

2020 HALF-YEAR RESULTS SNCF GROUP

30 JULY 2020



SNCF STEPS UP IN A HALF YEAR SLAMMED BY STRIKES IN JANUARY, FOLLOWED BY THE COVID-19 PANDEMIC

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KEY FIGURES FOR H1 2020

The first half of the year was marked by labour disputes in January and, from 17 March on, the Covid-19 pandemic, both taking a heavy toll on SNCF Group and all rail activities.



REVENUE

€14.1bn

- + Down -21% from H1 2019
- + Covid-19 crisis: -€3.9bn
- + January strike: -€275m



GROSS PROFIT-
EBITDA

€136m

- + 1% of sales vs 16.2% in H2 2019
- + Covid-19 crisis: -€3.2bn
- + January strike: -€240m



CASH FLOWS

+1.1bn

- + Stepped-up crisis mitigation plan deployed to cut costs, scale back projects and investments, and optimize liquidity. Full-year target €1.8bn.



NET PROFIT

- €2.4bn

- + Compared with €20m at 30 June 2019



FREE CASH FLOW

- €2.8bn

- + Linked directly to impact of fall in EBITDA on financing capacity



NET DEBT

- €38.3bn

- + French State assumes €25bn of SNCF debt at 1 January 2020
- + Negative free cash flow: -€2.8bn

DURING LOCKDOWN, SNCF BUSINESSES COMPLIED WITH GOVERNMENT-IMPOSED RESTRICTIONS, DOING THEIR PART TO DELIVER ESSENTIAL SERVICES — AND MORE



High-speed hospital trains transported critically ill patients to regions with available hospital beds, while other trains carried essential healthcare workers to communities hit hardest by the virus.



Transilien, TER and Keolis-operated networks cut service to the strict minimum, but continued to operate for workers commuting to essential jobs.



SNCF Réseau pressed ahead with high-priority maintenance and urgent engineering works.



