



SNCB Annual report 2014



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Annual report of SNCB drawn up in accordance with Articles 95 and 96 of the Company Code

In accordance with Articles 95 and 96 of the Company Code, the Board of Directors has prepared the annual report.

The restructuring of the SNCB Group was carried out with effect from 1 January 2014 by the State. The main aim of the reorganisation was the restructuring of the Belgian Railways by converting it into two autonomous public-sector enterprises in the form of public limited companies under public law (an infrastructure manager, Infrabel, and a rail operator, SNCB), which will participate together with the State in HR Rail, a public law subsidiary, which will act as the sole employer of the staff.

The transition to the new structure consisted of several operations that were carried out simultaneously on 1 January 2014:

- the merger of SNCB Holding and SNCB;
- the transfer of certain activities and assets of SNCB Holding to Infrabel through a partial demerger;
- the contribution of assets and liabilities to HR Rail;
- the contribution of assets and liabilities from Infrabel to SNCB.

The impact of the restructuring of the SNCB Group on the opening balance sheet is as follows:

<u>In million €</u>	<u>NBB</u> <u>31/12/2013</u>	<u>Reorganization</u>	<u>01/01/2014</u> <u>after</u> <u>reorganization</u>
ASSETS	11.632,8	-118,4	11.514,4
Fixed assets	6.806,8	798,4	7.605,2
Current assets	4.826,0	-916,8	3.909,2
LIABILITIES	11.632,8	-118,4	11.514,4
Equity	3.381,6	2.035,0	5.416,6
Provisions	882,8	-179,5	703,3
Amounts payable	7.368,4	-1.973,9	5.394,5

1. Changes in activities and results

Accounting standards

Since the 2011 financial year, the accounts of SNCB (formerly SNCB Holding) have been kept according to the IFRS accounting standards, in accordance with Article 89 of the management contract entered into with the State, but also to meet the expectations of investors.

However, the company's annual financial statements have been prepared according to two accounting standards (Belgian B-GAAP standards and IFRS standards). The duality of standards results in different figures, since the accounting principles differ depending on the standards applied. The result according to IFRS is €-207.3 million, but must be adjusted as follows in order to present the result according to B-GAAP (€-512.3 million):

- restructuring with effect from 1 January 2014 (€-383.2 million);
- fair value adjustments not recorded under B-GAAP (€96.0 million);
- cancellation in IFRS of the financial provisions recorded in B-GAAP (€-19.5 million);
- other IFRS adjustments (€1.7 million).

The present annual report is attached to the accounts filed at the National Bank of Belgium, which were prepared in accordance with Belgian standards, and the figures quoted are therefore determined according to these accounting principles. These are also the accounts which are the subject of the certification report prepared by the Board of Auditors.

The IFRS accounts are available on the company's website (http://www.belgianrail.be/fr/corporate/Publications/rapport_annuel.aspx)

Financial report

Consolidated statement of comprehensive income (in M €)	2014
Sales and services	2,552.1
Turnover	2,385.2
Stocks and contracts in progress and finished goods	15.7
Fixed asset own construction	112.4
Other operating income	38.8
Costs of sales and services	-2,560.8
Raw materials and goods for resale	-77.4
Miscellaneous goods and services	-2,477.2
Remuneration, social security costs and pensions	0.0
Other operating costs	-6.2
EBITDA	-8.7
Depreciation	-354.9
Write-downs	-17.6
Provisions	-28.9
EBIT	-410.1
Financial result	319.6
EBT	-90.5
Extraordinary result	-421.8
Net result	-512.3
Of which the impact of restructuring	-383.2
Result for the financial year 2014	-129.1

EBITDA

One of the key indicators of the company's financial performance is the change in gross operational cash flow, which can be measured by EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation).

In 2014, EBITDA (B-GAAP) amounted to €-8.7 million.

Other significant elements in the result

After taking into account depreciation (€-354.9 million), amounts written-off on receivables and stocks (€-17.6 million) and provisions (€-28.9 million), the operating result (EBIT) was €-410.1 million in 2014.

The 2014 financial results are positive to the tune of €319.6 million. In particular, they include depreciation of capital subsidies received (€319.7), depreciation of NPV previously recorded in the course of alternative financing transactions (€67.5 million), financial provision for derivatives relating to the net financial debt (€-19.5 million) and the net debt interest charges borne by SNCB (€-46.0 million).

The net result for the year was negative in the amount of €512.3 million of which €-383.2 million was due to the restructuring.

Balance sheet

The comparative balance sheet consists of the balance sheet as of 1 January 2014 after the restructuring of the SNCB Group.

Balance sheet (in M €)	31/12/2014	01/01/2014	Δ	Δ %
Assets	11.887,5	11.514,4	373,1	3,2%
Fixed assets	7.993,2	7.605,2	388,0	5,1%
Intangible fixed assets	268,2	266,9	1,3	0,5%
Tangible fixed assets	7.370,5	6.944,9	425,6	6,1%
Financial fixed assets	354,5	393,4	-38,9	-9,9%
Current assets	3.894,3	3.909,2	-14,9	-0,4%
Amounts receivable after one year	1.143,4	1.318,4	-175,0	-13,3%
Stocks and contracts in progress	255,9	228,2	27,7	12,1%
Amounts receivable within one year	1.346,3	1.133,0	213,3	18,8%
Current investments	851,9	968,7	-116,8	-12,1%
Cash at bank and in hand	87,0	62,5	24,5	39,2%
Deferrals and accruals	209,8	198,4	11,4	5,7%
Liabilities	11.887,5	11.514,4	373,1	3,2%
Capital and reserves	5.689,0	5.416,6	272,4	5,0%
Capital	249,0	249,0	0,0	0,0%
Revaluation surplus	148,9	150,4	-1,5	-1,0%
Accumulated losses	-536,2	-407,1	-129,1	31,7%
Investment grants	5.827,3	5.424,3	403,0	7,4%
Provisions and deferred taxes	761,2	703,3	57,9	8,2%
Provisions	761,2	703,3	57,9	8,2%
Amounts payable	5.437,3	5.394,5	42,8	0,8%
Amounts payable after one year	2.555,1	2.726,6	-171,5	-6,3%
Amounts payable within one year	2.415,8	2.124,1	291,7	13,7%
Deferrals and accruals	466,4	543,8	-77,4	-14,2%

The SNCB balance sheet total on 31 December 2014 was €11,887.5 million, which represents an increase of €373.1 million compared with 1 January 2014 (€11,514.4 million).

The balance sheet structure is still characterised by a significant proportion of fixed assets (€7,993.2 million), mainly tangible fixed assets (€7,370.5 million).

With particular regard to tangible and intangible fixed assets (€7,638.7 million), SNCB invested €820.8 million in 2014, including €549.9 million on B-Technics and €197.0 million on stations. These investments were financed in the amount of €7.6 million by equity capital and €813.2 million through investment grants. Tangible assets include advance payments made to subsidiaries and current investments in the amount of €154.9 million.

The remaining assets are current assets (€3,894.3 million), which among other things include €1,143.4 million of receivables falling due in more than one year, €1,346.3 million of receivables falling due within one year and €851.9 million of cash investments and cash at bank and in hand.

With regard to receivables, they include, in particular, receivables in the amount of €1,587.5 million from the State and the Regions in connection with the assumption of debt on 1 January 2005, as well as operating income and investment income from the State, and bonds in the amount of €334.1 million issued within the framework of the CSA ('Credit Support Annex' relating to hedging transactions).

The liabilities mainly comprise €5,689.0 million of shareholders' equity, €761.2 million of provisions for liabilities and charges, €2,551.1 million of debts falling due in more than one year and €2415.8 million of debts falling due within one year.

Changes in debt

SNCB defines its net debt as the debt contracted with financial institutions (debt accounted in the balance sheet as well as off-balance commitments):

- + Treasury loans (cash-pooling) and interest-bearing intra-group debts;
- + Treasury advances (cash-pooling) and interest-yielding receivables relating to intra-group companies;
- 'back-to-back' transactions concluded with the State in connection with the assumption of debt on 1 January 2005;
- investments and cash investments with financial institutions not managed on behalf of third parties (REN Fund, Railway Infrastructure Fund 2, ...);
- cash investments earmarked for partial repayment of the nominal debt amount contracted with financial institutions.

The net debt was €2,874.3 million on 31 December 2014, which represents an annual increase of €225.8 million.

However, the financial debt - namely the net financial debt adjusted for co-financing investment - FPS subsidies received but not yet allocated to investments and the supplier/customer net balance is in the amount of €3,188.8, an increase of only €71.3 million. This variation accounts for €4.7 million in cash income, €-15.8 million in financial investments, €18.9 million in tangible and intangible investments and €63.5 million in working capital.

The company's financial policy states among other points that the ratio of fixed to variable interest rates must be 2/3 to 1/3, with a $\pm 5\%$ margin. However, given the structural level of short-term interest rates and pending new long-term financing, the Board of Directors agreed to derogate from the financial policy. On 31 December 2014, this fixed/variable ratio was 55.29% to 44.71%.

2. Significant events after the balance sheet date

In order to strengthen the financial structure of SNCB Logistics, the SNCB Board of Directors meeting held on 27 March 2015 selected the bid of an investment fund which will hold 66.6% of SNCB Logistics share capital upon completion.

The transaction will serve to strengthen the financial resources of SNCB Logistics by a total amount of EUR 70 million, including a capital increase of EUR 20 million from the investment fund and EUR 50 million from other external funding. In addition, SNCB will convert the EUR 25 million subordinated loan granted to SNCB Logistics into capital, the terms of a EUR 17.5 million loan granted by SNCB to SNCB Logistics will be amended and SNCB will uphold its commitment to offsetting the difference in cost per unit produced between SNCB staff working for SNCB Logistics and market conditions. SNCB has assumed certain obligations for the benefit of SNCB Logistics in the context of this transaction.

No other significant events impacting the financial statements of the SNCB Group were observed after the balance sheet date of 31 December 2014.

3. Circumstances potentially having a material influence on the development of the company

Apart from the circumstances mentioned below under 'Risks', it should be noted that as yet no new management contract has been signed with the government.

Preparations have been started to draw up a new management contract between SNCB and the government.

In the meantime, the 2008-2012 management contract has been extended, and provisional rules have been set for the transitional period.

As well as SNCB's obligations, the management contract will also define the subsidies that SNCB will receive for its public utility services with respect to both investments and operating funds.

In October 2014, the Belgian government announced its financial priorities and constraints for the period 2015-2019. The financial framework established by the Belgian government reduced the subsidies received by SNCB and Infrabel by €2.1 billion for the period 2015-2019, starting with a reduction of €188 million in 2015 accounting for a 6% reduction in variable subsidies (with this amount increasing in a straight line to €663 million in 2019). In 2015, the reduction in subsidies (€188 million) will almost entirely concern investment grants received by SNCB and Infrabel. As a result of the reduction in subsidies within the framework of the

financial plan established by the Belgian government, it will be necessary to reassess the 2013-2025 multi-year investment plan of SNCB and Infrabel.

Following the guidelines of its main shareholder, the SNCB Group took measures to reduce the number of subsidiaries included in the perimeter of consolidation. On 1 January 2013, the perimeter of consolidation included 58 subsidiaries and was extended by 15 subsidiaries after restructuring so that on 31 December 2014, it included 43 subsidiaries.

4. Research and development activity

There were no significant activities in the field of research and development in the year 2014.

5. Branch offices

SNCB does not have any branch offices.

6. Application of going concern rules

SNCB's results for the financial year are a loss of €512.3 million, and it should be noted that, through its activities, the company generated a gross operating loss (EBITDA) of €8.7 million as at the end of 2014.

The financial statements have been prepared on a going concern basis for the main activities of SNCB. SNCB may call upon the Belgian government for a State guarantee up to the amount of €1,138 million (SNCB has not called upon this State guarantee and currently has no intention to invoke it).

SNCB's rating has been stable since its downgrade in 2011 by Moody's (from Aa1 to A1) and by Standard & Poor's (from AA to A+, with 'negative' outlook). These ratings have been repeatedly confirmed since then, most recently on 21 November 2014 by Moody's and on 15 May 2014 by Standard & Poor's.

In addition, the Board of Directors' meeting held on 27 March 2015 approved the 2015-2016 financial plan, which contains no indication of any financial issues.

7. Reporting and control

In 2014, particular attention was paid to the implementation of budget management and reporting tools in order to minimise the risk of failure of meeting budgetary objectives and to align the company's activities on common objectives, in economic and financial terms as well as with regard to operational activity and customer service quality.

Key performance indicators (KPI) set up in this regard will also be used to submit reports on performance obligations to the State in accordance with the management contract.

Each month, an activity report is prepared by the Treasury Service at the Finance Department for the Chief Financial Officer, the Deputy Financial Officer, Accounting, Internal Audit, and the Board of Auditors.

Each quarter, the Finance Department reports on financial activities to the Executive Committee, the Audit Committee and the Board of Directors, as part of the presentation of the financial statements.

In addition, Internal Audit is responsible for verifying compliance with the financial policy defined by the company, in particular concerning cash and debt management, investment policy and financial risk management.

In view of the internal regulations in force regarding the management and reduction of risks, it is clear that the existing contracts relating to derivatives can have only a marginal impact on the company's price, credit, liquidity and cash flow risks.

These risks are assessed quarterly at their market value and the necessary provisions are made or reversed.

