion on the net value of the assets concerned, which after impairment amounted to €33.7 billion at 31 December 2017 for property, plant and equipment and intangible assets and €3.5 billion for deferred tax assets."*

The statutory auditor's report on the non-consolidated financial statements for the year ended 31 December 2017 contains the following qualification: *"As stated in Note 4.2.3 to the financial statements concerning the test of the value of infrastructure CGU assets, on 31 December 2015 SNCF Réseau carried out an impairment test which led to recognition of an impairment*

loss of €9.6 billion. In connection with the approval of the performance agreement by the Board of Directors on 20 December 2016, SNCF Réseau had identified indications of changes in the value of these assets and had consequently implemented at the end of the 2016 financial year an impairment test of its property, plant and equipment and intangible assets based on assumptions taking into account the specific nature of SNCF Réseau's business and serving to confirm the network's economic value. At 31 December 2017, the discontinuation of the CICE tax credit as well as the changes in employer and employee contributions included in the French finance laws (lois de finance) and the French social security financing law (loi de financement de la sécurité sociale) for 2018 constituted indications of a change in value. A new test was therefore carried out, applying the same methodology as that of the test carried out at 31 December 2016. For the railway network currently in service, 2030 was thus chosen as a standard year since the Company considers it to be the year that the network will be stabilised at expected performance levels. The cash flow projections, based on the 10-year financial trajectory of the performance agreement between the Company and the French State, incorporate (i) cash inflows (infrastructure fees, access charges and investment subsidies) which improve significantly over time and are mainly generated from commitments received from the French State, and (ii) expenses (installation work and maintenance) and capital investment in renovations and renewals in connection with the Company's significant productivity goals. The evaluations carried out support the carrying amounts presented for property, plant and equipment and intangible assets after deducting the impairment loss of €9.6 billion recognised at 31 December 2017. This amount reflects the balance reached during negotiations between the Company and the French State and incorporated in the performance agreement. This balance is based on the assumptions that (i) the State will effectively implement all means and commitments required to support the recoverable amounts calculated using the approach detailed above and (ii) the Company is capable of achieving its productivity goals. The terminal value, which represents 95% of the assets' value in use, is based on a renovated, operational railway network that cannot be compared to any corresponding historical situation. There are therefore major risks and uncertainties involved in the assumptions used to assess the property, plant and equipment and intangible assets, and consequently the amount of the related impairment loss could increase significantly. As a result, we are unable to assess the reliability of these projections and are therefore unable to give an opinion on the net value of the assets concerned, which after impairment amounted to €33.7 billion at 31 December 2017."

The statutory auditors' report on the consolidated financial statements for the year ended 31 December 2018 contains the following qualification:

As stated in Note 4.5 to the consolidated financial statements concerning impairment testing of infrastructure CGU assets, the Company considered that the adoption on 14 June 2018 of the Law for a New Railway Pact (loi d'habilitation pour un nouveau pacte ferroviaire), in addition to various declarations of the French government concerning primarily a change in the methods for indexing infrastructure fees, constituted new indications of impairment. The Company therefore carried out an additional impairment test during the year, using the same methods that were used at 31 December 2017, and recognised an impairment loss of €3.4 billion, in addition to the €9.6 billion impairment loss recognised in 2015 to take into account the new balance in the negotiations between the Company and the French State. The new balance in the negotiations is based on the assumption that (i) the Company will achieve its productivity goals and (ii) the State will effectively implement all means and commitments necessary to support the recoverable amounts of the assets as determined above.

The cash flow projections used for the test comprise (i) cash inflows (infrastructure fees, access charges and investment subsidies) mainly arising from commitments received from the French State, and (ii) expenses (installation work and maintenance), capital investment in renovations and renewals, and productivity gains.

- 2030 was maintained by the Company as the standard final year for the railway network currently in service, considering that 2030 will correspond to the year in which the network will be stabilised at expected performance levels, although these levels have never been attained. Terminal value represents the essential factor in measuring value in use.
- The cash flow projections used to justify these assets' values are based on the assumption that the Company will meet its productivity goals, which are even more ambitious than those used in previous years.
- Projections for infrastructure fees in the regulated market have been left unchanged from the previous year-end, at a higher level than for open access operations despite the non-compliance opinion issued by the French road and rail office (ARAFER) in February 2019 regarding the 2020 National Rail Network Statement, as the Company considers that the draft legislation currently under review by the French Council of State (Conseil d'Etat) will enable it to continue to apply a different indexation to open access.

