

2020 half-year results**Results strongly impacted by an unprecedented situation, a sustained investment and development dynamic****Key factors in understanding RATP Group's half-year results:**

- Financial results heavily impacted by successive crises (strikes, Covid-19) but a sustained investment and development dynamic;
- Unprecedented business losses due to the health crisis, which adversely affected the results of both RATP EPIC and its subsidiaries in France and abroad;
- A solid cash position, built up in the first half of the year through a proactive strategy on the financial markets;
- Annual results will depend on how the health situation evolves and the outcome of ongoing discussions with the French government on the handling of the financial consequences of the Covid-19 epidemic on the public transport economy in the Île-de-France region.

Key figures:

- **RATP EPIC passenger traffic in the Île-de-France region was down 51% on average in the first half of the year**, due to the impact of the industrial action in January relating to pension reform and the Covid-19 health crisis from the end of March (-73% for the second quarter alone).
- **Consolidated turnover of €2,746 million**, down €220 million (-7.4%): revenue losses due to the strike (-€69 million) and the health crisis (-€224 million at Group level) largely offset the favourable trend in the EPIC (+€32 million) and subsidiaries' (+€42 million) businesses at the beginning of the year.
- **Operating profit (EBIT) of €57 million, down €190 million (-77%)**, due to the impact of the strike (-€50 million) and the health crisis (-€117 million).
- **Continued investment in the Île-de-France region at a sustained pace, despite the health situation: €703 million** invested at the end of June, up +5.5%.
- **A secure cash position**, thanks to the large short- and long-term issuances carried out in the first half of the year on the financial markets.

During its meeting on 31 July 2020, RATP's Board of Directors, chaired by Catherine Guillouard, the company's Chairwoman and Chief Executive Officer, examined and approved RATP Group's consolidated financial statements and the EPIC's individual financial statements as of 30 June 2020.

Catherine Guillouard, Chairwoman and Chief Executive Officer of RATP Group, stated: *"Like all companies, RATP Group has gone through an unprecedented crisis in recent months that has weighed heavily on the Group's half-year results. The financial outlook for the coming months depends on the outcome of the ongoing discussions regarding the handling of the financial consequences of the epidemic on the financing of the public transport system in the Île-de-France region and on how the health situation develops.*

While RATP Group was hit hard by the global health situation, the crisis was also an opportunity to demonstrate the Group's strength and its ability to hold on to its fundamental principles in all circumstances. Therefore, thanks to the commitment of all our teams, business continued throughout the entire lockdown phase in order to allow the other functions essential to the country's operations to continue. After 11 May, the company's mobilisation, particularly in the Île-de-France region, made it possible to bring our offering back up to its normal level at the beginning of June, in order to support the economic recovery in the region while complying with health standards for both our staff and passengers.

RATP EPIC and its subsidiaries also remained mobilised to cushion the impact of the crisis on their financial results and to prepare for the future, by continuing to respond to the Group's strategic calls-for-tenders and actively pursuing our efforts to prepare for the opening to competition of our historic activities.

However, the financial situation of public transport in the Île-de-France region remains critical. Île-de-France Mobilités, the transport authority in the Île-de-France region, unilaterally suspended the payment of operating contributions to RATP as of 8 July. Acting in a necessarily transitional manner and in accordance with its public service obligations, RATP has decided to continue operating its nominal transport service, drawing on its cash flow to finance its expenses, while waiting for a solution to be found to restore the financial equilibrium of the Île-de-France transport system.

Similarly, RATP is currently committed to pursuing its ambitious investment programme contracted with Île-de-France Mobilités. However, a rapid clarification of its financial outlook will be necessary to allow the company to continue its investments at the same pace in the coming months.

RATP is available more than ever for Île-de-France Mobilités and the French government to quickly find lasting and sustainable solutions, while ensuring a balance in the current operating contract."

Impact of the industrial action and the Covid-19 epidemic on RATP Group's performance in the first half of 2020

Changes in key performance indicators

<i>In millions of €</i>	<i>30 June 2019</i>	<i>30 June 2020</i>	<i>Changes</i>
<i>Consolidated turnover</i>	<i>2,966</i>	<i>2,746</i>	<i>-7.4%</i>
<i>EBIT</i>	<i>247</i>	<i>57</i>	<i>-77%</i>
<i>Group share of net income</i>	<i>126</i>	<i>-88</i>	<i>-170.1%</i>
<i>Cash flow</i>	<i>569</i>	<i>409</i>	<i>-28.2%</i>

<i>Net debt</i>	5,182* <i>As of 31/12/2019.</i>	5,761	11.2%
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Consolidated turnover

As of 30 June 2020, the Group's consolidated turnover amounted to €2,746 million, down €220 million, or - 7.4% compared to 30 June 2019. This was mainly impacted by:

- the loss of revenue due to the strike in January and its residual effects in February (-€69 million);
- the health crisis, the impact of which is estimated to be -€224 million at Group level.