In accordance with Article 67 of the management contract with the State, the Finance Department submits regular reports on the utilisation of the RER Fund financial resources to the Directorate General for Sustainable Mobility and Railway Policy and the Minister of Public Companies.

8. Risks and uncertainties relating to the use of financial instruments and the company's financial situation

SNCB actively manages certain risks, in particular relating to liquidity, exchange, interest rates and credit. For this purpose, it has drawn up a financial policy, approved by the Board of Directors, laying down strict risk management rules.

To manage financial risks, products known as 'derivatives' are used, namely swaps, forward rate agreements, options, forward exchange contracts and futures, the underlying market variables being an interest rate, inflation, an exchange rate, commodity products (including diesel and electricity for traction) or a credit event.

Such transactions are accounted in accordance with IAS standards 32 and 39 for the accounts published under 'full IFRS', and in accordance with Belgian accounting legislation for the accounts published under Belgian GAAP.

Three counterparties need to be consulted in advance before hedging transactions can be entered into.

Trading operations are excluded.

The financial policy mentioned above is also applicable to the financial resources of the RER Fund, which SNCB manages in the name and on behalf of the State.

Liquidity risk

When financings are contracted, account is taken of the forecast changes in the future cash flow in order to level out and reduce the cash balances as far as possible. Investments and debt obligations must be aligned to each other in order to minimise internal risks.

In addition, the liquidity risk is covered by spreading debt maturities over time. Thus, at most 20% of the outstanding debt may mature in the same year, with a maximum of 10% of the debt per quarter.

Exchange risk

Any debt transaction or investment generating an exchange risk, must be immediately covered in full in euros (principal and interest).

The covered position can be accompanied by a floating or fixed interest rate.

Interest rate risk

The working methods for limiting liquidity risks also apply to cover interest rate risks.

The aim is for fixed rate debt to represent 2/3 of net long-term debt. This ratio may be adjusted according to market conditions, provided set procedures are complied with.

The pre-financings contracted by SNCB for the RER equipment and the purchase of series 18 locomotives, which are covered by hedging, are not taken into account in calculating the ratio.

Credit risk

Investments must be in the form of a loan and may not use equity based instruments. They are subject to strict minimum rating criteria of the counterparties, depending on the term of the investment.

Maximum amounts per counterparty are also set. However, these limits are not applicable to investments in instruments that benefit from an AAA/Aaa rating or are issued or guaranteed by the Belgian Government, the Flemish Community, the Walloon Region, the French Community and the Brussels-Capital Region.

For derivatives, the credit risk in relation to the counterparties must be spread and systematically covered by the arrangement of Credit Support Annex (CSA) contracts. With regard to this type of contract, regular calculations are made of the net amount that would have to be paid by either SNCB or the counterparty in the event of the immediate cancellation of the total outstanding amount of the derivatives entered into with the counterparty.

Recourse to CSAs limits the risk to a maximum amount, which varies according to the rating of the counterparty. Continued downgrading of SNCB's rating would result in considerable sums having to be lodged with counterparties under these CSA contracts.

If a bank's rating falls below BBB+/Baa, contracts with this bank must be transferred to another bank that has a higher rating.

With counterparties that have been put on negative credit watch, no new transactions can be carried out during the negative credit watch period.

Regional pre-financing and co-financing

The cooperation agreement between the State, the Flemish Region, the Walloon Region and the Brussels-Capital Region relating to the (then unitary) SNCB 2001-2012 multi-year investment plan provided for:

- The pre-financing of infrastructure projects of regional interest, with the pre-financed amounts being reimbursed by the federal State and the interest charges being borne by the Region concerned;
- The co-financing of work concerning major rail investments, with the pre-financing cost (principal plus interest) being reimbursed in full by the Region concerned.

The following pre-financing arrangements were current as at 31 December 2014:

- Construction of parking facilities at Louvain-la-Neuve (agreement of 2 June 2009) via pre-financing with SNCB;

In addition to the following co-financing arrangements:

- Construction of a link road and associated structures with a view to redevelopment of the station approaches and public areas in Mechelen (agreement of 19 December 2008) via a financing contract with SNCB;
- Integration of a bus station in the future Mons railway station (agreement of 1 March 2010) and integration of a bus station in the existing station at Namur (agreement of 4 September 2012) via financing contracts with SNCB.

Of the pre-financing projects planned initially, only the agreement relating to the construction of a new station at Gosselies airport has yet to be signed.

On 14 December 2010 a cooperation agreement was entered into with De Lijn for the realisation of the Ostend tramway project.

Transactions with related parties carried out under non-market conditions

Pursuant to the Royal Decree of 10 August 2009, SNCB is obliged to provide additional information on material transactions with related parties executed under non-market conditions. In particular, this concerns companies meeting more than one of the criteria set out in Article 16, §1, sub-paragraph 1 of the Company Code.

No material transactions were executed with other subsidiaries or sub-subsidiaries not directly or indirectly wholly owned by SNCB.

For the sake of prudence, it should also be specified that no material transactions were executed under non-market conditions with companies not directly or indirectly wholly owned by the State, which owns 99.9% of the SNCB shares. Furthermore, no material transactions were entered into under non-market conditions with members of management or executive bodies or persons related to them.

1.2 Corporate Governance

The SNCB articles of association are heavily influenced by its legal status as a public limited company under public law (Société anonyme de droit public). As such, SNCB is primarily subject to the Law of 21 March 1991 on the reform of certain economic public companies. For matters not covered by this Law, it is subject to the Company Code.

In the world in which we operate, corporate governance is a major issue demanding careful attention and rules of the utmost transparency. The SNCB, as a public company, firmly follows this corporate responsibility movement towards better management and improved control of its activities. In view of its public service duties, SNCB has a direct social responsibility towards its main shareholder – the State – and its customers: members of the public who travel by train.

Corporate governance statement

With regard to the rules of corporate governance, SNCB complies with the reference code imposed by the Royal Decree of 6 June 2010 (Belgian Official Gazette of 28 June 2010, p. 39622 ff.), except as provided for in the Law of 21 March 1991 on the reform of certain economic public companies.

In order to properly fulfil its obligations, SNCB is supported not only by its Board of Directors but also by three specialist committees: the Audit Committee, the Appointments and Remuneration Committee and the RER Strategic Committee, as well as the Executive Committee and other consultative committees, such as:

- the Steering Committee
- the National Joint Committee
- the Strategic Company Committee
- the Policy Committee

In addition, there are also the inspection bodies, such as the Government Commissioner and the Board of Auditors.

For a more detailed description of the management structure and the operating rules of the management bodies, see the Corporate Governance Charter published on the SNCB-Holding website (www.sncb.be).

Derogation from the Belgian Corporate Governance Code 2009

SNCB complies with the principles and provisions of the Belgian Corporate Governance Code 2009, with the exception of provisions 4.1, 4.2, 4.6 and 4.7.

Provisions 4.1 and 4.2 stipulate that the Board of Directors must establish appointment procedures and selection criteria for the directors and that the Chairman or another non-executive director must conduct the appointment process, whereas Article 162 bis § 2 of the Law of 1991 stipulates that the

King will appoint the directors according to the complementarity of their qualifications.

Provision 4.6 stipulates that directors' terms of office must not exceed four years, whereas, according to Article 162 bis § 3 of the Law of 1991, the SNCB directorships have a six-year term.

Provision 4.7 stipulates that the Chairman must be appointed by the Board; according to Article 162 bis § 5, however, the Chairman is appointed by the King.

Composition of the management and control bodies in 2014

Board of Directors

Chairman: Jean-Claude FONTINOY
CEO: Jo CORNU
Directors: Eddy BRUYNINCKX, Valentine DELWART, Luc JORIS, Kris LAUWERS, Valérie LEBURTON, Renaud LORAND, Saskia SCHATTEMAN and Dirk STERCKX

Executive Committee

Until 1 March 2014

Chairman: Jo CORNU
Executive Officers: Michel ALLE (Finance)
Vincent BOURLARD (Stations)
Sven AUDENAERT (Human Resources)

From 1 March 2014

Chairman: Jo CORNU
Executive Officers: Michel ALLE (Finance)
Vincent BOURLARD (Stations)
Etienne DE GANCK (Transport)
Richard GAYETOT (Technics)
Sven AUDENAERT (Human Resources) (until 1 June 2014), Bart DE GROOTE (Marketing & Sales) (from 1 June 2014).

Audit Committee

Chairman: Dirk STERCKX
Members: Valentine DELWART, Kris LAUWERS, Renaud LORAND

Appointments and Remuneration Committee

Chairman: Jean-Claude FONTINOY
Members: Jo CORNU, Luc JORIS, Eddy BRUYNINCKX

RER Strategic Committee

Chairman: Jo CORNU
Members: Valentine DELWART and Kris LAUWERS
The three directors representing the Regions on the Board of Directors are still to be appointed.

Government Auditor

Olivier VANDERIJST

Board of Auditors for inspection of the statutory accounts

Chairman: Ria VERHEYEN
Members: Michel de FAYS, Philippe GOSSART and Rudy MOENS

Auditors for inspection of the consolidated accounts

Ria VERHEYEN on behalf of SCRL Grant Thornton and Philippe GOSSART on behalf of SCRL. Mazars réviseurs d'entreprises

1. Board of Directors

Composition

The Board is made up of ten members, including the CEO. At least one-third of the members must be of the opposite sex (Article 162 bis § 1 of the Law of 21 March 1991 and Royal Decree of 14 October 2013 on honourable resignation and appointment of the members of the Board of Directors). Linguistic parity is observed. The King appoints the directors by Decree following consultation in the Council of Ministers (Article 162 bis § 2 subparagraph 1 of the Law of 21 March 1991).

The term of office of all directors is six years from 14 October 2013.

Main functions performed outside SNCB by the non-executive directors:

- Mr FONTINOY: Expert Advisor to the Office of the Deputy Prime Minister and Minister of Foreign Affairs, Chairman of EUROGARE, SA, company director;
- Mr BRUYNINCKX: CEO of Havenbedrijf Antwerpen;
- Ms DELWART: General secretary of the MR;
- Mr JORIS: company director;
- Mr LAUWERS: Deputy CEO of the STIB;
- Ms LEBURTON: CEO of Société Wallonne des Aéroports;
- Mr LORAND : Chief of Staff for the President of the Walloon Government, Chairman of BELGOCONTROL, director of SNCB Logistics SA;
- Ms SCHATTEMAN: Director of Marketing for Microsoft Belgium-Luxembourg;
- Mr STERCKX: director of VRT.

Functioning - Frequency of meetings

Under Article 10 of the Articles of Association, the Board meets as often as is required by the interests of the company and at least four times a year.

In 2014, the Board met 18 times. Ms DELWART did not take part in six meetings; Ms SCHATTEMAN did not take part in three meetings; Ms LEBURTON and Mr JORIS, Mr LORAND and Mr STERCKX did not take part in one meeting. The other directors attended all the meetings. The average attendance rate is 92.8 %.

In exceptional cases, when an urgent situation and the interests of the company so require (except in cases excluded by law), decisions of the Board of Directors may be taken by unanimous consent of the directors, expressed in writing.

This procedure was used four times in 2014.

Powers

The Board of Directors is empowered to carry out all actions necessary or useful for the fulfilment of the public company's corporate object. The Board exercises oversight over the management provided by the Executive Committee. The Executive Committee reports regularly to the Board. The Board, or its Chairman, without prejudice to the powers granted to him under Article 162 bis § 5 (of the Law of 21 March 1991), may at any time ask the Executive Committee to provide a report on the Company's activities or some of these activities.

In 2014, the Board of Directors took decisions on and monitored a certain number of major issues:

- the restructuring of the SNCB Group;
- the financial situation of the SNCB and stabilisation of debt;
- the streamlining of subsidiaries;
- the safety of railways;
- the new 2014 transportation plan;
- the formation of a new rail company for the Thalys activities;
- the progress of freight activities and reporting on the subsidiary SNCB Logistics SA;
- large station projects.

2. Audit Committee

The existence of the Audit Committee is required pursuant to the Law of 21 March 1991, set forth in Article 161 ter.

Functioning - Frequency of meetings

The Committee meets at regular intervals. The Chairman of the Committee can convene special meetings to enable the Committee to properly fulfil its remit. Directors who are not members of the Audit Committee can attend meetings if they wish.

In 2014, the Audit Committee met 14 times. Ms DELWART did not take part in nine meetings. The other members attended all the meetings. The average attendance rate is 83.9 %.

Powers

The Audit Committee carries out the tasks entrusted to it by the Board of Directors. In addition, it assists the Board of Directors by examining financial information, in particular the annual financial statements, the annual report

and interim reports. It also ensures the reliability and integrity of the financial reports with regard to risk management.

3. Appointments and Remuneration Committee

The existence of the Appointments and Remuneration Committee is required by Article 161 ter of the Law of 21 March 1991.

Functioning - Frequency of meetings

The Committee meets as often as required in the interests of the company.

In 2014, the Appointments and Remuneration Committee met 13 times. Mr JORIS did not take part in one meeting. The other members attended all the meetings. The average attendance rate is 97.4 %.

Powers

The Committee advises on applications proposed by the CEO with a view to the appointment of members of the Executive Committee.

It makes proposals to the Board on the remuneration and benefits granted to Executive Committee members and senior executives and monitors these issues on an ongoing basis.

It also carries out the tasks entrusted to it by the Board of Directors.