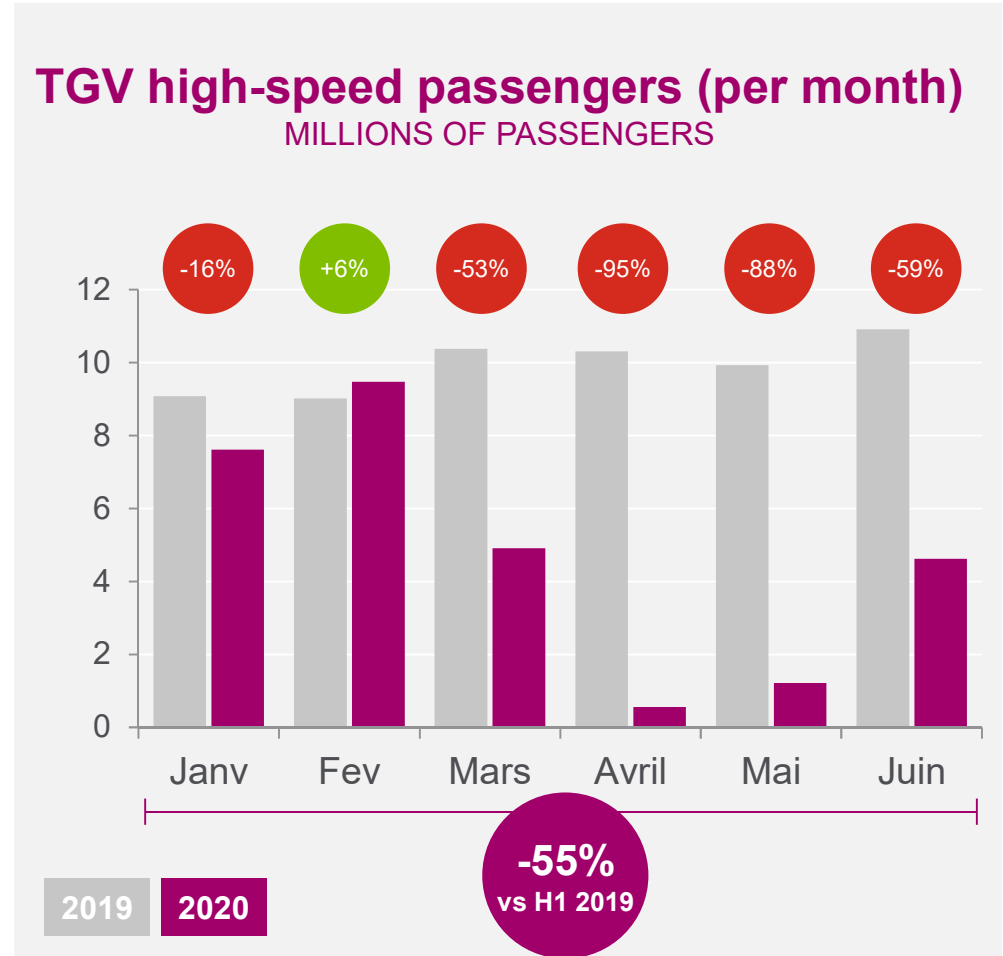
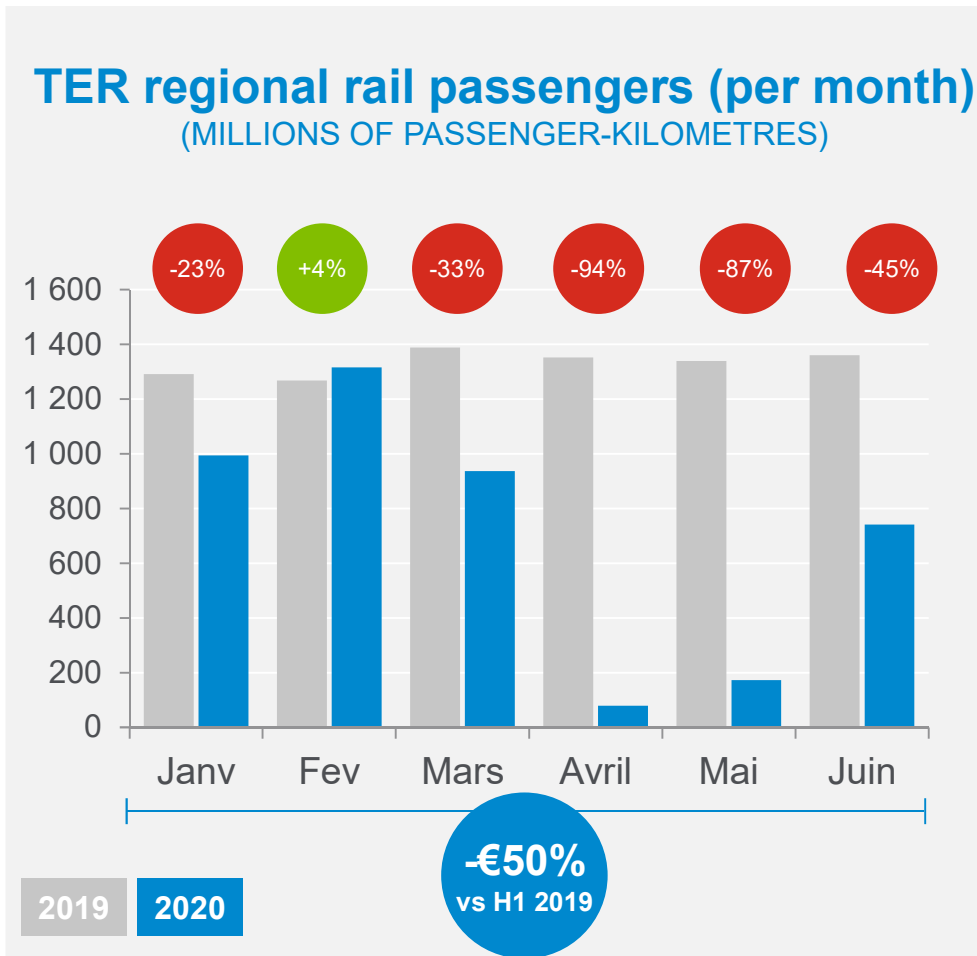
Geodis quickly scheduled charters to transport urgent shipments as normal air freight capacity was scaled back.

Geodis also played a decisive role in supplying masks to all of France, and set up an air freight service between China and France.



Rail freight services carried food, fuel, chlorine and other essentials to keep strategic production sites operating smoothly.

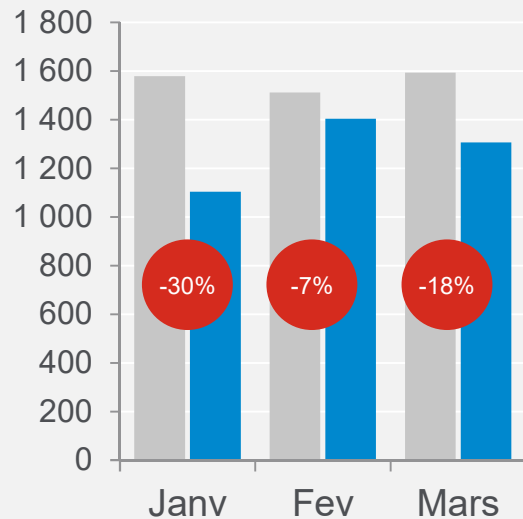
PASSENGER NUMBERS PICKED UP AFTER THE JANUARY STRIKES, BUT RECOVERY CAME TO AN ABRUPT END AS COVID-19 HIT AND FRANCE ENTERED LOCKDOWN.



