

**SECOND SUPPLEMENT DATED 24 JANUARY 2017
TO THE EURO MEDIUM TERM NOTE PROGRAMME BASE PROSPECTUS
DATED 27 APRIL 2016**



**SNCF MOBILITÉS
(formerly Société Nationale des Chemins de Fer Français)**

(established as an “*établissement public industriel et commercial*” under the laws of the Republic of France)

Euro 12,000,000,000

Euro Medium Term Note Programme

This prospectus supplement (the **Second Supplement**) is supplemental to, and should be read in conjunction with, the Base Prospectus dated 27 April 2016 (the **Base Prospectus**) and the first supplement to the Base Prospectus dated 23 September 2016 (the **First Supplement**), each prepared in relation to the €12,000,000,000 Euro Medium Term Note Programme (the **Programme**) of SNCF Mobilités (the **Issuer**). The *Autorité des marchés financiers* (the **AMF**) has granted visa n°16-154 on 27 April 2016 to the Base Prospectus and visa n°16-445 on 23 September 2016 to the First Supplement.

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

This Second Supplement has been prepared for the purposes of incorporating certain recent events in connection with the Issuer. As a result, certain modifications to the sections "Summary", "*Résumé en Français* (Summary in French)" and "Recent Developments" of the Base Prospectus have been made.

Save as disclosed in this Second Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is material in the context of the Programme since the publication of the Base Prospectus.

Terms defined in the Base Prospectus have the same meaning when used in the Second Supplement. To the extent that there is any inconsistency between (a) any statements in this Second Supplement and (b) any other statement in, or incorporated in, the Base Prospectus and/or the First Supplement, the statements in the Second Supplement will prevail.

Copies of this Second Supplement (a) may be obtained, free of charge, during normal business hours at the specified office of the Issuer and of each of the Paying Agents, (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.com/fr/rubrique/finance).

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 Second Supplement is published, have the right under 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 Second Supplement, i.e. until 26 January 2017.

TABLE OF CONTENTS

	Page
SUMMARY OF THE PROGRAMME	3
RÉSUMÉ EN FRANÇAIS (FRENCH LANGUAGE SUMMARY OF THE PROGRAMME).....	5
RECENT DEVELOPMENTS.....	7
GENERAL INFORMATION.....	8
PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE SECOND SUPPLEMENT	9

SUMMARY OF THE PROGRAMME

The Element B.13 entitled “Recent events particular to the Issuer which presents a material impact to an evaluation of its solvency” of the section entitled “SUMMARY OF THE PROGRAMME” on page 14 of the Base Prospectus (as amended by the First Supplement) shall be deleted and replaced with the following:

"B.13	Recent events relating to the Issuer which present a material impact to an assessment of its solvency	<ul style="list-style-type: none"> – Bond issues: in January 2016, the Group issued a €250 million fixed-to-floating rate bond, with a maturity of 15 years. In June 2016, the Group issued two fixed rate bond of €150 million each, with a maturity of 15 years. In July 2016, the Group issued a HKD 801 million fixed rate bond, with a maturity of 5 years. In January 2017, the Group issued a €60 million fixed rate bond, with a maturity of 15 years and a HKD 494 million fixed rate bond, with a maturity of 8 years; – Loss of control in Akiem: the Group sold 50% of its shares to an investor partner on 5 February 2016. The partnership agreement grants joint control rather than exclusive control to SNCF Mobilités. The transaction’s effective date is 30 June 2016, contingent to the fulfilment of conditions precedent, and specifically the opinion of the Competition Authority. Akiem has been equity-accounted as of this date; – Intercités: following the roadmap presented on 7 July 2015, the French Secretary of State for Transport announced the following measures on 19 February 2016 as part of an update: <ul style="list-style-type: none"> (i) The renewal of rolling stock for Trains d’Équilibre du Territoire (TET), including an investment in backbone lines of around €1.5 billion by 2025. (ii) The discontinuation of funding for 6 out of 8 night lines (the Paris-Briançon, and Paris-Rodez / Latour de Carol night lines will be maintained), and a forthcoming call for expressions of interest to assess all the proposals likely to be drawn up for these 6 lines, including the management of operations by another authority. (iii) The continuation of discussions with the Régions, to develop the current TET offering, based on the recommendations of the Duron commission. <p>The Secretary of State for Transport specified that these decisions will be made by the French State as and when agreements are entered into with the Régions on the day lines, and according to the outcome of the call for expressions of interest regarding the night lines. On 21 July 2016, the Secretary of State for Transport announced that, in the absence of buyers, the 6 night lines will gradually close on 1 October 2016, and 1 July and 1 October 2017. It also announced the signing of a new five-year (2016-2020) agreement with SNCF Mobilités this fall, which should provide better passenger service and a return to business equilibrium for SNCF Mobilités. The Secretary of State further confirmed the financing of significant investments and continuing cooperation with the regions regarding certain lines.</p> – As of 1 May 2016, Barbara Dalibard has been replaced by Florence Parly as Chief Executive Director (<i>Directrice Générale</i>) <i>Voyageurs</i> of the Issuer. Florence Parly was formerly Vice Chief Executive Director (<i>Directrice Générale Déléguée</i>) Strategy and Finance of SNCF; – By decree (<i>arrêté</i>) dated 17 November 2016 approving the decrease of share capital of SNCF Mobilités (<i>approuvant la réduction de la dotation de</i>
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		<p><i>l'établissement public SNCF Mobilités</i>), the share capital (<i>dotation</i>) of SNCF Mobilités was decreased from €2,204,214,453.08 to €1,204,214,453.08, i.e. for an amount of €1,000,000,000 allocated to SNCF Mobilités' distributable reserves. This transaction will not affect the total amount of equity capital of SNCF Mobilités;</p> <p>– On 21 December 2016, SNCF Mobilités paid a dividend in respect of financial year 2014 to its holding parent company SNCF representing a total of €125.7 million."</p>
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RÉSUMÉ EN FRANÇAIS
(FRENCH LANGUAGE SUMMARY OF THE PROGRAMME)