4. RER Strategic Committee

This Committee was set up by the Law of 19 April 2014 modifying the Law of 21 March 1991 with regard to establishing the Strategic Committee (Articles 161 sexies to 161 octies). This Committee has not yet been set up, pending the appointment of the Regional representatives within the Board of Directors, who are members of the RER Strategic Committee.

Powers

The RER Strategic Committee shall make a proposal for a five-year plan for RER operation, which shall be subject to approval by the Board of Directors. It shall report every year on the implementation process of the five-year plan and make recommendations on it.

On its own initiative or at the request of the Board of Directors, it shall issue a prior opinion on the proposals for decisions regarding RER operation.

5. Executive Committee

Composition

The CEO is appointed by the King, by decree issued after consultation in the Council of Ministers, for a renewable six-year term of office (Article 162 quater of the Law of 21 March 1991).

The Board of Directors appoints the members of the Executive Committee at the proposal of the CEO and after hearing the opinion of the Appointments and Remuneration Committee (Article 162 quater of the Law of 21 March 1991).

All the members of the Executive Committee perform full-time functions within SNCB, or in connection with representing it (Article 162 quater of the Law of 21 March 1991).

Functioning - Frequency of meetings

Meetings of the Executive Committee are held in principle every week, normally on Mondays.

In 2014, the Executive Committee met 51 times.

Powers

The Executive Committee is responsible for the day-to-day management and the representation with regard to such management, and the implementation of resolutions of the Board of Directors.

The members of the Executive Committee operate as a collegiate board. They can share out tasks.

6. Government Auditor

Article 162 nonies of the Law of 21 March 1991 states: "SNCB shall be subject to the controlling power of the Minister whose portfolio includes the railways. This control shall be exercised through the action of a Government Auditor, appointed and dismissed by the King, at the proposal of the Minister concerned."

The Auditor is invited to all meetings of the Board of Directors and the Executive Committee, and attends in an advisory capacity. In addition, he attends meetings of the Audit Committee in an advisory capacity.

7. Board of Auditors

Article 25 § 1 of the Law of 21 March 1991 states: "The verification of the financial situation, of the annual accounts, and of compliance with the Law

and the organic statute of the operations to be shown in the annual accounts shall be entrusted, in each autonomous public company, to a Board of Auditors made up of four members. The members of the board shall have the title of auditor."

The Board is made up of four members, two of whom are appointed by the Court of Audit from among its own members, and the other two by the General Meeting from members of the Belgian Institute of Company Auditors.

The SNCB General Meeting held on 30 May 2014 approved the one-time renewal, for the 2014 to 2016 financial years, of the term of the statutory auditor entrusted to Grant Thornton, SCRL and Mazars, SCRL, for the external oversight of the SNCB statutory and consolidated accounts. Mazars is represented by Mr Philippe GOSSART and Grant Thornton by Ms Ria VERHEYEN.

1.3 Remuneration report

1. Remuneration of members of the Board of Directors

Article 162 quinquies § 2 of the Law of 21 March 1991 on the reform of certain economic public companies stipulates that the General Meeting shall determine the remuneration of the members of the Board of Directors.

The General Meeting held on 31 May 2006 fixed the principles, set out below, for determining the remuneration of directors with the exception of the CEO, who does not receive any remuneration or attendance fees as a member of the Board of Directors and Committees.

The calculation of directors' remuneration did not change in 2014.

The gross remuneration of the chairman is made up of a fixed annual component which amounts to EUR 39 200, and a variable component consisting of attendance fees for meetings. These fees are:

- EUR 500 per Board meeting;
- EUR 400 per Committee meeting in which he participates.

In addition, he receives an annual expense allowance of EUR 2 400 and is provided with a company car.

The gross remuneration of the other directors is made up of a fixed annual component which amounts to EUR 13 600 and a variable component consisting of attendance fees for meetings. These fees are:

- EUR 500 per Board meeting;
- EUR 400 per meeting of the other committees.

In addition, they receive an annual expense allowance of EUR 1 200. Attendance at meetings is a necessary requirement for obtaining attendance fees.

Directors do not receive any remuneration based on results, such as bonuses or long-term profit-sharing schemes; nor do they receive any benefits in kind or pension-related benefits.

No changes to the remuneration of non-executive members of the Board of Directors are envisaged.

	<i>Directors' gross remuneration in 2014 (excluding expense allowance)</i>
J-C. FONTINOY	EUR 59 000
E. BRUYNINCKX	EUR 28 200
L. JORIS	EUR 27 300
V. DELWART	EUR 21 600
K. LAUWERS	EUR 28 200
R. LORAND	EUR 27 700
V. LEBURTON	EUR 22 100
S. SCHATTEMAN	EUR 21 100
D. STERCKX	EUR 27 700

2. Remuneration of members of the Executive Committee

The procedure followed for fixing the remuneration of members of the Executive Committee complies with Article 161 ter, § 4, paragraph 2 of the Law of 21 March 1991 on the reform of certain economic public companies:

"The Board of Directors shall, on the proposal of the Appointments and Remuneration Committee, determine the remuneration and benefits granted to members of the Executive Committee and senior executives. It shall monitor these matters continuously."

On the proposal of the Appointments and Remuneration Committee, on 28 January and 4 February 2005, the Board approved the administrative and monetary situation of the executive officers and CEO of SNCB.

The remuneration of the new CEO, Mr Jo CORNU, takes into account the decision that the Government has taken in the area of top salaries in public companies. The remuneration of the new executive officers will also take this decision into account.

Remuneration of the CEO.

The system of remuneration consists of a fixed component and a variable component, and the benefits linked to the role are defined in a special agreement negotiated with the Board of Directors.

The agreement concluded with Mr CORNU as CEO of SNCB-Holding, and from 1 January 2014 as CEO of the new SNCB, came into effect on 13 November 2013 and will expire on 12 November 2019. The remuneration it defines – fixed and the variable components, allowances and severance pay – are in accordance with the decision taken by the Council of Ministers regarding the remuneration of CEOs of public companies.

The fixed remuneration comes to EUR 230 000 per year and is paid in twelve monthly instalments of EUR 19 166.67. This is an indexed amount (health index November 2013).

The variable remuneration is a maximum of EUR 60 000 gross per year (health index November 2013). The exact amount is determined by the Board of Directors on the basis of the objectives that the Board specifies. The Board of Directors reviews the targets once a year.

During the 2014 financial year, the total gross remuneration paid to Mr CORNU, CEO, amounts to:

- Fixed component 2014: EUR 230 000
- Variable component 2013: EUR 8 250

There are no benefits in kind, group insurance or hospital insurance.

Remuneration of executive officers

The system of remuneration consists of:

1. a fixed component defined in a special agreement negotiated with the Board of Directors;
2. a variable component: defined according to an evaluation coefficient from 0 to 3. An annual evaluation is carried out by the CEO and submitted to the Appointments and Remuneration Committee. Pursuant to the Board of Directors' decision of 25 April 2014, on the proposal of the Appointments and Remuneration Committee, the evaluation is based on a rate of 50 % on the following common criteria: Recurring EBITDA cash (15 %), punctuality without neutralisation (20 %) and customer satisfaction (15 %) and, for the remaining 50 %, on the attainment of individual objectives established in advance by the CEO and notified to the Appointments and Remuneration Committee.

The remuneration system does not include any provisions entitling the company to claim any variable remuneration granted on the basis of incorrect financial information.

The variable component represents, on average, approximately 25 % of the remuneration.

The holiday allowance, annual bonus and any other allowances and payments are determined in accordance with the applicable regulations. Contracted personnel benefit from group insurance and hospitalisation insurance.

The executive officers do not receive any remuneration in the form of shares, share options or other rights to acquire shares.

During the 2014 financial year, the total gross remuneration paid to the Executive Officers amounts to:

- Fixed component 2014: EUR 1 140 216.93
- Variable component 2013: EUR 357 902.09
- Other remuneration components:
 - Benefits in kind (car, telephone): EUR 14 850.74
 - Group insurance, insurance against accidents at work and hospital insurance: EUR 129 965.65

3. Severance pay for members of the Executive Committee

If his contract is terminated early for reasons other than gross misconduct, Mr CORNU is entitled to compensation amounting to 12 months of the fixed part of his remuneration.

If his employment contract is terminated, Mr ALLE is entitled to an amount equal to:

- 11 months' remuneration if the contract is terminated during the third year of office;
- 8 months' remuneration if the contract is terminated during the fourth or subsequent years of office.

If his contract is terminated early, Mr DE GROOTE is entitled to compensation amounting to 12 months of the total remuneration. This compensation shall not apply in the event of termination for compelling reasons.

For Mr AUDENAERT and Mr BOURLARD, if their mandate as executive officer is terminated for other than serious grounds, they will continue to hold the grade of executive officer until the expiry date stipulated in their mandate, with continuation of salary.

For Mr DE GANCK and Mr GAYETOT, in the event of their resignation during their terms or the non-renewal thereof, they will be replaced in the grade of executive officer and be remunerated according to the financial conditions regarding this grade.

4. Mandates in subsidiaries and companies in which SNCB-Holding has a participating interest

The Board Meeting held on 25 February 2005 resolved that directorships held in subsidiaries by members of SNCB Group personnel would not be remunerated.

2. Introduction to the annual accounts

ANNUAL ACCOUNTS OF SNCB AS AT 31 DECEMBER 2014

APPLICATION OF IFRS ACCOUNTING STANDARDS

In accordance with the provisions of article 89 of its management contract with the Belgian State, SNCB has prepared its annual accounts for 2014 under "IFRS" (International Financial Reporting Standards).

Total comprehensive income as determined according to IFRS (-€207.3m) is different from that obtained under Belgian generally accepted accounting principles (-€512.3m), because some IFRS rules are not accepted by Belgian accounting law.

Reconciliation between these two results is however possible and is obtained as follows:

IFRS Total result 2014	-207,3
Reorganization on 1 January 2014	-383,2
Other financial instruments: Fair value valuation not recognised under BEGAAP	96,0
Provision for derivatives: cancellation under IFRS of the provision for financial instruments which is allowed under BEGAAP	-19,5
Other IFRS restatements	1,7
BEGAAP Total result 2014	-512,3

The application of IFRS has become a standard for many large companies, including the main European railway companies, and responds to an expectation of the institutions that provide financing for the SNCB Group's activities. This is why SNCB decided to focus its financial communication exclusively on its financial statements prepared according to IFRS.

However, although it is now permitted to publish the SNCB Group consolidated financial statements under IFRS, this is not the case for the separate statutory financial statements. SNCB has therefore prepared its financial statements according to both Belgian generally accepted accounting principles and IFRS. Currently, only the former are subject to a certification report by the external auditors and submitted for approval to the general assembly of shareholders. The management report has been prepared on this basis and includes comments on the main developments concerning the financial statements prepared under these standards.

The financial statements of SNCB according to IFRS are presented below. The financial statements prepared in accordance with Belgian generally accepted accounting principles are available on the website of SNCB (www.belgianrail.be), and on the website of the "Centrale des Bilans/Balanscentrale" of the National Bank of Belgium.

MAIN FINANCIAL CHANGES

Preliminary remark

A particular feature of IFRS regards the large volume of additional disclosure notes that needs to be provided in addition to the statement of financial position and the statement of comprehensive income.

Reference is therefore made to the disclosure notes, which provide detailed information for a better understanding of the financial statements as at 31 December 2014.

The main developments affecting the financial year 2014 are however summarised below.

Summary statement of comprehensive income

The pro forma financial statements for 2013 based in a comparable scope have been prepared to take account of evolution of the financial situation since the restructuring. The principal restatements made concern the cancellation of reciprocal benefits between the former SNCB-Holding and the former SNCB, the transfer of certain activities to Infrabel, the transfer of CPS services and HR services to HR-RAIL and the transfer of staff. However, the pro forma financial statements only concern income and expenses related to recurring cash EBITDA and financial results. Nonetheless, it must be observed that although the pro forma financial statements give a reliable indication of overall evolution, evolution under each heading must be carefully interpreted in the light of the organisational changes.

€ M	Actual 2014	Proforma 2013	Δ €	Δ %
Recurring cash operating income	2.544,9	2.568,4	-23,5	-0,9%
Turnover	1.279,0	1.259,1	19,8	1,6%
Operating grants	1.120,8	1.144,5	-23,6	-2,1%
Internally generated fixed assets	112,4	106,3	6,1	5,7%
Other operating income	32,7	58,5	-25,8	-44,1%
Recurring cash operating expenses	-2.539,2	-2.567,8	28,6	-1,1%
Purchase of raw materials and goods for resale	-77,4	-75,9	-1,4	1,9%
Services and other goods	-1.244,6	-1.227,8	-16,8	1,4%
Employee benefit expenses	-1.209,6	-1.254,9	45,3	-3,6%
Other operating expenses	-7,6	-9,3	1,6	-17,7%
Recurring cash EBITDA	5,7	0,5	5,2	N.S.
Non-cash EBITDA	88,2	-63,0	151,2	
Non-recurring cash EBITDA	28,8	-10,4	39,2	
EBITDA	122,8	-72,8	195,6	
Depreciation and impairment	-383,8			
Investment grants	319,2			
Impairment on financial investments	-5,4			
EBIT	52,8	N.A.		
Financial result	-151,9	-17,8		
Other cash financial income	11,6	14,9		
Financial costs debt management contract	-46,0	-48,1		
Non cash financial results	0,0	0,0		
Other cash financial costs	-4,9	-18,2		
Other non cash financial results	-112,7	33,6		
EBT	-99,2	N.A.		
Income tax	0,0			
	-99,2	N.A.		
Net result generated by discontinued operations	-39,0			
Other comprehensive income	-69,1			
TOTAL RESULT	-207,3	N.A.		
Of which				
	<i>Total cash result</i>	<i>-4,7</i>	<i>N.A.</i>	
	<i>Total non cash result</i>	<i>-202,5</i>	<i>N.A.</i>	

*N.A. = not available

Recurring cash EBITDA

€ M	Actual 2014	Proforma 2013	Δ €	Δ %
Cash	34,5	-9,8	44,4	N.S.
<i>Recurring</i>	5,7	0,5	5,2	N.S.
<i>Non recurring</i>	28,8	-10,4	39,2	N.S.
Non-cash	88,2	-63,0	151,2	N.S.
	122,8	-72,8	195,6	N.S.