RAIL SUFFERED MORE THAN OTHER FREIGHT BUSINESSES

RAIL FREIGHT: HIT FIRST BY JANUARY STRIKES, THEN BY COVID-19

SNCF Fret monthly traffic
MILLIONS OF TKM

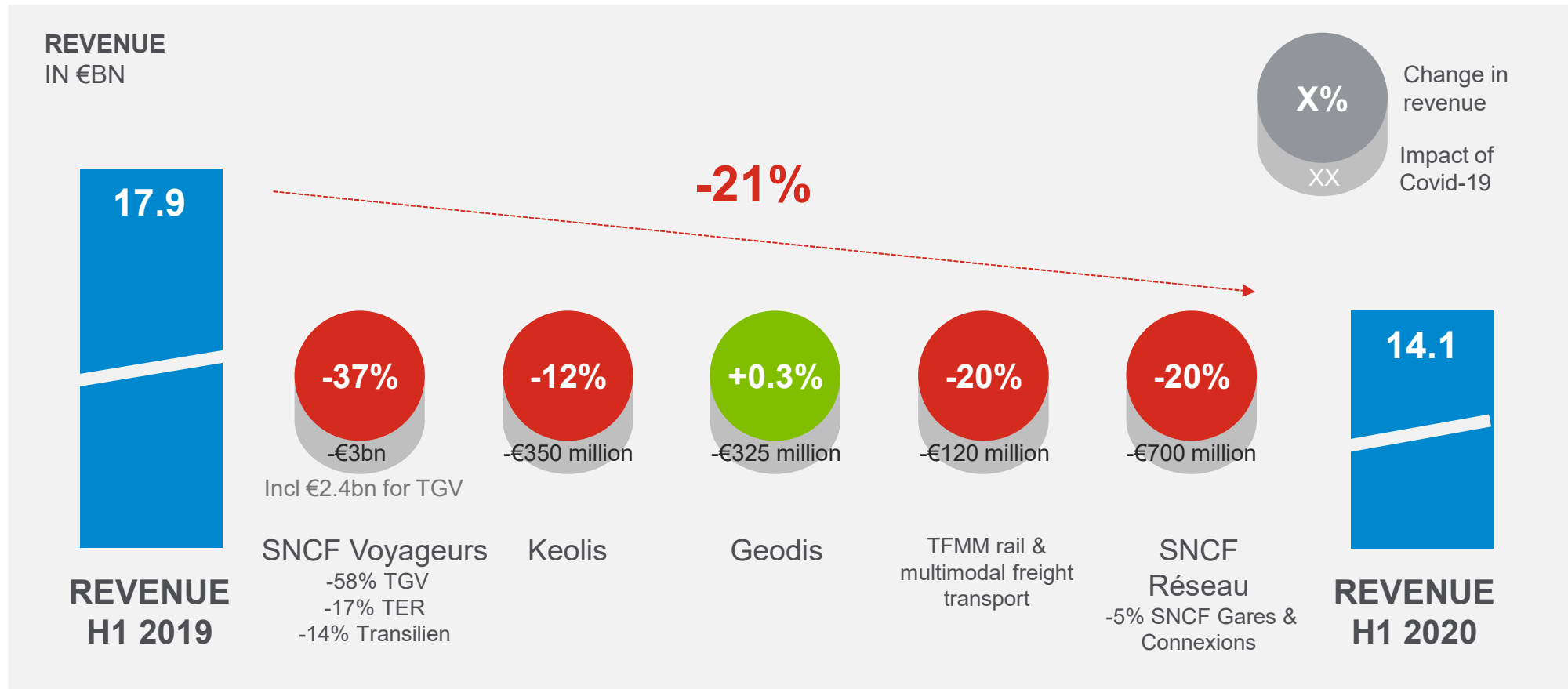


