

Fitch Ratings, Paris/London, 15 February 2011: Fitch Ratings has today affirmed RFF (Réseau Ferré de France) Long-term Issuer Default Rating (IDR) and senior unsecured rating of 'AAA' respectively. The Outlook on the Long-term IDR is Stable. The Short-term IDR has been affirmed at 'F1+'.

RFF is a public corporation which is fully-owned by the French State (Etablissement Public à Caractère Industriel ou Commercial - EPIC), and is the sole manager of France's railway infrastructure network. RFF's ratings are aligned with those of the Republic of France ('AAA'/F1+/'Stable'), as Fitch views the EPIC status as providing a solvency and liquidity guarantee provided by the State.

The sponsor (the French state) has no legal obligation to prevent a default of an EPIC, but Fitch believes that the sponsor would in all likelihood support an EPIC's commitments due to three key factors:

- In terms of RFF's solvency, Law 80-539 stipulates that if an EPIC is unable to fulfil its financial commitments, its sponsor would need to provide adequate financial resources for this purpose. This acts as a "solvency implied guarantee".
- In terms of liquidity, Caisse de la Dette Publique-CDP, an entity connected to the French Treasury, can purchase debt paper issued by an EPIC to provide liquidity support. The CDP can conduct financial operations that enhance or protect the credit quality of the French State. Fitch recognises this arrangement as an implicit liquidity guarantee, provided such an intervention by the Treasury would not violate EU legislation on State Aid.
- Lastly, Fitch is comfortable that assistance for RFF would not be classified as a breach of EU State Aid, as managing an infrastructure network is not considered by EU treaties and regulation to be in the competitive sector.

A change in the EPIC status or in the CDP mechanism would trigger a rating review. If the EPIC status were removed, which Fitch believes is very unlikely, RFF's rating would then no longer be aligned with the State. The European Commission does not have the power to impose such a change because RFF is not exposed to competition unlike SNCF, the national railway company. In addition Fitch understands that a change in the EPIC status is not on the agenda of management or the government.

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Additional information is available on www.fitchratings.com

Applicable criteria, 'Ratings of Non-US Public Sector Entities', dated 1 September 2009 and 'Rating Criteria for Infrastructure and Project Finance', dated 16 August 2010, are available at www.fitchratings.com.