By isolating the recurring cash EBITDA, it is possible to approximate the cash generated by normal (recurring) operating activities. It is therefore possible to assess the extent to which the Company generates sufficient financial

resources to cover other major expenses, such as interest charges on loans or investments financed through equity.

Recurring cash EBITDA is a positive amount of €5.7m, therefore an improvement of €5.2m compared with 2013 (€0.5m). This movement is mainly explained as follows:

- a decrease of employee benefits expenses of €45.3m ;
- a decrease of operating grants of €23.6m ;
- an increase in services and other goods of €16.8m ;
- an decrease of other income (increased by other expenses) of €24.2m ;
- an increase of turnover of €19.8m ;
- an increase in purchases of raw materials and goods purchased for resale of €1.4m ;
- an increase in internally generated fixed assets of €6.1m.

Operating income

The Company's **turnover** in 2014 was €1,279.0m, which represents an increase of €19.8m (+0.9%) compared to 2013.

Operating grants received from public authorities decreased by €23.6m (-2.1%) due in particular to the decision of the State to reduce the operating grants (-€47.4m for the whole year), of which €10m already applied in 2013, which is partially compensated by the absence of index.

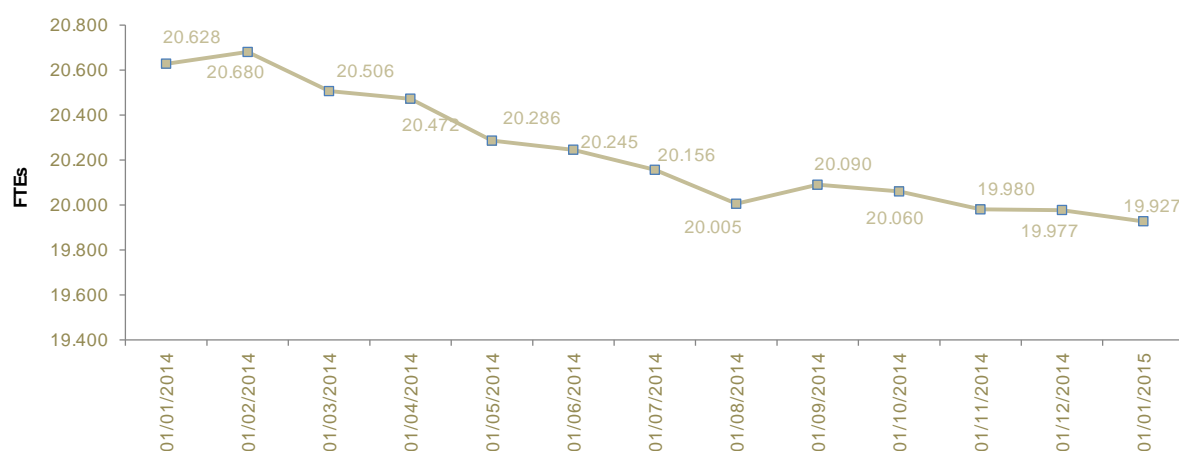
Internally generated fixed assets represent the value of investments produced by the Company. This amounted in 2014 to €112.4m, representing a decrease of 5.7% compared to the previous year, primarily in respect of the ongoing modernization of rolling stock for passengers.

Services and other goods

Cash services and other goods amount to €1,244.6m, a reduction of €16.8m (+1.4%) compared to the same period of the previous year. This movement is essentially the result of a reduction in the costs for traction energy (-€10.2m), an increase of infrastructure fee (+€9.7m), an increase of IT costs (+€14.1m) and a reduction in consultancy fees (-€5.5m).

Employee benefit expenses

The personnel headcount changed as follows:



Employee benefit expenses represent a total charge of €1,209.6m. The normalised payroll cost is determined by deducting some elements included under this section (such as, for example, inflation swaps or some social expenses covered by provisions made previously). This normalised cost amounts to €1,210.4m, meaning an increase of €421m (-3.4%) compared with 2013, mainly due to, pay scale increases linked to service (+€10.5m), change of grade (+€2.6m), reduction in headcount (-€33.4m) and the effect of rejuvenation of the workforce (-€20.3m).

Financial results

€ M	Actual 2014	Proforma 2013	Δ €	Δ %
Total net debt charge	-75,1	-77,8	2,7	-3,5%
Third party (state) compensation	29,1	29,7	-0,6	-2,1%
Net Management Contract debt charge	-46,0	-48,1	2,1	-4,4%
Dividends	1,8	1,9	-0,1	
Exchange differences	-0,1	-0,6	0,5	
Other financial results	5,0	-4,6	9,6	
Other cash financial results	6,7	-3,3	10,0	
Cash financial results	-39,3	-51,4	12,1	
Non-cash financial results	-112,7	33,6	-146,2	
Financial results	-151,9	-17,8	-134,2	N.S.

The charge relating to the debt borne by SNCB amounts to €75.1m, therefore a decrease compared to the previous year (-€2.7m). Given that certain loans are entered into at the request of, and entirely supported by, public authorities, the part of the debt which is actually the responsibility of SNCB

(Management Contract debt), incurs a charge of €46.0m, as opposed to €48.1m in 2013, representing a decrease of 4.4%.

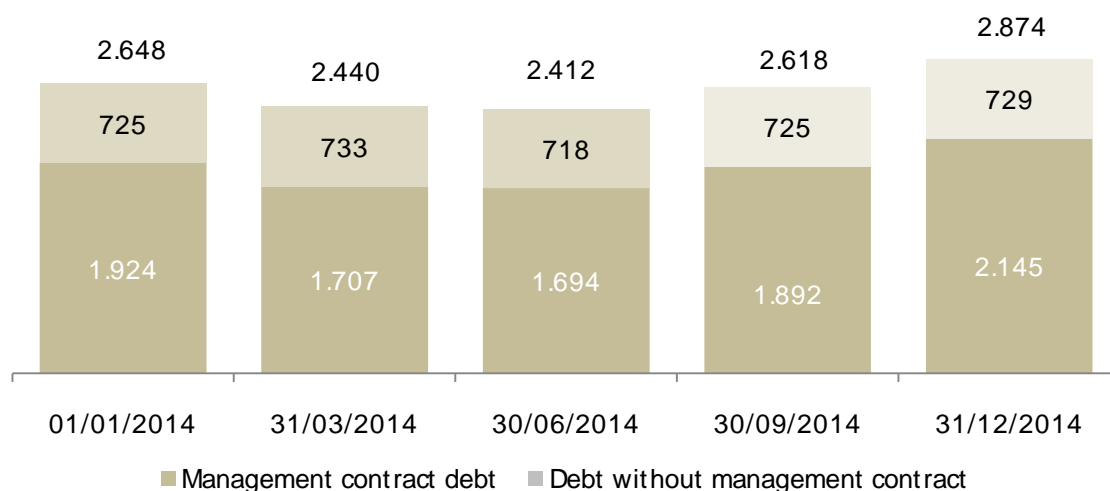
A major part of the financial results (-€112.7m) comes from elements not involving any cash outflow.

Debt

SNCB defines its net debt as the debt contracted with financial institutions (debt accounted for on the balance sheet as well as off-balance commitments):

- + Treasury loans (cash-pooling) and interest-bearing intra-group debts;
- Treasury advances (cash-pooling) and interest-yielding receivables relating to intra-group companies;
- 'back-to-back' transactions concluded with the State in connection with the assumption of debt on 1 January 2005;
- cash at bank and in hand and current investments with financial institutions not managed on behalf of third parties (RER Fund, Railway Infrastructure Fund 2, ...);
- current investments earmarked for partial repayment of the nominal debt amount contracted with financial institutions.

SNCB's total debt (€2,874m) has increased with €226m and SNCB's Management Contract debt (€2,145m) has decreased with €221m.



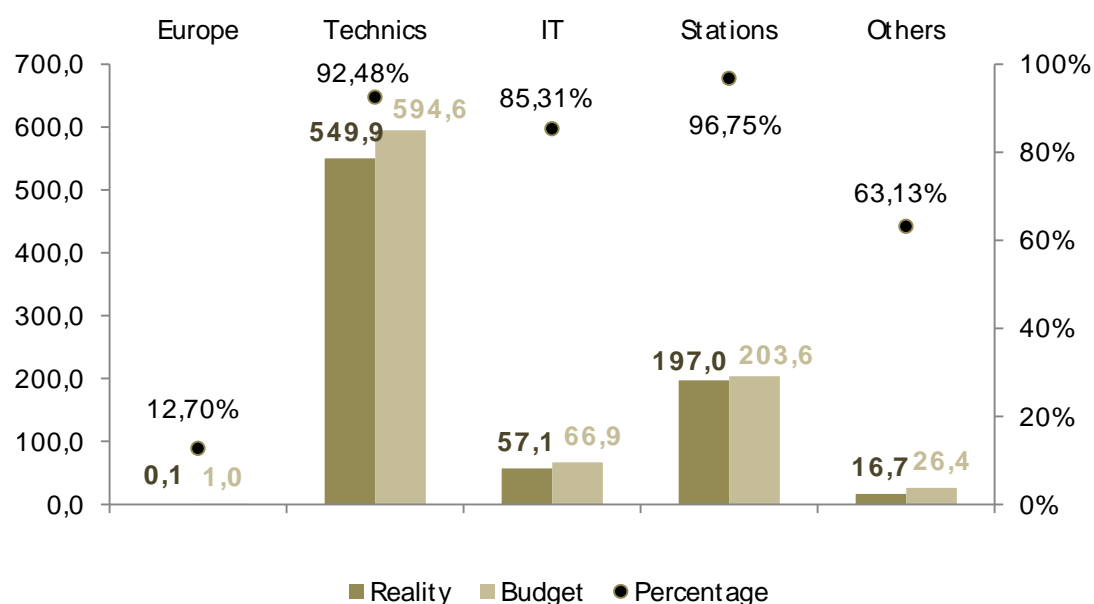
As a result of changes made by the rating agencies, SNCB has an A1 rating since 20 December 2011 by Moody's and an A+ rating since 29 November 2011 by Standard & Poor's. These ratings have been confirmed since then, for the last time on 21 November 2014 by Moody's and by Standard & Poor's on 15 May 2014.

This situation, however, allowed to continue to rise financing on reasonably favourable terms.

Investments

SNCB acquired intangible assets and property, plant and equipment amounting to €820.8m in 2014.

The major part (€549.9m) related to the Stations division, which invested over €462.2m in passenger facilities (of which €435.2 million for electrical engines) and €87.7 million in the plants. The graph below shows the SNCB investments by division.



An impairment loss is recorded on interests in subsidiaries, joint ventures and associates if the carrying value is greater than the recoverable amount. These interests are subject to an impairment test when there is an objective ground to believe the interest has suffered an impairment loss. The preferred method is the Capital Asset Pricing Model, this is the present value of future cash flows.

For non-significant interests, the recoverable amount is calculated on the basis of the share in equity held by the company at the close of the previous financial year.

No impairment test is performed when the main activity of the subsidiary consists of real estate transactions that are nearly entirely concluded with other companies of the SNCB Group.

Shareholding in SNCB Logistics

In order to strengthen the financial structure of SNCB Logistics, the SNCB Board of Directors meeting held on 27 March 2015 selected the bid of an investment fund which will hold 66.6% of SNCB Logistics share capital upon completion.

The transaction will serve to strengthen the financial resources of SNCB Logistics by a total amount of EUR 70 million, including a capital increase of EUR 20 million from the investment fund and EUR 50 million from other external funding. In addition, SNCB will convert the EUR 25 million subordinated loan granted to SNCB Logistics into capital, the terms of a EUR 17.5 million loan granted by SNCB to SNCB Logistics will be amended and SNCB will uphold its commitment to offsetting the difference in cost per unit produced between SNCB staff working for SNCB Logistics and market conditions. SNCB has assumed certain obligations for the benefit of SNCB Logistics in the context of this transaction.

3. Financial statements

1.1 Activities

The law of 30 August 2013 on the reorganization of Belgian Railways has drawn the principles of a major structural reorganization of the railway activities in Belgium.

The fundamental principles of this reorganization exist in redefining the structures and the roles of SNCB Holding, SNCB and Infrabel, companies under public law in the sense of the law of 21 March 1991 concerning the reorganization of these companies.

SNCB (the "Company") (formerly named SNCB Holding), as a result of the reorganization described in note 37, forms a new economic entity as of the 1st of January 2014.

The main activities of SNCB are activities of public services as described in the Royal Decree of 11 December 2013.

1.2 Legal status

SNCB is a public limited company whose head office is located Rue de France 56, 1060 Brussels. It is registered under the company number 0203.430.576. The statutes of SNCB were changed on 20 December 2013 and approved by Royal Decree of 4 April 2014. The last amendments to its statutes were published in the Belgian Official Journal, dated 9 May 2014.