GEODIS SUFFERED LESS FROM THE PANDEMIC, AND BOUNCED BACK TO PRE-COVID VOLUMES MORE QUICKLY

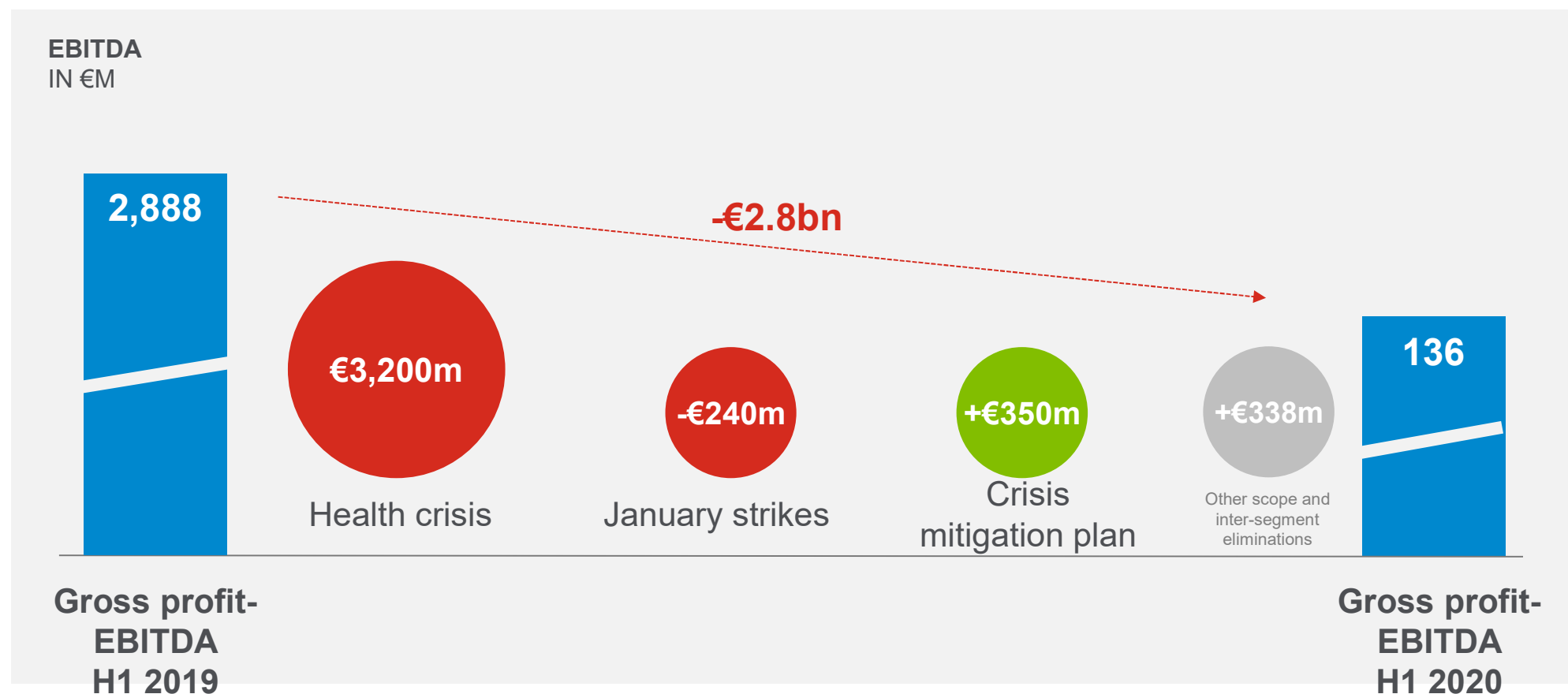


REVENUE WAS MORE RESILIENT IN FREIGHT THAN IN PASSENGER TRAVEL

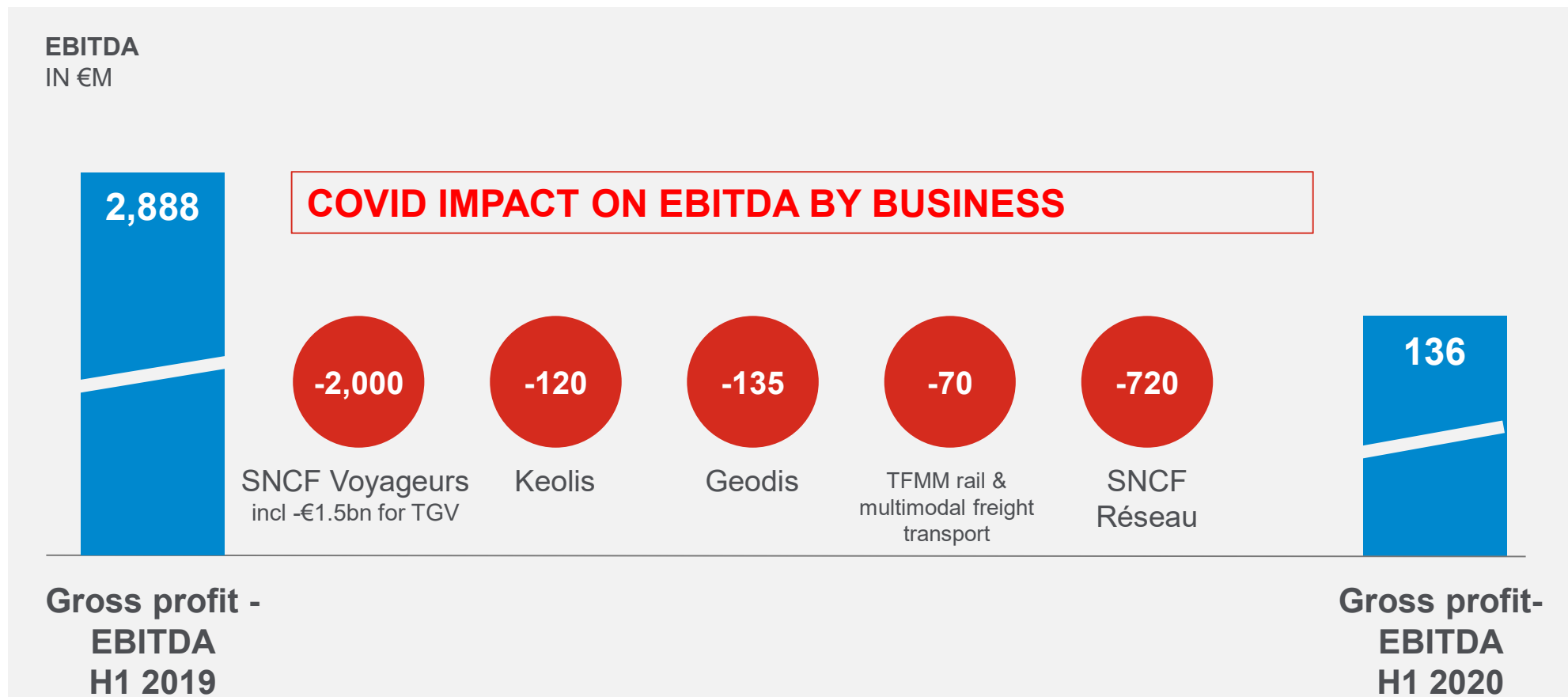