L'Élément B.13 intitulé "Événements récents propres à l'Émetteur et présentant un intérêt significatif pour l'évaluation de sa solvabilité" of the section entitled "RÉSUMÉ EN FRANÇAIS (FRENCH LANGUAGE SUMMARY OF THE PROGRAMME)" on pages 36 of the Base Prospectus (as amended by the First Supplement) shall be deleted and replaced with the following:

"B.13	Événements récents propres à l'Émetteur et présentant un intérêt significatif pour l'évaluation de sa solvabilité	<ul style="list-style-type: none"> – Émissions d'emprunts : Le Groupe a émis un emprunt sur le marché, en janvier 2016, pour 250 millions d'euros à taux fixe sur une durée de 15 ans avec un swap à taux variable. Le Groupe a émis en juin 2016 deux emprunts respectivement de 150 millions d'euros à taux fixe sur une durée de 15 ans. Le Groupe a émis en juillet 2016 un emprunt de 801 millions de dollars hongkongais à taux fixe sur une durée de 5 ans. En janvier 2017, le Groupe a émis un emprunt de 60 millions d'euros à taux fixe, avec une maturité de 15 ans ainsi qu'un emprunt de 494 millions de dollars hongkongais à taux fixe sur une durée de 8 ans; – Perte de contrôle dans Akiem: le Groupe a cédé 50% des titres à un partenaire investisseur le 5 février 2016. L'accord de partenariat mis en place confère le contrôle conjoint à SNCF Mobilités au lieu d'un contrôle exclusif. La date effective de l'opération est le 30 juin 2016, dépendant de la levée de conditions suspensives, notamment de l'avis de l'Autorité de la concurrence,. Akiem a été mise en équivalence à cette date ; – Intercités : Suite à la feuille de route présentée le 7 juillet 2015, le Secrétaire d'État aux Transports a annoncé le 19 février 2016 dans le cadre d'un point d'étape : <ul style="list-style-type: none"> (i) Le renouvellement du matériel roulant des Trains d'Équilibre du Territoire (TET), dont notamment un investissement sur les lignes structurantes d'environ 1,5 milliard d'euros d'ici 2025. (ii) L'arrêt du financement de 6 lignes de nuit sur 8 (les lignes de nuit Paris-Briançon, et Paris-Rodez / Latour de Carol seront maintenues) et le lancement prochain d'un Appel à Manifestation d'Intérêt (AMI) pour évaluer toutes les propositions susceptibles d'être formulées sur ces 6 lignes, y compris la prise en charge de l'exploitation par une autre collectivité. (iii) La poursuite des concertations avec les Régions, pour faire évoluer l'offre TET de jour, sur la base des préconisations de la commission Duron. – Le secrétaire d'Etat au transport a précisé que ces décisions seront prises par l'Etat français lorsque les accords seront conclus avec les régions concernant les lignes de jour et conformément au résultat de l'AMI sur les lignes de nuit. Le 21 juillet 2016, le secrétaire d'Etat au transport a annoncé qu'en l'absence d'acheteurs, les 6 lignes de nuit seront progressivement fermées les 1er octobre 2016, 1er juillet et 1er octobre 2017. Il a également annoncé la signature cet automne d'un nouvel accord de 5 ans (2016-2020) avec SNCF Mobilités, lequel devrait fournir un meilleur service client et un retour à un équilibre financier pour SNCF Mobilités. Le secrétaire d'Etat au transport a confirmé le financement d'investissements significatifs et de la coopération continue avec les Régions à propos de certaines lignes. – Depuis le 1^{er} mai 2016, Barbara Dalibard a été remplacée par Mme Florence Parly en tant que Directrice Générale Voyageurs de l'Émetteur. Mme Florence Parly était précédemment Directrice Générale Déléguée Stratégie et
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		<p>Finances de SNCF ;</p> <ul style="list-style-type: none">- Par arrêté du 17 novembre 2016 approuvant la réduction de la dotation de l'établissement public SNCF Mobilités, la dotation en capital de SNCF Mobilités a été réduite de de 2.204.214.453,08 euros à 1.204.214.453,08 euros, pour un montant de 1.000.000.000 euros affecté aux réserves distribuables de SNCF Mobilités. Cette opération ne modifie pas le total des capitaux propres de SNCF Mobilités ;- Le 21 décembre 2016, SNCF Mobilités a versé un dividende d'un montant total de 125,7 millions d'euros à sa société mère SNCF au titre de l'exercice 2014."
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RECENT DEVELOPMENTS