1.3 Financial statements

The separate financial statements as at 31 December 2014, prepared in accordance with IFRS standards, have been approved by the Management Board on 27 March 2015. All figures in this document are expressed in euros (EUR), except if specifically indicated.

1.4 Management Board

The Management Board of SNCB is composed as follows:

Fontinoy Jean-Claude	President of the Board
Cornu Jo	Managing Director since 13 November 2013
Bruyninckx Eddy	Board member
Cloquet Jean-Jacques	Board member since 27 March 2015
Delwart Valentine	Board member since 14 October 2013
Joris Luc	Board member until 27 February 2015
Lauwers Kris	Board member since 14 October 2013
Leburton Valérie	Board member since 14 October 2013
Lorand Renaud	Board member since 14 October 2013
Schatteman Saskia	Board member since 14 October 2013
Sterckx Dirk	Board member since 14 October 2013

1.5 Auditors

Auditors are:

Grant Thornton Bedrijfsrevisoren CVBA represented by Ria Verheyen
Mazars Réviseurs d'entreprises SCRL represented by Philippe Gossart
Court of Auditors represented by Michel de Fays, Ignace Desomer (until 30/05/2014) and Rudi Moens (since 31/05/2014).

I. STATEMENT OF FINANCIAL POSITION

1.6 Assets

	Notes	At 31 December	
		2014	2013
Non-current assets			
Intangible assets	5	268.221.259,53	11.652.939,42
Property, plant and equipment	6	6.555.020.605,03	1.733.811.314,14
<i>A. Land</i>		579.196.278,80	530.888.678,20
<i>B. Buildings</i>		846.231.524,26	661.683.145,24
<i>C. Railway rolling stock</i>		4.080.518.168,31	0,00
<i>D. Plant and various equipment</i>		186.868.299,99	53.276.450,52
<i>E. Tangible fixed assets under construction</i>		862.206.333,67	487.963.040,18
Investment property	7	690.433.773,92	732.421.698,73
Investment in subsidiaries	8	175.370.957,95	171.056.038,09
Investments in associates and joint ventures	9	92.932.488,75	74.951.847,27
Trade and other receivables	10	824.715.500,55	1.008.427.773,11
Derivatives	12	361.829.165,07	227.863.550,26
Other financial assets	2	621.868.013,13	1.121.708.396,18
Deferred tax assets	21	0,00	0,00
Subtotal of non-current assets		9.590.391.763,93	5.081.893.557,20
Current assets			
Inventories	14	183.925.824,54	899.429,92
Trade and other receivables	10	1.341.999.779,38	660.660.811,52
Derivatives	12	0,00	450.276,13
Other financial assets	2	393.848.190,74	92.578.559,71
Current tax assets		0,00	0,00
Cash and cash equivalents	15	434.014.364,03	1.357.242.112,91
Subtotal of current assets		2.353.788.158,69	2.111.831.190,19
Non-current assets held for sale			
Non-current assets held for sale	16	123.328.637,98	4.580.261.534,76
TOTAL ASSETS		12.067.508.560,60	11.773.986.282,15

Assets on 31 December 2013 include assets transferred to Infrabel and HR Rail on the 1st of January 2014 (classified as non-current assets held for sale). Assets on 31 December 2014 include assets absorbed as a result of the merger with the former SNCB.

1.7 Equity and liabilities

	Notes	At 31 December	
		2014	2013
Equity			
Share capital	17	249.022.345,57	741.778.929,39
Reserves		-478.844.649,87	1.141.452.750,71
Total equity		-229.822.304,30	1.883.231.680,10
Non-current liabilities			
Employee benefit obligations	18	350.320.857,87	260.214.592,54
Provisions	19	172.019.172,39	133.215.974,59
Financial liabilities	20	2.409.758.032,21	2.555.069.040,12
Derivatives	12	552.379.101,95	375.548.636,79
Trade and other payables	22	44.569.523,46	40.927.975,12
Grants	24	5.512.021.332,46	1.195.959.044,68
Other amounts payable	25	349.678.403,43	336.692.320,63
Subtotal of non-current liabilities		9.390.746.423,77	4.897.627.584,47
Current liabilities			
Employee benefit obligations	18	126.870.226,65	154.414.756,70
Provisions	19	73.650.412,22	50.208.346,64
Financial liabilities	20	1.450.701.498,57	986.358.359,88
Derivatives	12	10.474.254,85	9.503.268,74
Trade and other payables	22	409.619.491,47	153.665.974,54
Social debts	22	88.179.161,30	25.189.246,09
Grants	24	315.253.169,31	53.252.588,60
Other amounts payable	25	431.836.226,76	381.866.094,19
Subtotal of current liabilities		2.906.584.441,13	1.814.458.635,38
Liabilities associated with non-current assets held for sale			
Liabilities associated with non-current assets held for sale	16	0,00	3.178.668.382,20
Total liabilities		12.297.330.864,90	9.890.754.602,05
TOTAL EQUITY AND LIABILITIES		12.067.508.560,60	11.773.986.282,15

Liabilities on 31 December 2013 include liabilities transferred to Infrabel and HR Rail on the 1st of January 2014 (classified as liabilities associated with non-current assets held for sale). Liabilities on 31 December 2014 include liabilities absorbed as a result of the merger with the former SNCB.

II. STATEMENT OF COMPREHENSIVE INCOME

		2014	2013
	<u>Notes</u>		
Continuing operations			
Operating income before investment grants			
Turnover	26	1.278.963.267,20	2.282.220.537,36
Operating grants	24	1.120.823.633,93	233.972.000,13
Internally generated fixed assets		112.417.528,67	19.738.355,32
Other operating income	26	142.345.796,43	33.744.449,69
Total of the operating income before investment grants		2.654.550.226,23	2.569.675.342,50
Operating expenses before depreciation and impairment			
Purchase of raw materials and goods for resale		-77.352.861,14	-4.756.952,68
Services and other goods	26	-1.219.084.010,08	-257.093.603,02
Employee benefit expenses	27	-1.206.909.072,32	-2.143.190.065,65
Other operating expenses	26	-28.430.343,76	-7.669.418,87
Total of the operating expenses before depreciation and impairment		-2.531.776.287,30	-2.412.710.040,22
Operating result before investment grants, depreciation and impairment		122.773.938,93	156.965.302,28
Investment grants	24	319.192.814,39	91.209.836,86
Depreciation and impairment losses on intangible assets, property, plant and equipment and investment properties	5, 6 & 7	-383.843.157,77	-109.415.180,99
Impairment losses on investments in subsidiaries, joint ventures and associates	8 & 9	-5.356.209,90	-10.648.404,90
Operating result		52.767.385,65	128.111.553,25
Financial income	28	178.417.789,15	294.570.763,21
Financial expenses	28	-330.366.954,76	-332.392.348,68
Net financial result		-151.949.165,61	-37.821.585,47
Net result from continuing operations before tax		-99.181.779,96	90.289.967,78
Income taxes	29	-5.123,03	-149.255.444,31
Net result from continuing operations		-99.186.902,99	-58.965.476,53
Discontinued operations			
Net income for the year from discontinued operations	16	-39.000.000,00	-9.813.438,65
NET RESULT FOR THE YEAR		-138.186.902,99	-68.778.915,18
Other comprehensive income for the year :			
That will not be reclassified subsequently to profit or loss			
Actuarial differences on post-employment benefits	18	-69.076.355,97	27.994.622,83
Tax relating to other comprehensive income	29		12.792.608,89
Subtotal of the other comprehensive income for the year that will not be reclassified subsequently to profit or loss		-69.076.355,97	40.787.231,72
That will be reclassified subsequently to profit or loss when specific conditions are met			
Available-for-sale financial assets			-5.387,88
Tax relating to other comprehensive income	29		222,03
Subtotal of the other comprehensive income for the year that will be reclassified subsequently to profit or loss when		0,00	-5.165,85
Total other comprehensive income for the year		-69.076.355,97	40.782.065,87
TOTAL COMPREHENSIVE INCOME		-207.263.258,96	-27.996.849,31

The figures 2013 include the result with regard to the assets and the liabilities transferred to Infrabel and HR Rail on the 1st of January 2014. The figures 2014 include the result with regard to the assets and liabilities absorbed as a result of the merger with the former SNCB.

III. STATEMENT OF CHANGES IN EQUITY

	Share Capital	Available-for-sale financial assets	Retained earnings	Total equity
At 1 January 2013	741.778.929,39	869,83	1.169.449.600,02	1.911.228.529,41
Net Result 2013		0,00	-68.778.915,18	-68.778.915,18
Other comprehensive income	0,00	-5.165,85	40.782.065,87	40.782.065,87
<i>Actuarial gains and losses on post employment benefits</i>	<i>0,00</i>	<i>0,00</i>	<i>27.994.622,83</i>	<i>27.994.622,83</i>
<i>Available-for-sale financial assets</i>	<i>0,00</i>	<i>-5.387,88</i>	<i>-5.387,88</i>	<i>-5.387,88</i>
<i>Tax related to other comprehensive income</i>	<i>0,00</i>	<i>222,03</i>	<i>12.792.830,92</i>	<i>12.792.830,92</i>
Total comprehensive income for the year	0,00	-5.165,85	-27.996.849,31	-27.996.849,31
Dividend paid to shareholders	0,00	0,00	0,00	0,00
Transfers	0,00	0,00	0,00	0,00
At 31 December 2013	741.778.929,39	-4.296,02	1.141.452.750,71	1.883.231.680,10
At 1 January 2014	741.778.929,39	-4.296,02	1.141.452.750,71	1.883.231.680,10
Reorganization	-492.756.583,82	4.296,02	-1.413.034.141,62	-1.905.790.725,44
Net income 2014			-138.186.902,99	-138.186.902,99
Other comprehensive income 2014			-69.076.355,97	-69.076.355,97
<i>Actuarial gains and losses on post employment benefits</i>			<i>-69.076.355,97</i>	<i>-69.076.355,97</i>
<i>Available-for-sale financial assets</i>			<i>0,00</i>	<i>0,00</i>
<i>Tax related to other comprehensive income</i>			<i>0,00</i>	<i>0,00</i>
Total comprehensive income for the year	0,00	0,00	-207.263.258,96	-207.263.258,96
Dividend paid to shareholders			0,00	0,00
Transfers			0,00	0,00
At 31 December 2014	249.022.345,57	0,00	-478.844.649,87	-229.822.304,30

IV. STATEMENT OF CASH FLOWS

	2014	2013
CASH FLOW FROM OPERATING ACTIVITIES		
Net result for the year	-138.186.902,99	-68.778.915,18
Adjustments for:		
Depreciation and impairment on property, plant and equipment and intangible assets, investment property and non-current assets held for sale	422.110.523,47	113.977.437,58
Impairment on interests on subsidiaries, joint ventures and associates	5.344.839,28	10.648.404,90
Write down on inventories, impairment losses on trade and other receivables	20.838.292,35	3.582.328,25
Changes in fair value of derivatives	80.935.762,58	-92.315.259,27
Changes in fair value of and impairment losses on other financial assets and financial liabilities	15.044.187,70	48.651.488,51
(Gain) / loss on disposal of property, plant and equipment and intangible assets, investment property and non-current assets held for sale	-6.576.833,97	-3.848.209,32
(Gain) / loss on disposal of financial assets	-33.071.793,66	0,00
(Gain) / loss on sales of investments in subsidiaries, joint ventures and associated companies	-42.032,81	615,00
Fees on cross-border arrangements recognised in net result	-59.863.282,06	-9.958.264,20
Provisions	-31.619.326,14	32.001.506,13
Employee benefits	5.854.208,29	20.084.324,70
Investment grants recognized in net result	-319.623.853,50	-96.597.504,28
Net of interest income and expenses	40.424.515,20	69.561.823,82
Income taxes	5.123,03	149.255.444,31
Translation differences	-35.347.223,79	-473.542,51
Gross cash from operating activities	-33.773.797,02	175.791.678,44
Change in net working capital:		
Inventories	-8.149.523,77	-1.388.538,88
Trade and other receivables	-26.544.932,32	-42.361.084,39
Trade and other payables, and social debts	-207.394.919,97	-265.808.428,18
Cash generated from operations before tax	-242.089.376,06	-309.558.051,45
Tax received	0,00	0,00
Tax paid	-5.123,03	-5.767,05
NET CASH FROM OPERATING ACTIVITIES	-275.868.296,11	-133.772.140,06

	2014	2013
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment, intangible assets, investment property and assets held for sale	-820.798.723,61	-165.144.404,32
Acquisition of financial assets	-32.134.878,53	-146.545.597,99
Acquisition of subsidiaries, joint ventures and associates	-500,00	-11.636.303,32
Investment grants received	675.741.143,08	200.219.828,69
Proceeds from disposal of property, plant and equipment, investment property and assets held for sale	17.178.280,18	19.485.218,57
Proceeds from disposal of other financial assets	-4.220.356,15	188.038.588,67
Proceeds from sale of shares in subsidiaries, joint ventures and associates	254.770,00	
Proceeds from financial lease receivables	2.529.675,39	31.024.832,65
Interest received	44.974.375,22	117.000.230,98
Dividends received	1.792.714,13	569.646,31
NET CASH FROM INVESTING ACTIVITIES	-114.683.500,29	233.012.040,24
CASH FLOW FROM FINANCING ACTIVITIES		
Increase of financial liabilities	675.163.853,63	776.321.327,07
Redemption of financial liabilities (including financial lease liabilities)	-369.765.709,59	-519.867.756,83
Redemption/payments of derivatives	-24.985.999,57	7.879.343,75
Interest paid	-112.811.043,91	-195.744.058,44
NET CASH FROM FINANCING ACTIVITIES	167.601.100,56	68.588.855,55
(DECREASE) / INCREASE IN CASH, CASH EQUIVALENT AND BANK OVERDRAFTS	-222.950.695,84	167.828.755,73
CASH, CASH EQUIVALENT AND BANK OVERDRAFTS AT THE BEGINNING OF THE YEAR (note 15)	1.357.242.034,88	1.200.021.212,81
(Decrease) / Increase in cash, cash equivalents and bank overdrafts	-222.950.695,84	167.828.755,73
Transfer to non-current assets held for sale (note 16)		-10.607.933,66
Cash as a result of the reorganization (note 37)	-700.276.975,01	
CASH, CASH EQUIVALENT AND BANK OVERDRAFTS AT THE END OF THE YEAR (note 15)	434.014.364,03	1.357.242.034,88

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Note 1 – Summary of the main valuation rules

1.1 Basis of preparation

The individual financial statements of the SNCB as per 31 December 2014 have been prepared for the first time in accordance with "IFRS" (International Financial Reporting Standards) as adopted by the European Union and that have been published at that date, namely the standards published by the International Accounting Standards Board ("IASB") and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC).

