

SNCF RÉSEAU (Aa2/AA/AA)

EUR 750mIn 2.250% 30-year Green Bond benchmark – 11th July 2017



Climate Bonds INITIATIVE



EUR 750,000,000

Joint Bookrunner

FRANCE 11/07/17

Issuer: SNCF Réseau (RESFER)
Issuer Ratings: Aa2/ AA/ AA (stable/ negative/ stable)
Issue type: 30-year green bond issue
Launch Date: 11th July 2017
Bookrunners: CACIB/ GSI/ Natixis/ **SGCIB**

Notional: EUR 750mIn
Coupon: 2.250%
Maturity: 20th December 2047
Re-offer price / yield: 98.921%/ 2.300%
Reoffer spread: Interpolated FRTR 3.25% 05/45 & FRTR 2.00% 05/48 + 37bp

USE OF PROCEEDS	Investments related to: (i) Maintenance, upgrades and energy efficiency of the rail system; (ii) New rail lines and rail line extensions (iii) Other investments
SELECTION	Project selection done by the Treasury and Funding Department in coordination with the Accounting and the Environment and Sustainable Development Departments
MANAGEMENT OF PROCEEDS	Selected projects recorded in the Green Bond Register and tracked for the life of involvement in the Green Bond Unallocated proceeds to be invested in monetary funds managed following a responsible investment approach, bank deposits, cash, and/or cash equivalents
REPORTING	Annual reporting until full allocation of proceeds, on: <ul style="list-style-type: none"> Allocation of proceeds to Eligible Projects Expected (and actual, where feasible) impact metrics
EXTERNAL REVIEW	<ul style="list-style-type: none"> Second Party Opinion from Oekom Climate Bond Initiative (CBI) certification

Key features of the transaction:

- SNCF Réseau, manager of the French railway infrastructure, rated Aa2 (Moody's) / AA (S&P) / AA (Fitch), successfully issued on Tuesday 11th July 2017 a new Green Bond for EUR 750mIn on a remarkable 30-year maturity. This is the longest Green transaction ever issued in Euro.
- In line with its commitment to become a reference issuer in the Green Bond market, SNCF Réseau issued its 3rd bond issue in Green format in less than a year, for a total of EUR 2.65bn making the issuer one of the world's 15 largest Green Bond issuers¹.

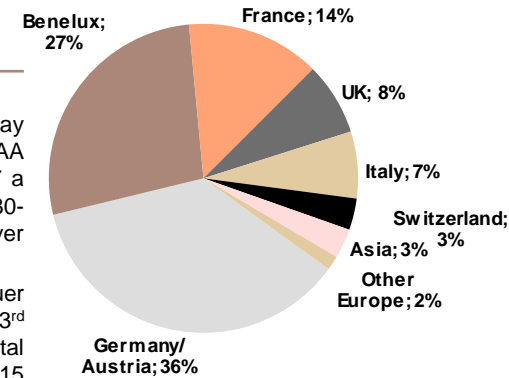
Outcome:

- Pricing evolution:
 - ▶ Guidance: Interpolated FRTR 3.25% 05/45 & FRTR 2.00% 05/48 + 39bp area
 - ▶ Final Pricing: Interpolated FRTR 3.25% 05/45 & FRTR 2.00% 05/48 + 37bp
- Investors showed a strong appetite for this new transaction, the orderbook closing in excess of €900M. In particular, some of the most valuable Socially and Responsible Investors (SRI) participated to this trade of which AXA, Blackrock, Zurich Insurance Group and APG (acting on behalf of Dutch pension funds ABP, bpBOUW, SPW and PPF APG).

Bookbuilding / Spread discovery:

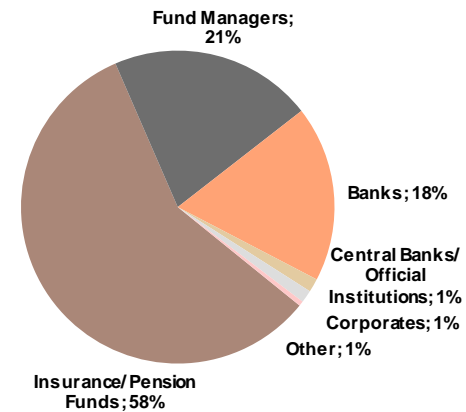
- In the afternoon of Monday 10th July 2017, SNCF Réseau announced the mandate to launch its new 30-year Green Bond benchmark. Books were officially opened early morning the following day with guidance set at Interpolated FRTR 3.25% 05/45 & FRTR 2.00% 05/48 + 39bp area.
- The transaction received a strong momentum with over EUR 650mIn (excluding JLM's interest) collected in less than an hour. Books continued to grow to reach EUR 825m (excluding JLM's interest), allowing the issuer and JLMs to revise down the spread to Interpolated FRTR 3.25% 05/45 & FRTR 2.00% 05/48 + 37bp
- Books closed at 11:45am CET in excess of EUR 900m, and final size was set at EUR 750m.

Allocations by Geography*



* allocated

Allocations by Investor Type*



* allocated