GEODIS UP +0.3%, TGV DOWN -58%



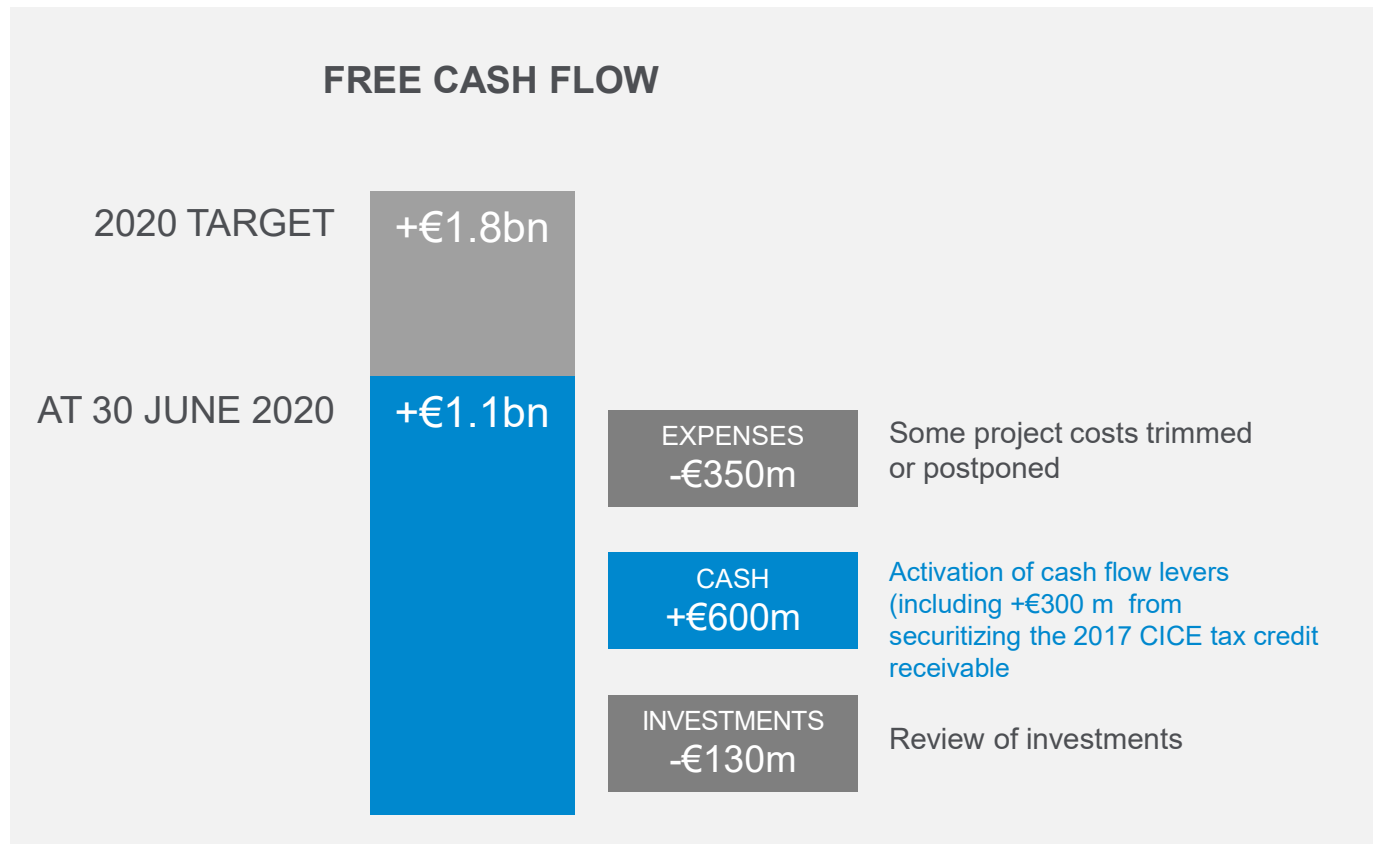
CRISIS MITIGATION PLAN HELPED KEEP GROSS PROFIT-EBITDA JUST ABOVE BREAK-EVEN AFTER HEAVY TOLL OF JANUARY STRIKES AND COVID-19