As the SNCB is a new economic entity, as a result of the reorganization of the Belgian railways, the opening statement of financial position on the 1st of January 2013 has been prepared in accordance with IFRS 1 'First-time adoption of IFRS'.

These financial statements are prepared based on the principle of the valuation:

- of certain financial assets and liabilities at fair value: financial derivatives, financial assets available for sale, financial assets at fair value through profit or loss and financial liabilities at fair value through profit or loss;
- of certain elements of patrimony based on their present value: liabilities and receivables in excess of one year accompanied by a zero interest rate or an abnormally low interest rate as well as non-current provisions. The discount rates used are the IRS according to the duration concerned, except for liabilities related to IAS 19 where discount rates are determined by reference to market yields at the reporting date based on corporate bonds of the first category, and according to their duration;
- of other balance sheet items at their historical cost except for certain revaluations previously recorded in the Belgian accounts and retained in the IFRS accounts, as well as some non-current assets and investments in subsidiaries, joint ventures and associates for which the SNCB has opted for the application of valuation at fair value at the moment of transition to IFRS (1 January 2013) and the use of this fair value as deemed cost at the date of transition.

A new adopter can decide to use one or more exemptions allowed by IFRS 1. As a consequence the SNCB has decided to use the following exemptions:

- the valuation of certain non-current assets, investment property, non-current assets held for sale and investments in subsidiaries, associates and joint ventures at the moment of transition to IFRS at fair value and the use of this fair value as deemed cost at the date of transition;
- the use of the revalued value (as a consequence of the gains on revaluation on non-current assets formerly booked in the Belgian accounts) according to the deemed cost;
- the designation of financial assets valued at fair value through profit or loss depending on the facts and circumstances existing at the date of transition.

1.2 Foreign currency transactions

Transactions in foreign currencies are initially recorded in the operating currency of the entity, using the exchange rate at the time of the transaction. Both realised and non-realised gains and losses from exchange rate differences on monetary assets and liabilities at the closing date are included in the net result.

1.3 Intangible assets

An intangible asset is recorded on the statement of financial position when the following conditions are met:

1. the asset is identifiable, i.e. either it can be separated (if it can be individually sold, moved or rented out) or it results from contractual or legal rights;
2. it is probable that the asset will generate economic benefits for the Company;
3. the Company has control over the asset;
4. the cost of the asset can be measured reliably.

Intangible assets are measured according to the cost model, i.e. at the initial cost price less any accumulated straight-line depreciation and any accumulated impairment losses.

The initial cost of intangible assets:

- that **are acquired separately** includes costs directly attributable to the transaction (purchase price net of trade discounts and other rebates), excluding indirect costs;
- that **are generated internally** is equal to the sum of the expenses incurred as from the date the assets first meet the recognition criteria as set down in IAS 38, i.e. as from the time the Company can show (1) that the project is technically feasible, (2) that there is an intention of using or selling the asset, (3) how the asset will generate future economic benefits, (4) that there exist adequate resources to complete the project and (5) that the expenditure can reliably be measured. These expenses include direct costs plus the operating costs of the operational services (except depreciation on assets financed by grants). The hourly rate is calculated taking account of all the costs of short-term employee benefits, except for training costs and expenditures on safety, plus all costs of other long-term employee benefits, post-employment benefits and termination benefits (where related to staff that is still partially employed).

Only the development costs of internally generated software are capitalised; research costs are recognised immediately in the net result. The development costs only include: (a) design (functional and technical blueprint), (b) programming and configuration, (c) developing interfaces, (d) technical documentation for internal use, (e) hardware integration and (f) testing.

Later expenditure subsequent to the initial recognition is recognised in the net result, except if it can be shown that it generates new, material economic benefits;

The cost of the asset also includes borrowing costs if the intangible assets are not ready for use or sale for over a year. The capitalisation percentage is either equal to that for a specific loan or equal to the weighted average borrowing costs applicable to the outstanding loans of the Company, excluding loans that have been contracted specifically.

Intangible assets are amortised on a straight-line basis over their probable useful life. The amortisable amount corresponds to the acquisition cost, the residual value being supposed to be equal to zero. The useful lives applied are the following:

Categories	Probable useful life
ERP development costs	10 years
Other software development costs	5 years
Websites	3 years
Software acquired from third parties	5 years

Amortisation starts at the time when the asset is ready for use.

The useful life and amortisation method for intangible assets with a limited useful life are reviewed annually on the balance sheet date. Changes in estimated useful life or anticipated consumption of future economic benefits generated by the asset are accounted for by changing the useful life or amortisation method, as the case may be, and are treated as changes in accounting estimates.

Intangible assets that are not yet ready for use are subject to an annual impairment test on the balance sheet date.

1.4 Property, plant and equipment

Property, plant and equipment are measured according to the cost model, at initial cost less accumulated depreciation and any accumulated impairment charges. The initial cost includes:

- the costs directly attributable to the purchase transaction, after deduction of trade discounts and rebates;
- directly attributable costs to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Company ;
- the initial estimate of the costs of dismantling and removing the asset or restoring the site on which it is located (obligation that the Company incurs these costs either upon purchase or in manufacturing the asset).

The cost therefore does not include study costs and the costs of feasibility studies incurred in connection with construction projects of property, plant and equipment (stations, sites, etc.), the costs of management and general administration or salary costs and other operating expenses that cannot be allocated to an investment activity.

The initial cost price of property, plant and equipment that is generated internally is equal to the sum of the expenditure incurred from the time the assets first meet the recognition criteria set down in IAS 16, i.e. where it is probable that the future economic benefits will flow to the Company and the cost of the asset can be reliably determined. These expenses include direct costs plus the operating costs of the operational services (except depreciation on assets financed by grants). The hourly rate is calculated taking account of all the costs of short-term employee benefits, except for training costs and expenditures on safety, plus all costs of other long-term employee benefits, post-employment benefits and termination benefits (where related to staff that is still employed part-time). In addition, later expenditure subsequent to the initial recognition is recognised in the net result, except if it can be shown that it generates new, material economic benefits.

The costs of maintenance and repairs that merely maintain the value of property, plant and equipment without raising it are recognised in the net result. However, the costs of major maintenance and major repair works that increase the future economic benefits that the asset generates are recognised as a separate component of the cost price. The cost price of property, plant and equipment is split among material (sub-)components. These material (sub-)components, which are replaced at regular intervals and therefore have a useful life that differs from that of the main asset, are depreciated over their own, specific useful life. In the case of a replacement, the asset is no longer recognised in the statement of financial position and the new asset is amortised over its own useful life.

The value of the asset also includes borrowing costs if the property, plant and equipment are not ready for use or sale for over a year. The capitalisation percentage is either equal to that for a specific loan or equal to the weighted average borrowing costs applicable to the outstanding loans of the Company, excluding loans that have been contracted specifically.

Property, plant and equipment are fully depreciated over their probable useful life using the straight-line method of depreciation. The depreciable amount is usually the cost of the asset. The useful lives applied are as follows:

Property, plant and equipment	Probable useful life
Land	Not applicable
Administrative buildings	60 years
Components of administrative buildings	10 to 30 years
Industrial buildings	50 years
Components of industrial buildings	15 to 20 years
Residential properties	50 years
Components of residential properties	15 to 20 years
Stations	100 years
Components of stations	10 to 40 years
Car parks	100 years
Components of car parks	10 to 20 years
Track and associated components	25 to 100 years
Structures and associated components	20 to 120 years
Level crossings and associated components	10 to 25 years
Railway infrastructure – signalling	7 to 35 years
Miscellaneous railway infrastructure	7 to 50 years
Railway rolling stock, excluding wagons and carriages	25 to 60 years
	15 to 30 years
“Mid-life” component of railway rolling stock	30 years
Carriages and wagons	9 years
Overhaul of carriages and wagons	4 to 30 years
Other plant and various equipment	10 years
Furniture	4 to 10 years
ICT	2 to 10 years
Road vehicles	Shorter of: term of
Leasehold improvements to property, plant and equipment	the contract and useful life of the component

The useful life and depreciation method for property, plant and equipment are reviewed annually on the balance sheet date. Changes in estimated useful life or anticipated consumption of future economic benefits generated by the asset are accounted for by changing the useful life or depreciation method, as the case may be, and are treated as changes in estimates.

Concessions in stations are recognised under property, plant and equipment.

1.5 Lease contracts

1.7.1 Cross-border arrangements

Various financing arrangements ('sale and leaseback' transactions, 'sale and rent back' transactions, 'lease and leaseback' transactions, 'rent and rent back' transactions or 'concession and concession back' transactions) are set up by the Company, mainly for purchases of rolling stock. These transactions are recognised based on their economic substance according to SIC 27. Property, plant and equipment are still recognised in the Company's financial statements. The investment accounts and related payment obligations towards lenders are recognised in the statement of financial position except for investment accounts contracted with a public authority with a high quality rating, or with a counterparty that is guaranteed by a State with a high quality rating, or counterparties of these arrangements. The fees received according to these arrangements are spread over the duration of the arrangements.

1.7.2 Lease contracts for which the Company is the lessee

A lease contract is recorded as a finance lease if the Company acquires virtually all the risks and rewards incidental to ownership of the asset. The Company recognises these finance leases on the assets and liabilities sides for amounts equal to the lower of the fair value of the leased asset and the present value of the minimum lease payments. Each lease payment is recognised partly as a finance cost and partly as reimbursement of the liability. The finance cost is spread over the various lease commitment periods so as to result in a constant periodic charge over the remaining balance of the liability. Property, plant and equipment that are subject to finance lease are depreciated over the shorter of the lease term and the useful life of the asset.

A lease commitment is booked as an operating lease where virtually all risks and rewards incidental to ownership of the asset are not acquired by the lessee. Lease payments relating to an operating lease are recognised as costs on a straight-line basis in the net result over the lease term.

1.7.3 Lease contracts for which the Company is the lessor

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives. Rental income is recognised on a straight-line basis over the lease term.

The finance lease operations are, for the lessor, accounted for as a sale combined with a financing. The asset is derecognised from the statement of financial position (with capital gain or loss recognised in net income) and a

receivable is recognised representing the cash flows to be received relating to both principal and interest.

1.6 Investment properties

An investment property is property (land or a building) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation, rather than for:

- use in the production or supply of goods or services or for administrative purposes; **or**
- sale in the ordinary course of business.
- IAS 40 is only applicable to investment properties for mixed use in the case that:
- the portion held to earn rentals or to get capital gains and the portion held for own use can be sold separately;
- the portion held for own use amounts to less than 5% of the whole.

Investment properties are measured according to the cost model. All accounting principles relating to property, plant and equipment are therefore likewise applicable to investment properties.

1.7 Interests in subsidiaries, joint ventures and associates

Entities over which the Company exercises joint control together with one or more parties pursuant to a contractual arrangement with those parties, and associates, over which the Company exercises significant influence without exercising control, are *accounted for* at cost less impairment, if any.

An impairment loss is recorded on interests in entities over which the Company exercises control or joint control and on associates when the carrying value is greater than the recoverable amount. These interests are subject to an impairment test when there is an objective indicator to believe the interest has suffered an impairment loss. The preferred method is the Capital Asset Pricing Model, that is the present value of future cash flows.

For the non-significant investments, the recoverable amount is based solely on the proportion held by the company in the equity of the previous financial year.

No impairment test is performed when the main activity of the subsidiary consists of real estate transactions almost entirely with other companies of the SNCB Group.

1.8 Impairment

An impairment loss is recorded on intangible assets and property, plant and equipment when the carrying value of the asset is greater than its recoverable amount. The recoverable amount of an asset is the greater of:

1. its fair value less costs to sell (being the amount that the Company would receive upon sale of the asset); and
2. its value in use (being the amount that the Company would generate by continuing to utilise the asset).

Where possible, these tests are carried out for each individual asset. However, if the assets do not generate independent cash flows, the test needs to be done at the level of the cash-generating unit (or 'CGU') to which the asset belongs (CGU = the smallest identifiable group of assets generating cash inflows that are largely independent of the cash inflows from other assets or groups of assets).