- *The investment subsidies allocated to renovation work — which are mainly financed by dividends earned by SNCF that is redistributed by the French State to SNCF Réseau — are based on a new financial trajectory for the Groupe Public Ferroviaire which does not include the possible consequences of future legal and tax restructuring. The investment subsidies arising from the aforementioned trajectory have not obtained a formal commitment from the French State.*

- *Lastly, the cash flow projections used are based on a new financial trajectory for SNCF Réseau that should be integrated in an amendment to the performance contract signed in April 2017, covering the residual period 2018-2026. The financial trajectory was presented for information purposes only to the SNCF Réseau Board of Directors on 25 July 2018 (without being formally approved).*

There are major risks and uncertainties involved in the discounted future cash flow assumptions used to measure the property, plant and equipment, intangible assets and deferred tax assets presented in the statement of financial position at 31 December 2018. Consequently, the amount of the related impairment loss could increase significantly, for the following reasons. For these reasons, we are unable to assess the pertinence of the projections and are therefore unable to express an opinion on the net value of the assets concerned, which amounted to €32.7 billion in the statement of financial position at 31 December 2018 after impairment for property, plant and equipment and intangible assets and €2.8 billion for deferred tax assets.

The statutory auditor's report on the non-consolidated financial statements for the year ended 31 December 2018 contains the following qualification:

As stated in Note 4.2.3 to the financial statements concerning impairment testing of infrastructure CGU assets, the Company considered that the adoption on 14 June 2018 of the Law for a New Railway Pact (loi d'habilitation pour un nouveau pacte ferroviaire), in addition to various declarations of the French government concerning primarily a change in the methods for indexing infrastructure fees, constituted new indications of impairment. The Company therefore carried out an additional impairment test during the year, using the same methods that were used at 31 December 2017, and recognised an impairment loss of €3.4 billion, in addition to the €9.6 billion impairment loss recognised in 2015 to take into account the new balance in the negotiations between the Company and the French State. The new balance in the negotiations is based on the assumption that (i) the Company will achieve its productivity goals and (ii) the State will effectively implement all means and commitments necessary to support the recoverable amounts of the assets as determined above. The cash flow projections used for the test comprise (i) cash inflows (infrastructure fees, access charges and investment subsidies) mainly arising from commitments received from the French State, and (ii) expenses (installation work and maintenance), capital investment in renovations and renewals, and productivity gains:

- *2030 was maintained by the Company as the standard final year for the railway network currently in service, considering that 2030 will correspond to the year in which the network will be stabilised at expected performance levels, although these levels have never been attained. Terminal value represents the essential factor in measuring value in use.*

- *The cash flow projections used to justify these assets' values are based on the assumption that the Company will meet its productivity goals, which are even more ambitious than those used in previous years.*

- *Projections for contractual infrastructure fees have been left unchanged from the previous year-end, at a higher level than for TGV and Rail Freight operations despite the opinion issued by the French road and rail office (ARAFER) in February 2019 regarding the 2020 National Rail Network Statement, as the Company considers that the draft legislation currently under review by the French Council of State (Conseil d'Etat) will enable it to continue to apply a different indexation to TGV and Rail Freight.*

- *The investment subsidies allocated to renovation work — which are mainly financed by dividends earned by SNCF that is redistributed by the French State to SNCF Réseau — are based on a new financial trajectory for the Groupe Public Ferroviaire which does not include the possible consequences of future legal and tax restructuring. The investment subsidies arising from the aforementioned trajectory have not obtained a formal commitment from the French State.*

- *Lastly, the cash flow projections used are based on a new financial trajectory for SNCF Réseau that should be integrated in an amendment to the performance contract signed in April 2017, covering the residual period 2018-2026. The financial trajectory was presented for information purposes only to the SNCF Réseau Board of Directors on 25 July 2018 (without being formally approved).*

There are major risks and uncertainties involved in the discounted future cash flow assumptions used to measure the property,

plant and equipment, intangible assets presented in the statement of financial position at 31 December 2018. Consequently, the amount of the related impairment loss could increase significantly, for the following reasons.

For these reasons outlined above, we are unable to assess the pertinence of the projections and are therefore unable to express an opinion on the net value of the assets concerned, which amounted to €32.7 billion in the statement of financial position at 31 December 2018 after impairment for property, plant and equipment and intangible assets.

Paris, 5 March 2019

SNCF Réseau

15/17 rue Jean Philippe Rameau
CS 80001
93418 La Plaine Saint Denis CEDEX
France

Duly represented by:

Patrick Jeantet

Président du conseil d'administration of SNCF Réseau



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* (the “AMF”), in particular Articles 212-31 to 212-33, the AMF has granted to this Third Supplement the visa n°19-077 on 5 March 2019. This document 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 an approval by the AMF of the opportunity of the transactions contemplated hereby nor that the AMF has verified the accounting and financial data set out in it. In accordance with Article 212-32 of the AMF's General Regulations, any issuance or admission to trading of notes on the basis of the Base Prospectus as supplemented shall be subject to the publication of Final Terms setting out the terms of the securities being issued.