AT €136M, GROSS PROFIT-EBITDA REFLECTS HEAVY TOLL OF COVID-19 CRISIS (-€3.2BN) AND JANUARY STRIKES (-€240M)



SNCF RESPONDED WITH A SWEEPING PLAN TO MINIMIZE THE IMPACT ON GROUP FINANCES OF BOTH THE JANUARY STRIKES AND COVID-19



NO IMPACT ON:

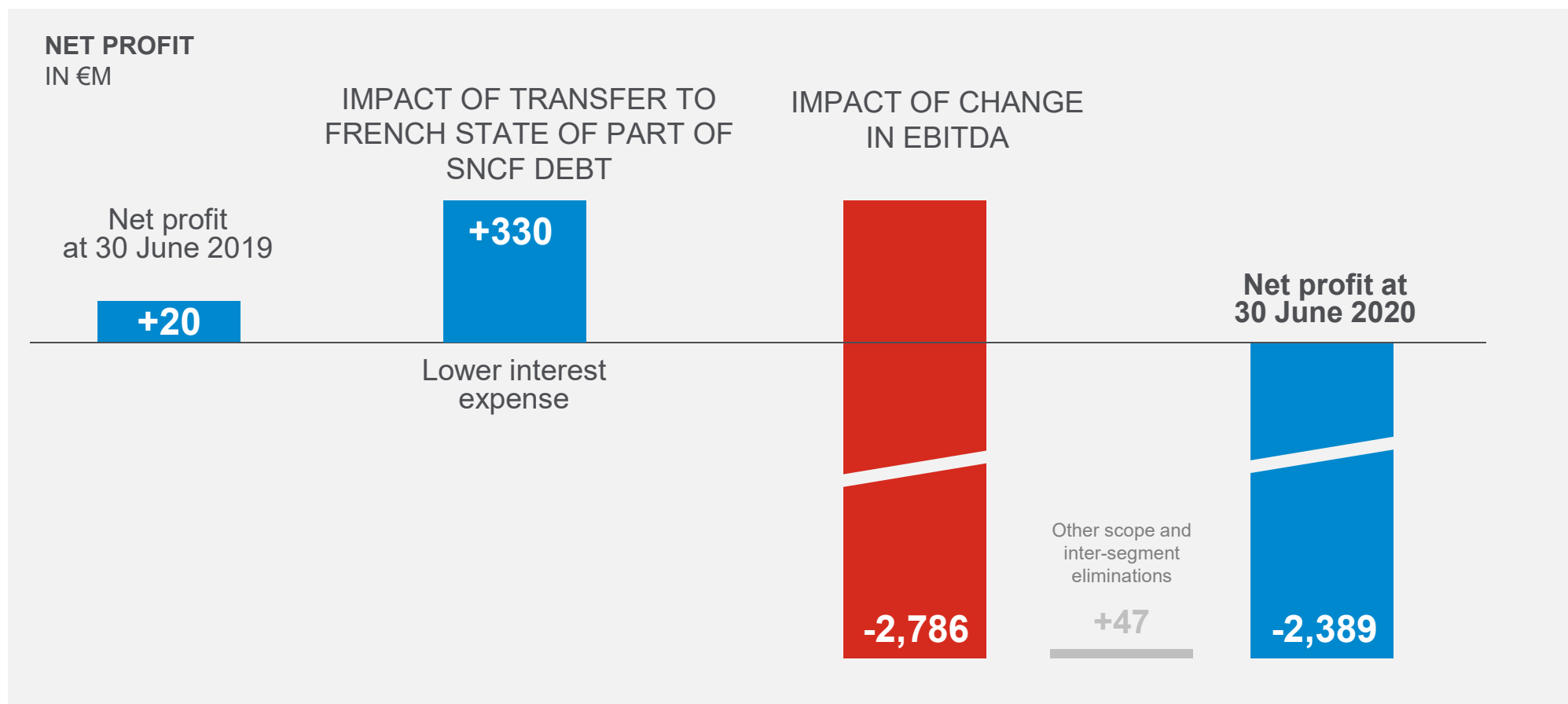
- Investments essential to network and rail operations
- Rail-sector jobs

Investment totalled €3.7bn in H1 2020 (65% financed by SNCF) and focused on priority rail works

Recruitment of rail-sector staff planned for 2020 in France is unchanged.



