



PRESS RELEASE

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Nimes and Montpellier bypass

RFF signs PPP contract with OC'VIA for the construction of the first high-speed freight and passenger line in France

The public-private partnership contract for the Nimes and Montpellier railway bypass, a high-speed line handling both freight and passenger trains, was signed today between Réseau Ferré de France (RFF) and OC'VIA, a company whose shareholders are Bouygues Construction, Colas, SPIE Batignolles, Alstom, Meridiam infrastructure and FIDEPPP. This contract, which bears the signatures of Hubert du Mesnil, Chairman and CEO of RFF and Yves Gabriel, Chairman and CEO of Bouygues Construction, will enable work on the line to start before the end of 2012. During the five years of the works period, approximately 6,000 jobs (direct and indirect) will be created annually.

- An investment of €2.280 billion (at today's rates), including €1.5 billion under the PPP contract;
- A 25-year contract signed between RFF and OC'VIA;
- A railway project with a European dimension geared towards:
 - improved regularity for regional services in the areas crossed;
 - shorter trip times for domestic and international passengers;
 - better quality of service for freight trains worked on the freight corridor between the South of Europe along the Mediterranean and the North and West of the continent;
- A project of major economic importance with the creation over a five-year period of approximately 6,000 jobs each year, 7% of which are earmarked for those at risk of social exclusion;
- A project supported and conducted in association with all the public stakeholders: European Union, French State, RFF, Languedoc-Roussillon region, Gard *département*, the municipal authorities of Nimes and Montpellier.
- A project enjoying contributions from the savings funds of the Caisse des Dépôts et Consignations and European Investment Bank.

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The Nimes and Montpellier bypass: an innovative concept for a new high-speed line

The bypass will comprise 80 km of new line, 60 km of which will be high-speed line between Manduel (to the East of Nimes) and Lattes (to the West of Montpellier). The new line should substantially boost the quality and performance of rail services for freight trains, in particular those in transit to and from Spain but also to Italy and northern Europe and high-speed passenger trains, by offering greater accessibility nationwide and with major urban centres in the Languedoc-Roussillon region, while fostering the development of regional trains.

As the extension to the existing Paris-Lyon and Mediterranean high-speed lines towards Spain, the bypass will be a further link in the construction of a railway Europe.

Key figures for the line:

- 80 km of new line, comprising 60 km of high-speed line between Manduel (to the East of Nimes) and Lattes (to the West of Montpellier), and 20 km of lines connecting up with the conventional network (10 km along the right bank of the Rhone and 10 km of line to Jonquières, Lattes and Manduel);
- Two new stations: for Montpellier in the Odysseum district and for Nimes at Manduel-Redessan;
- A region, a *département* and two conurbations concerned by the project;
- Some 145 engineering structures, including 7 viaducts;
- Speed of high-speed or equivalent trains: 300 km/h (ultimately); 220 km/h on commissioning, with Montpellier-Paris in less than 3 hours;
- Freight train speeds: from 100 to 120 km/h;
- Capacity released for an extra 30% of regional (TER) trains on the existing conventional line.

Timelines:

- Detailed studies / procedures: July 2012 to October 2013
- Preparatory work: end 2012
- Major earthworks: end 2013
- Start of installation of railway equipment: end 2015
- Works completion: 2017

Compliance with the funding plan

Under the contract, the private partner, OC'VIA, is responsible for funding, designing, building and maintaining the line over a period of 25 years. In return, it will receive public contributions from the local/regional authorities and RFF throughout the construction phase. Subsequently, when the line becomes operational, it will receive investment grants from the State and maintenance and renewal allowances from RFF.

During the construction phase, no less than 11 commercial banks (Bayer LB, BBVA, BTMU, DZ, KFW, HSBC, MIZUHO, NATIXIS, SMBC, SOCIETE GENERALE, UNICREDIT) will be putting up nearly €1 billion to enable OC'VIA to fund the project.

The savings funds managed by the Caisse des Dépôts and the European Investment Bank (EIB) are to handle long-term refinancing operations for the PPP contract holder, backed by

RFF guarantee during the operating period. This part of the funding, which represents 80% of total debt during this period, has been underwritten for €521 million by the Caisse des Dépôts and €307 million by the EIB.

At a time of limited long-term borrowings on the market, the involvement of these two public institutions in the Nimes and Montpellier bypass project enables a perfect balance to be found between a suitably long PPP contract and loan maturity periods and optimisation of project funding costs by affording access to their preferential interest rates.

The State, the Languedoc-Roussillon Regional Council, the Gard *département*, and the municipal authorities of Nimes and Montpellier signed the funding agreements for this project on 25 April 2012:

- European Union and French State: 52 %
- Local/regional authorities: 28%, comprising
 - Languedoc Roussillon Regional Council: 20%,
 - Montpellier municipal authorities: 4%,
 - Gard General Council: 2%
 - Nimes municipal authorities: 2%
- RFF: 20%

For Hubert du Mesnil, Chairman and CEO of RFF: *“This project is exemplary in that it will bring real progress for local transport, long-distance national and European travel and freight traffic. Through its impact on employment and the clauses on jobs for the socially excluded, the contract is a remarkable illustration of the joint commitment of its signatories.”*

Yves Gabriel, Chairman and Chief Executive Officer of Bouygues Construction, said: *“The signature of this contract marks the start of an ambitious project which will enable the partners of OC’VIA to create thousands of direct and indirect jobs, helping inject vitality into the economic fabric of the region.”*

About RFF

As the pivot of the French railway system, Réseau Ferré de France develops, modernises and markets access to the rail network in accordance with the principles of regional, national and European territorial solidarity.

RFF is France's second biggest investor with a 1,400-strong workforce and a turnover of €5 billion in 2011. During the 2008-2015 period, it is engaged in an unprecedented programme of network modernisation to the tune of €13 billion. In the wake of the Grenelle Environment Forum, RFF has the task of enforcing national new line development policy.

Over its 30,000 km of lines, RFF is responsible for providing fair and high quality access to the French railway network for all its rail passenger and freight transport customers.

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About Oc'via

Oc'via is a company specially created to construct the rail bypass of Nîmes and Montpellier. It is responsible for financing, designing and constructing the line, and maintaining it for 25 years. The shareholders are industrial partners with a complementary range of expertise (Bouygues Construction, Colas, Alstom and Spie Batignolles) and financial partners specialised in the long-term financing of infrastructure (Meridiam Infrastructure, principal shareholder of OC'VIA, and Fideppp).