This decline in turnover was partly offset by the good underlying momentum of the EPIC (+€32 million) and subsidiary businesses (+€42 million).

The contribution of the EPIC to Group consolidated turnover was €2,156 million, down €170 million or - 7%.

The share of subsidiaries in consolidated turnover is stabilising at 21.5%.

The EPIC's financial statements as of 30 June 2020 reflect the application of the contract between RATP and Île-de-France Mobilités as it is in force today, and in particular the risk-sharing scheme on direct revenue.

Operating and financial performance

EBIT came to €57 million (2.1% of turnover, compared with 8.3% in June 2019), down €190 million (- 77%) compared with June 2019, as it was impacted by the strike in January 2020 and the health crisis.

Net income Group share fell sharply, by €214 million compared to June 2019, to -€88 million, due to the impact of the January strike (-€50 million), the health crisis (-€117 million) and the partial depreciation of the Sightseeing assets (-€44 million) following the total shutdown of this business between mid-March and summer 2020.

Cash flow decreased by €160 million to reach €409 million. This enables almost all investments to be self-financed from equity, but is not sufficient to cover the seasonal change in investment working capital requirements or the temporary sharp deterioration in operating working capital requirements resulting from the impact of the health crisis.

Net debt therefore stood at €5,761 million at the end of June 2020, an increase of €579 million compared to the end of December 2019 (€5,182 million). The Group's gearing stood at 1.21 x at the end of June, compared to 1.07 x at the end of December 2019.

Firm measures to guarantee liquidity and cushion the financial impact of the crisis

Since the beginning of March, RATP has endeavoured to secure its cash position through major short- and long-term debt issuances on the financial markets. This allows the Group to currently have a solid liquidity position. **The Group therefore has a cash position of €2.7 billion as at 30 June 2020, to which can be added €500 million in bank credit lines not yet drawn down.**

In addition, in order to cushion the financial impact of the crisis as much as possible, RATP EPIC and other Group entities have initiated cost-cutting plans for their operating expenses.

The investment dynamic has been maintained at this stage and a continuous effort is being made to maintain and upgrade the networks

In the first half of 2020, with the support of Île-de-France Mobilités, RATP pursued a sustained investment policy, with €703 million (+5.5%) invested, up €37 million compared to 2019.

Subsidiaries: major impact from the Covid-19 health crisis, but business is gradually resuming along with a continuous period of relentless development challenges

In the first half of 2020, **RATP Dev's** business was heavily impacted by the Covid-19 health crisis, which penalised turnover by €90 million. Excluding the currency translation effect, RATP Dev's consolidated turnover decreased by €47 million between June 2019 and June 2020 (-7.6%) to €569 million.

Despite the health situation and the loss of the Austin contract in the United States on 1 January 2020, RATP Dev posted high organic growth (+€52 million) in the first half of the year, driven by the start-up of contracts in the second half of 2019 (Brest, Angers, St-Malo and Creil) and the continued mobilisation for the operation of the Riyadh metro.

RATP Dev is continuing its development efforts, both abroad (response to the Dubai metro call-for-tenders, continuing discussions for the operation of buses in Tuscany, contracts awarded in the United States) and in France (preparation of responses to the Optile, TER and Grand Paris Express calls-for-tenders). On 18 June, RATP Dev announced an alliance with ComfortDelGro Transit and Alstom to jointly respond to the call-for-tenders for the operation, maintenance and service of lines 16 and 17 of the Grand Paris Express metro.

Systra, an engineering company in which the SNCF and RATP Groups have a joint stake, has been moderately impacted by the health crisis, thanks to a massive switch to teleworking, which made it possible to maintain a high level of activity on the main ongoing design contracts, and to very dynamic commercial activity (ramp-up of the HS2 high-speed line project in the United Kingdom, completion of the new contract for the Riyadh metro). To offset the impact of the health crisis, Systra has strengthened and accelerated the execution of its performance plan and has focused on securing its cash flow, with the subscription of a loan guaranteed by the French government and a loan from the BPI (French Public Investment Bank).

A look at other subsidiaries, during the first half of 2020:

- **For RATP Connect**, the first half of 2020 was marked by the finalisation of Telcité Nao's deployment of 3G/4G in metro and RER stations. 100% of the network was covered by the end of May. Works are still underway to improve and enhance bandwidth and coverage quality.
- **RATP Real Estate** handled the shutdown and restarting of work sites in the context of the health crisis, particularly at Vaugirard and in the bus depots concerned by energy transition.
- Concerning workspace upgrade programmes, as of 30 June 2020, nearly 90,000 m² of Corporation space had been delivered, either under construction or in design, with the aim of upgrading RATP Group's tertiary footprint.