When an impairment loss is established, it is allocated to the non-current assets of the CGU in proportion to their carrying values, but only to the extent that the allocation does not lower the carrying values of the assets below their fair value less selling expenses. Impairment losses against non-current assets are reversed if this is justified in the circumstances.

It is possible to account for an impairment loss on an individual asset resulting from an indication of impairment related to that individual asset (e.g. as a result of damage suffered), regardless of whether the asset is or is not (fully or partially) financed by grants.

Impairment losses cannot be recorded on assets that are part of a CGU that is fully financed by grants. If impairment losses are determined for CGUs that are partially financed by grants, they must be allocated proportionally to the assets (and to the investment grants relating to them).

1.9 Inventories

Inventories shall be measured at the lower of cost and net realisable value.

The cost of replaceable inventories is fixed by applying the weighted average price method. Inventories of lesser importance and whose value and composition remain stable over the period are recognised in the statement of financial position at a fixed value.

The cost of inventories includes the acquisition cost and other costs incurred in bringing the inventories to their present location and condition. The cost of produced inventories includes the direct and indirect production costs, except for finance costs and overheads that do not contribute in bringing the inventories to their present location and condition.

A write-down is recorded if the net realisable value of an item of inventory on the balance sheet date is less than its carrying value.

1.10 Trade and other receivables

Receivables are initially measured at nominal value and, after initial recognition, at their amortised cost, i.e. the present value of the receivable cash flows (except where the impact of discounting is not significant).

Receivables are measured individually. Impairment losses are recognised where cash recovery is in doubt or uncertain in whole or in part.

Prepayments and accrued income are also accounted for under "Trade and other receivables".

1.11 Derivatives

Derivatives are recognised in the statement of financial position at their fair value on each balance sheet date, determined using various measurement techniques. Changes in fair value are recognised in the net result.

Financial instruments' fair value is classified in 3 levels, as defined by IFRS 13 paragraph 72. Financial instruments classified as level 1 are quoted financial instruments whose fair values are determined by the quoted price at the reporting date. Unquoted financial instruments' fair value for which similar quoted instruments in terms of nature and maturities are available, is determined by those instruments. For other unquoted instruments, the fair value is determined using valuation techniques such as the net asset value, the discounted cash flows or valuation models used for options. Models taking into account hypothesis based on market data are part of the level 2 of the fair value hierarchy while other models based on unobservable market data are part of the level 3 of this hierarchy (paragraphs 81 and 82 of IFRS 13).

Derivative financial instruments' fair value is determined using valuation techniques such as valuation models used for options or the discounted cash flows method.

The Company makes use of derivatives (IRS, IRCS, FRA, foreign exchange forward contracts, caps, floors, collars, etc.) to hedge against possible untoward developments in interest rates, exchange rates, inflation levels or energy prices. The Company does not use derivatives for speculative purposes.

However, certain derivative transactions, although constituting a cover from an economic point of view, do not meet the strict criteria of IAS 39 for applying hedge accounting. In case of hedges as defined in IAS 39, specific rules apply relating to the accounting of the effects of the hedges and those of the hedged operations in the income statement of the same accounting year. The Company has decided not to apply the hedge accounting principles.

1.12 Other financial assets

Financial investments are, with the exception of derivatives and financial assets at fair value through profit or loss, initially measured at fair value of the consideration paid to acquire them, including transaction costs.

Afterwards they are classified into different categories and a valuation rule specific for each category is applied:

1. Financial assets at fair value through profit or loss include (a) financial assets held for trading and (b) assets for which the Company decided on a voluntary basis to classify them, at inception, in the category 'at fair value through profit or loss'. Derivatives are also designated as held for trading unless they are qualified as hedging transactions. These financial assets are measured at fair value at each balance sheet date with any changes in fair value being recognised in net result.
2. Held-to-maturity investments are non-derivative financial assets, with fixed or determinable payments and fixed maturities that the Company has the positive intention and ability to hold to maturity. These assets are valued at amortised cost.
3. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are recorded in the statement of financial position at amortised cost using the effective interest method.
4. Available-for-sale financial assets are a residual category that includes all financial assets not classified in one of the categories mentioned above, for

which the Company does not have both the intention and the ability to hold to maturity. These available-for-sale financial assets are recorded at fair value. Changes in fair value are reported in other comprehensive income until the assets are impaired or sold. At the time of sale, gains or losses accumulated in other comprehensive income are recycled into net income.

Shares' fair value is determined based on the most appropriate financial criteria to each company's particular situation. Criteria generally retained are the market value or the share in the equity and the profitability forecasts when the market value is not available. Loans and deposits' fair value is valued using market values, rates curves and credit spreads of each issuer.

A financial asset that is not recorded at fair value through profit or loss is reviewed at each closing date to determine whether there is objective evidence of impairment. An impairment loss is recognised if there is objective evidence that an adverse event occurred after the initial recognition of the asset, and that this event has a negative impact on the estimated future cash flows of the asset.

Purchases and sales of financial assets are recognised at settlement date.

1.13 Cash and cash equivalents

This includes cash on hand and at bank, amounts in the process of collection, short-term investments (with an initial maturity of no more than three months), extremely liquid, short-term investments that are easily convertible into a known sum of money and that are hardly subject to changes in value, together with bank overdrafts. The last of these are recorded under financial liabilities on the liabilities side of the statement of financial position.

Cash and cash equivalents are recognised in the statement of financial position at their amortised cost.

1.14 Non-current assets held for sale

A non-current asset (or group of assets) is classified as held for sale if its carrying amount is recovered principally through a sales transaction rather than through continuing use. This means that the asset is available for an immediate sale in its current condition and that the sale is very probable (official decision to sell, active search for a buyer, very probable sale within a year).

The non-current assets held for sale are no longer depreciated, but are subject to impairment, if necessary, in order to bring their carrying value down to their lower realisable value.

1.15 Discontinued operations

A discontinued operation is an activity that either meets the criteria for being classified as held for sale or has been disposed of, and additionally meets the following criteria:

- the cash flows from the activity can be distinguished, operationally and for financial reporting purposes;
- the activity is a separate major line of business or geographical area of operations;
- it is part of a single co-ordinated sales plan or is being purchased with a view of resale.

1.16 Share capital

The ordinary shares are classified under the 'Share capital' section. The share capital comprises two categories:

- issued share capital, consisting of amounts that the shareholders have committed to paying up in full;
- uncalled share capital: the portion of the issued share capital over which the board of directors of the Company has not yet issued a call.

1.17 Employee benefits

1.7.4 Short-term employee benefits

Short-term employee benefits are employee benefits that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Short-term employee benefits are recognised in expenses when the related service has been rendered by the staff members. Employee benefits that have not yet been paid out on the balance sheet date are recognised under the 'Social debts' section.

1.7.5 Post-employment benefits

Post-employment benefits are employee benefits (other than short term and termination benefits) that are due after the completion of employment.

Post-employment benefits can be subdivided into two categories:

- defined contribution plans: these are plans where the Company pays contributions to a separate entity and has no legally enforceable or *de facto* obligation to pay any additional contributions. These contributions are recognised in expenses over the periods during which service has been rendered by the staff members. If contributions were paid upfront (or have not yet been paid), they are recognised on the assets (or liabilities) side of the statement of financial position;
- defined benefit plans: these are all plans that are not defined contribution plans.

Post-employment benefits that fall under the category of defined benefit schemes are measured based on an actuarial valuation. They are accounted for (after deduction of any plan assets) to the extent that the Company must bear the costs resulting from the service rendered by the staff members. This can result from law, a contract, or "vested rights" based on past practice (constructive obligation). The actuarial method to be used is the projected unit credit method.

The discount rate used is based on the market rates on the calculation date of high quality corporate bonds with a similar duration than the liabilities. The other actuarial assumptions (mortality rates, future salary increase, inflation, etc.) are the Company's best estimates.

Since actuarial assumptions are used to measure these liabilities, actuarial gains and losses inevitably arise, resulting from changes in the actuarial

assumptions from one financial year to the next and also from differences between the actuarial assumptions used and reality. Actuarial gains and losses relative to post-employment benefits are recognised in other comprehensive income.

1.7.6 Other long-term employee benefits

The other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service.

The figure recognised in the statement of financial position is equal to the present value of the liabilities, less any fair value of plan assets. Calculations are made according to the projected unit credit method. The actuarial gains and losses are recognised in the net result.

1.7.7 Termination benefits

Termination benefits are benefits payable as a result of the Company's decision to terminate an employee's employment (or of a group of employees) before the normal retirement date, or an employee's decision (or of a group of employees) to accept voluntary redundancy in exchange for those benefits.

A liability measured on an actuarial basis is recognised for these payments to the extent that the Company has an obligation. The liability is discounted if benefits are payable after 12 months.

For all these employee benefits (with the exception of short-term employee benefits), the interest cost represents the passage of time. It is accounted for under financial expenses.

1.18 Provisions

A provision is only recognised if:

1. the Company has a present obligation (legal or constructive) to incur expenditure further to a past event;
2. it is probable that an outflow of resources will be required; **and**
3. a reliable estimate can be made of the amount of the obligation.

If significant (mainly for long-term provisions), the provision has to be discounted. The effect of the time value of money on the provision is

recognised in financial expenses. The discount rate is the IRS according to the duration of the future cash flows.

A provision for environmental obligations (soil clean-up, etc.) is only recognised if the Company has a legal or constructive obligation.

If the Company has an onerous contract, a provision has to be accounted for. Before a provision for onerous contract is accounted for, the Company accounts for any impairment losses on the assets that are used in executing the related contract.

Provisions for future operating losses are forbidden.

A provision for restructuring is only recognised if it can be shown that the Company is under a constructive obligation to restructure, and to do so no later than at the balance sheet date. This obligation needs to be evidenced by:

- the existence of a detailed formal plan in which the most important features of the restructuring are identified; **and**
- the start of implementation of the plan or notification of the most important features of the plan to the relevant persons.

1.19 Financial liabilities

Financial liabilities are initially measured at fair value, less – for financial liabilities other than those at fair value through profit or loss – transaction costs relating to the issuance of loans. Following their initial recognition, financial liabilities other than those at fair value through profit or loss, are measured at their amortised cost by applying the effective interest method, with amortisation of the issue or redemption premiums through the net result.

Financial liabilities' fair value is determined using valuation technics such as valuation models used for options or the discounted cash flows method. The fair value of the financial liabilities is classified in 3 levels as defined by IFRS 3 (paragraphs 72 to 75). The valuation models for the financial liabilities in some cases take into account data that is not observable on the markets. These financial liabilities are a part of level 3 of the fair value hierarchy.

1.20 Income taxes – Deferred tax assets / liabilities

Income taxes comprise both current and deferred taxes. The current tax comprises the taxes to be paid (or recovered) on the taxable result of the past financial year, together with any adjustment to the taxes to be paid (or

recovered) with regard to previous accounting years. The figure is in practice usually calculated with reference to the tax rate on the balance sheet date.

The deferred tax on temporary differences between the tax base of an asset or liability and the carrying value in the IFRS financial statements is calculated according to the balance sheet liability method. The deferred tax is measured on the basis of the expected tax rate at the time the asset is realised or the liability is settled. In practice, it is usually the tax rate in force on the balance sheet date that is applied.

Nonetheless, there are no deferred taxes on:

1. the initial recognition of assets and liabilities (except for acquisitions of subsidiaries) that have no effect on the accounting profit or taxable profit; and
2. temporary differences related to interests in subsidiaries and joint ventures in so far as it is not probable that dividends will be distributed in the future.

Deferred tax assets are only recognised when it is probable that taxable profit will be available for crediting the existing deductible temporary differences in future reporting periods, for instance those resulting from recoverable tax losses. This criterion is tested on each balance sheet date.

1.21 Trade and other payables

Trade and other payables are initially measured at nominal value and subsequently at amortised cost, i.e. the present value of the future cash flows (except where the impact of discounting is not significant).

1.22 Social debts

Social debts are initially measured at nominal value and subsequently at amortised cost, i.e. at the present value of the future cash flows (except where the impact of discounting is not significant).

1.23 Grants

Operating grants are recognised in net result under the section 'Operating income before investment grants'.

Investment grants acquired within the framework of investments in intangible assets and property, plant and equipment are accounted for on the liabilities side of the statement of financial position and are accounted for in operating income ('Investment grants' section) in proportion to the depreciation on the assets for which they were received.

Financial grants received in the context of loans are deducted from financial expenses.

1.24 Other amounts payable

Other amounts payable are initially measured at nominal value and, after initial recognition, at amortised cost, i.e. at the present value of the future cash flows to be paid (except where the impact of discounting is not significant).

The dividends that the Company distributes to its shareholders are accounted for under "Other amounts payable" during the period in which they were authorised. Deferred income, i.e. the portion of income that is collected ahead of time during the current financial year or during previous financial years but which relates to a subsequent financial year, is also recorded under 'Other amounts payable'.

1.25 Operating income and operating expenses

Revenues associated with services are accounted for in net result according to the completion of the services.

Revenues deriving from the sale of goods are accounted for in net result when the risks and rewards incidental to ownership of the asset are transferred from the seller to the buyer.

Operating grants received from the State as a compensation for public service missions due by the Company are accounted for in the turnover during the related period. Rentals from investment properties and concessions in stations are also included in the turnover.