NET PROFIT WAS A NEGATIVE -€2.4BN

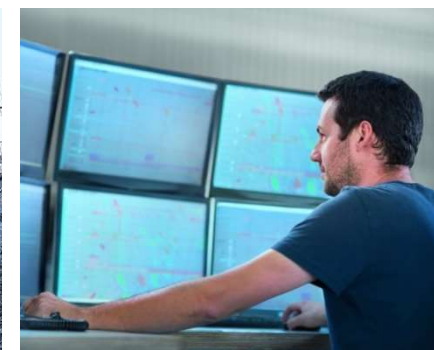


DESPITE COVID-19, URGENT INVESTMENTS ESSENTIAL TO RAIL SYSTEM AND SERVICE QUALITY CONTINUED

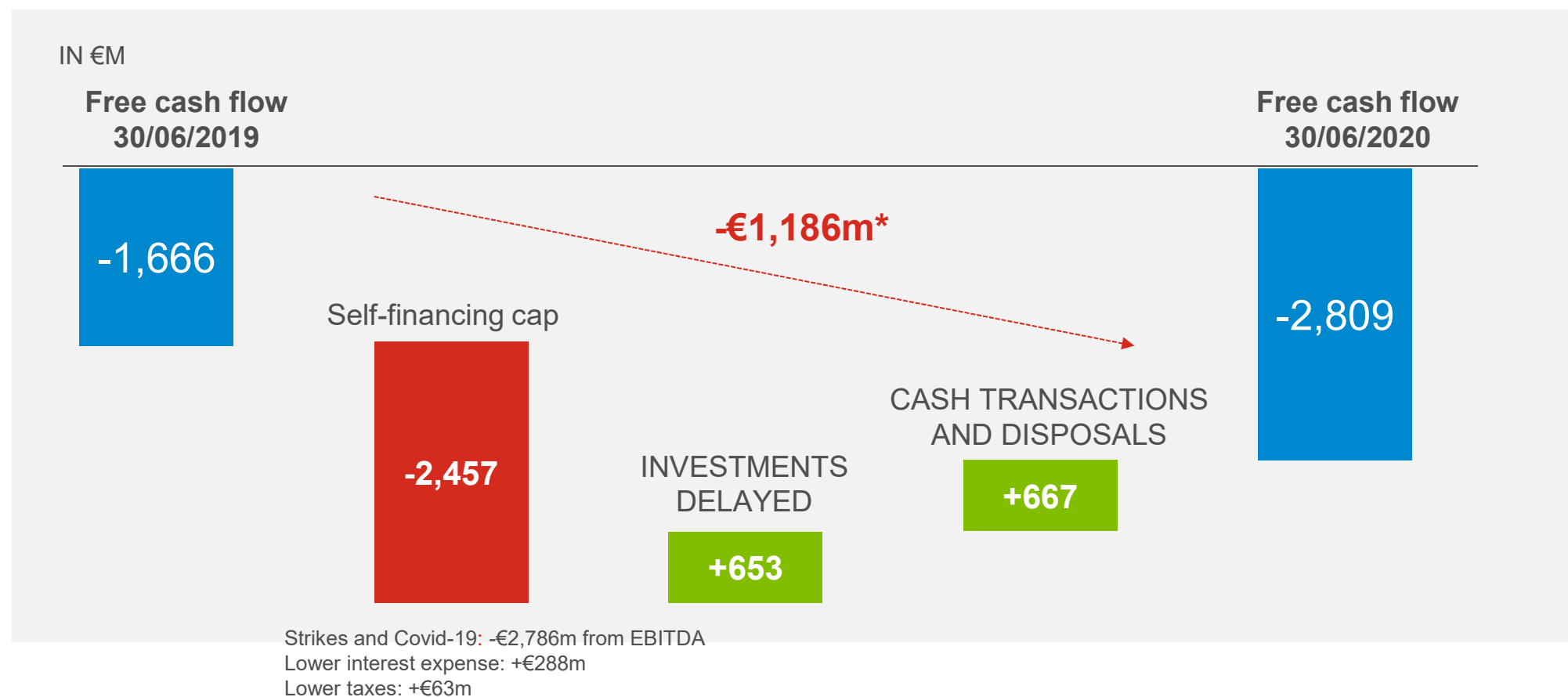
€3.7bn (-€600M VS H1 2019)
WITH 65% FINANCED BY SNCF

- + **€2.1bn** to regenerate and upgrade existing rail network
- + **€1.2bn** to acquire rolling stock including 43 new passenger trains: 9 Francilien, 15 Régiolis, 1 Régio2N et 5 TGV trainsets
- + **€0.4bn** to upgrade and renovate stations, Technicentres, passenger information and more