The subsection "Bond Issue" in the section entitled "RECENT DEVELOPMENTS" on page 133 of the Base Prospectus (as amended by the First Supplement) shall be deleted and replaced with the following:

"Bond Issues

In January 2016, the Group issued a €250 million fixed-to-floating rate bond, with a maturity of 15 years. In June 2016, the Group issued two fixed rate bond of €150 million each, with a maturity of 15 years. In July 2016, the Group issued a HKD 801 million fixed rate bond, with a maturity of 5 years. In January 2017, the Group issued a €60 million fixed rate bond, with a maturity of 15 years and a HKD 494 million fixed rate bond, with a maturity of 8 years. "

The subsection "NFCS 2015" in the section entitled "RECENT DEVELOPMENTS" on page 133 of the Base Prospectus shall be deleted and replaced with the following:

"NFCS January 2017

Non-current financial debt excluding accrued interest ("*Dettes financières Long Terme hors intérêts courus*") of the Issuer amounted to €11,882 million as of 20 January 2017 compared to €11,758 million in the 31 December 2015 audited statutory financial statements of the Issuer."

The following subsection shall be added at the end of the section entitled "RECENT DEVELOPMENTS" on page 133 of the Base Prospectus (as supplemented by the First Supplement):

"Capital Reduction

In light of the provisions of the *Code des Transports* particularly relating to the control over the public rail group's debt, the French State wishes that an amount of €125.7 million is distributed by SNCF Mobilités to SNCF.

To facilitate this transfer of €125.7 million, a decree (*arrêté*) was signed by the Minister in charge of the Budget on 17 November 2016 to reduce the amount of capital endowment in order to reconstitute the distributable reserves via a transfer of €1 billion. This transaction will not affect the total amount of equity capital of SNCF Mobilités.

By decree (*arrêté*) dated 17 November 2016 approving the decrease of share capital of the public entity SNCF Mobilités (*approuvant la réduction de la dotation de l'établissement public SNCF Mobilités*), the share capital (*dotation*) of SNCF Mobilités was decreased from 2, 204 ,214 ,453.08 euros to 1,204, 214, 453.08 euros, for an amount of €1,000,000,000 allocated to SNCF Mobilités' distributable reserves.

Dividend payment

On 21 December 2016, SNCF Mobilités paid a dividend in respect of financial year 2014 to its holding parent company SNCF representing a total of €125.7 million."

GENERAL INFORMATION

The subsection entitled "Consents and Authorisations" in the section entitled "GENERAL INFORMATION" on page 180 of the Base Prospectus (as amended by the First Supplement) shall be deleted and replaced with the following:

Consents and Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in the Republic of France in connection with the issue and performance of the Notes.

On 16 December 2015, the *Conseil d'Administration* set the limit for financing transactions of a period greater than one year to € 1 billion for the fiscal year 2016. On 16 December 2016, the *Conseil d'Administration* set the limit for financing transactions of a period greater than one year to € 2.5 billion for the fiscal year 2017. The ceiling for the fiscal year 2018 will be decided at the last meeting of the *Conseil d'Administration* of 2017.

The *Conseil d'Administration* of the Issuer has, on 16 July 2015, delegated to its *Président* all necessary powers to enable proper management of the Issuer and to act on its behalf in all circumstances with respect to, *inter alia*, applicable provisions of the *French Code des Transports* and articles 16, 23 and 25 of Decree no 2015-138 dated 10 February 2015 with ability to subdelegate. On 31 December 2015, the *Président* delegated such powers to the *Directeur Général Délégué Performance*, the power to decide, *inter alia*, any financing transaction, in France or abroad, in any currency or currency unit, without any time limit, within the annual aggregate amount limit set by the *Conseil d'Administration* of the Issuer, subject to prior notification and reporting to its *Président* so that the latter be able to report such transactions on next meeting of the *Conseil d'Administration* of the Issuer.

PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE SECOND SUPPLEMENT

In the name of the Issuer

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

Paris, 24 January 2017

SNCF Mobilités
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93200 Saint Denis
France

Duly represented by:
Mathias Emmerich

Directeur Général Délégué Performance



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 Second Supplement the visa n°17-033 on 24 January 2017. 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.