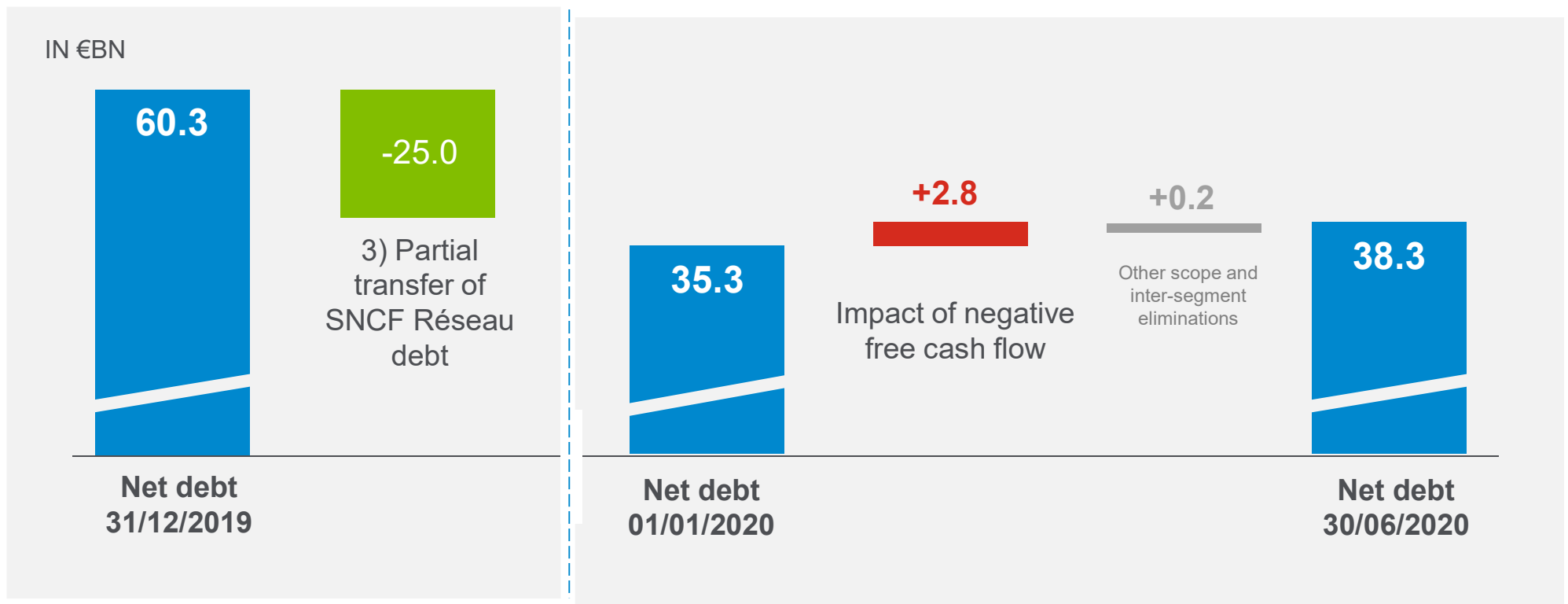
95%
SPENT ON
RAIL
IN FRANCE



FREE CASH FLOW AT A NEGATIVE -€2.8 BN WAS DIRECTLY HIT BY LOWER SELF-FINANCING CAPACITY LINKED TO THE STEEP FALL IN GROSS PROFIT-EBITDA



AFTER TRANSFER OF PART OF SNCF'S DEBT TO THE FRENCH STATE ON 1 JANUARY 2020, THE FALL IN FREE CASH FLOW TRIGGERED BY THE CRISIS LED TO A RISE IN DEBT



BUSINESS DEVELOPMENT CONTINUED, DESPITE THE PANDEMIC



Keolis contracts extended

- United Kingdom: Southeastern
- Denmark: Odense bus network
- United States: Boston suburban rail network; rail service in Virginia and in Washington, DC



Denmark

Keolis wins new electric bus contract for Greater Copenhagen



Spain

10-year framework agreement signed, marking SNCF's official entry into the country's high-speed rail market

H2 FOCUS: RECOVERY IN BUSINESS WITH VIGILANCE TO KEEP PASSENGERS SAFE DURING COVID-19



RECOVERY PLAN

Summer

More special offers, including the sale of heavily discounted tickets for both TGV and TER services, to increase train occupancy.

September

- recovery plan focused on adapting price bands and digital tools to new customer behaviours, in particular working from home.
- new multimodal offers for occasional travellers
- ambitious sales strategy targeting business travellers



COMPETITION IN HIGH-SPEED RAIL

Since July, OUIGO has been running from Paris to Lyon city centre, ahead of the route opening up to competition.

RAIL RECOVERY PLAN: talks are now under way with the French State to define the financial support needed to strengthen the resilience of the national rail network and deliver rail services as planned with healthy finances.

SOUND LIQUIDITY: SNCF Group currently enjoys sound liquidity that enables it to meet its obligations. Investor confidence has not wavered, as shown by the recent successful rounds of bond issues. In mid-July, the Group had liquid resources of €6.8bn, plus an available credit facility of €3.5bn.

THANK YOU!