Revenues and costs associated with construction contracts shall be recognised as income and expenses respectively, by reference to the stage of completion of the contract activity and to the expected margin at the end of the contract. When it is probable that total contract costs will exceed total contract revenue, the expected loss shall be recognised as an expense immediately. The percentage of completion is determined by comparing the

actual contract costs for the activities executed up till the date concerned with the estimated total cost of the project.

Costs relating to services or to the sale of goods are included in operating charges.

1.26 Financial income and financial expenses

The income resulting from interests is recognised in the net result if it is acquired using the effective interest method. Dividends are recognised in the net result as from the time at which the Company acquires the right to collect the payments.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the net result using the effective interest method. Gains and losses from exchange rate differences are recognised on a net basis.

1.27 Cash flow statement

The cash flows from operating activities are presented using the indirect method, according to which the net result is adjusted for the effects of transactions without cash flows, movements in working capital and elements of income or expenses related to cash flows from investing and financing activities.

2 Note 2 – Capital and financial risk management

2.1 Capital Management

The Company's policy for capital management is to maintain a financial structure that allows it to sustain its development providing a quality service to its customers. The Company has the objective to reduce its net debt in order to reach an optimal capital structure that allows it to ensure a strategic financial flexibility for its future growth. For this purpose, the Company keeps a close track on its net debt level.

The company defines its net debt as:

- 1) The balance of the nominal value of loans and deposits with financial institutions and bonds and commercial paper issued and traded on the capital markets.
- 2) Less the balance of back-to-back operations as described in the Royal Decree of 30 December 2004 – Appendix 4 of the Belgian Official Journal, 31 December 2004.

Total net debt is as follows at 31 December 2014 and 2013:

Net debt		31/12/2014	31/12/2013
Line item	Notes		
Trade and other receivables	2.1	0,00	122.617.278,16
Derivatives	11	46.899.105,26	38.382.751,09
Other financial assets	2.1	546.271.221,29	1.100.969.351,55
Subtotal of non-current assets		593.170.326,55	1.261.969.380,80
Trade and other receivables	2.1	0,00	3.817.836,22
Derivatives	11	0,00	0,00
Other financial assets	2.1	246.816.927,97	80.265.379,21
Cash and cash equivalents	2.1	137.781.425,53	815.134.967,70
Subtotal of current assets		384.598.353,50	899.218.183,13
Non-currents assets held for sale		10.000.000,00	352.342.337,88
Total assets		987.768.680,05	2.513.529.901,81
Financial liabilities	20	2.343.704.775,94	2.506.173.015,74
Derivatives	12	85.873.785,60	117.902.152,49
Subtotal of current liabilities		2.429.578.561,54	2.624.075.168,23
Financial liabilities	20	1.432.453.133,41	960.669.967,05
Derivatives	12	0,00	0,00
Subtotal of current liabilities		1.432.453.133,41	960.669.967,05
Liabilities associated with non-current assets held for sale		0,00	2.221.084.102,82
Total liabilities		3.862.031.694,95	5.805.829.238,10
Net debt		2.874.263.014,90	3.292.299.336,29
Change in net debt		-418.036.321,39	

Amounts included in the net debt calculation are financial instruments' nominal amounts, excluding fair value adjustments and interests' accruals.

The variations are mainly due to:

<i>Change in net debt</i>	EUR
	2014
Reorganization	-727.034.058,45
Cash result for the year	13.426.840,16
Net change in working capital	242.094.499,09
Investing activities	186.050.671,50
Financing activities	113.295.550,12
Cash and cash equivalents	-245.869.823,81
Change in net debt	-418.036.321,39

Debt Management Contract

Net debt as defined by the 2008-2012 Management Contract, dated 28 June 2008, permits the neutralization of certain specific operations previously agreed on by the State.

<i>Debt management contract</i>	EUR	EUR
	2014	2013
REN rolling stock	427.096.976,56	433.110.547,58
Financing HST	58.307.449,90	241.785.600,92
Regional prefinancings	11.638.274,97	176.854.305,64
Decision Counsel of Ministers of December 2008	122.617.278,16	0,00
Decision Counsel of Ministers of December 2011	100.697.300,31	104.447.102,71
Other	8.987.113,88	91.944.374,26
Total of operations that can be neutralized	729.344.393,78	1.048.141.931,11

Reconciliation between net debt and the statement of financial position

The detail of the derivatives and the financial liabilities is presented in notes 12 and 20.

- Trade and other receivables:

Certain elements recorded as trade and other receivables do not satisfy the definition of a financial asset: "Assets (such as prepaid expenses) for which the economic benefit is the receipt of goods or services, rather than the right to receive cash or another financial asset, are not financial assets" (IAS 32 – AG11). "Liabilities or assets that are not contractual (such as income taxes that are created as a result of statutory requirements imposed by governments) are not financial liabilities or financial assets" (IAS 32 – AG12). These elements are grouped below the heading "Non-IFRS 7" to permit the reconciliation with the analysis's in note 2.

Trade and other receivables		31/12/2013					
		IFRS 7					
		Net debt		Other			
		Nominal	Fair value adjustments	Accrued income	Other	Non IFRS 7	TOTAL
Non-current							
Trade receivables		0,00	0,00	0,00	0,00	0,00	0,00
Receivables on public authorities		0,00	0,00	0,00	0,00	0,00	0,00
Other trade receivables		0,00	0,00	0,00	0,00	0,00	0,00
Other receivables		122.617.278,16	0,00	0,00	879.299.793,43	6.510.701,52	1.008.427.773,11
Receivables on public authorities		0,00	0,00	0,00	638.670.652,92	0,00	638.670.652,92
Deferred charges		0,00	0,00	0,00	0,00	0,00	0,00
Accrued income		0,00	0,00	0,00	0,00	0,00	0,00
Lease receivables		122.617.278,16	0,00	0,00	160.705.836,45	0,00	283.323.114,61
Other receivables		0,00	0,00	0,00	79.923.304,06	6.510.701,52	86.434.005,58
Total non-current		122.617.278,16	0,00	0,00	879.299.793,43	6.510.701,52	1.008.427.773,11
Current							
Trade receivables		0,00	0,00	0,00	150.347.608,23	8.074.430,08	158.422.038,31
Amounts relating to construction contract		0,00	0,00	0,00	0,00	8.707.061,57	8.707.061,57
Receivables on public authorities		0,00	0,00	0,00	79.676.000,00	0,00	79.676.000,00
Other trade receivables		0,00	0,00	0,00	70.671.608,23	-632.631,49	70.038.976,74
Other receivables		3.817.836,22	0,00	971.051,34	490.279.706,20	7.170.179,45	502.238.773,21
Receivables on public authorities		0,00	0,00	0,00	38.932.352,95	0,00	38.932.352,95
Deferred charges		0,00	0,00	0,00	0,00	7.149.189,90	7.149.189,90
Accrued income		0,00	0,00	0,00	108.351.021,27	0,00	108.351.021,27
Lease receivables		3.817.836,22	0,00	971.051,34	19.541.058,33	0,00	24.329.945,89
Other receivables		0,00	0,00	0,00	323.455.273,65	20.989,55	323.476.263,20
Total current		3.817.836,22	0,00	971.051,34	640.627.314,43	15.244.609,53	660.660.811,52

The finance lease receivables, in 2013, included in net debt represent a receivable of the ex-SNCB Holding on the SNCB for the lease of rolling stock. This receivable found its origin in the financing of rolling stock by the ex-SNCB Holding in execution of a decision by the Council of Ministers of the Belgian federal government dated 23 October 2008. As a consequence of the reorganization and the merger, in 2014, between the SNCB and the SNCB Holding this receivable is cancelled and replaced by a receivable on the State that existed in the accounts of the ex-SNCB in 2013.

- Other financial assets:

Other financial assets		31/12/2014					
		IFRS 7			Other		
		Endettement net		Accrued income	Assets managed on behalf of third parties	Other	TOTAL
		Nominal	Fair value adjustments				
Non-current	Notes						
Receivables		334.982.782,98	6.223.986,22	5.896.251,97	0,00	11.574.461,47	358.677.482,64
Back-to-back		211.288.438,31	0,00	636.063,49	0,00	0,00	211.924.501,80
Available-for-sale financial assets	13	0,00	0,00	0,00	0,00	51.266.028,69	51.266.028,69
Total non-current		546.271.221,29	6.223.986,22	6.532.315,46	0,00	62.840.490,16	621.868.013,13
Current							
Receivables		46.816.927,97	0,00	2.208.064,10	144.599.596,67	157.684,22	193.782.272,96
Back-to-back		200.000.000,00	0,00	65.917,78	0,00	0,00	200.065.917,78
Available-for-sale financial assets	13	0,00	0,00	0,00	0,00	0,00	0,00
Total current		246.816.927,97	0,00	2.273.981,88	144.599.596,67	157.684,22	393.848.190,74
Total other financial assets		793.088.149,26	6.223.986,22	8.806.297,34	144.599.596,67	62.998.174,38	1.015.716.203,87

Other financial assets		31/12/2013					
		IFRS 7			Other		
		Endettement net		Accrued income	Assets managed on behalf of third parties	Other	TOTAL
		Nominal	Fair value adjustments				
Non-current	Notes						
Receivables		698.864.266,55	3.585.673,82	4.953.500,49	0,00	11.486.173,44	718.889.614,30
Back-to-back		402.105.085,00	0,00	604.411,53	0,00	0,00	402.709.496,53
Available-for-sale financial assets	13	0,00	0,00	0,00	0,00	109.285,35	109.285,35
Total non-current		1.100.969.351,55	3.585.673,82	5.557.912,02	0,00	11.595.458,79	1.121.708.396,18
Current							
Receivables		43.265.379,21	0,00	10.113.426,14	0,00	26.297,01	53.405.102,36
Back-to-back		37.000.000,00	0,00	154.866,61	0,00	0,00	37.154.866,61
Available-for-sale financial assets	13	0,00	0,00	0,00	0,00	2.018.590,74	2.018.590,74
Total current		80.265.379,21	0,00	10.268.292,75	0,00	2.044.887,75	92.578.559,71
Total other financial assets		1.181.234.730,76	3.585.673,82	15.826.204,77	0,00	13.640.346,54	1.214.286.955,89

The receivables recorded under other financial assets included in net debt consist primarily of the investment accounts established by the Company as part of its cross-border arrangements. They were concluded, either on request of the counterparty, either to manage the cash flows. These assets compensate, from an economic point of view, the financial debt concluded under these arrangements. The "back-to-back" operations are receivables on the State originated from the takeover of the debt on 1 January 2005.

The assets managed on behalf of third parties consist of investments made for the REN Fund on behalf of the Belgian State. The REN Fund was created by the Belgian State in 2001 to finance the infrastructure works for the creation of a "Regional Express Network" (REN). The management of these assets was transferred to the Company through the 2005-2008 Management Contract. All of the assets of which management was transferred to the Company is

considered by the Company as a debt to public authorities (recorded as "Other amounts payable").

– Cash and cash equivalents:

Cash and cash equivalents		31/12/2014				
		IFRS 7			Other	
		Net debt		Assets managed on behalf of third parties		Other
	Nominal	Fair value adjustment	Accrued income		Other	TOTAL
Commercial paper	0,00	0,00	0,00	296.200.118,45	0,00	296.200.118,45
Short-term deposits	50.782.324,95	0,00	2.401,39	0,00	0,00	50.784.726,34
Cash at bank	81.102.252,47	0,00	0,00	7.649,12	0,00	81.109.901,59
Cash in hand	5.896.848,11	0,00	0,00	0,00	22.769,54	5.919.617,65
Total cash and cash equivalents	137.781.425,53	0,00	2.401,39	296.207.767,57	22.769,54	434.014.364,03

Cash and cash equivalents		31/12/2013				
		IFRS 7			Other	
		Net debt		Assets managed on behalf of third parties		Other
	Nominal	Fair value adjustment	Accrued income		Other	TOTAL
Commercial paper	0,00	0,00	0,00	542.010.658,79	0,00	542.010.658,79
Short-term deposits	763.174.272,91	0,00	8.431,53	0,00	0,00	763.182.704,44
Cash at bank	51.810.518,09	0,00	0,00	17.653,94	0,00	51.828.172,03
Cash in hand	150.176,70	0,00	0,00	0,00	70.400,95	220.577,65
Total cash and cash equivalents	815.134.967,70	0,00	8.431,53	542.028.312,73	70.400,95	1.357.242.112,91

Just as for the other financial assets, the cash and cash equivalents include assets managed on behalf of third parties. It concerns assets managed on behalf of the REN Fund.

Debt management

Debt must be understood as not only debts accounted in the statement of financial position (borrowings and finance leasing) but also off-balance long-term lease commitments.

Main aspects of debt management

Debt management requires debt to be contracted, to the extent possible, for periods chosen on the basis of the forecasted evolution of future cash flows and with the objective to level and reduce treasury balances as much as possible:

- Any structural treasury surplus must be used, to the extent possible, to reduce debt.
- Long term net debt of the Company must be contracted for two-thirds through fixed rate instruments and for one-third through floating rate instruments.
- The weighted residual maturity of long-term debt of the Company is fixed at a minimum of 5 years.
- Debt maturities are spread over time, in terms of liquidity as well as in terms of interest rate risk.

- Any debt operation, even a short-term one, that generates a currency risk, must be immediately and fully hedged in EUR in order to eliminate the currency risk on the principal and on the interest.

Treasury management

Treasury management consists of the centralized treasury management (e.g. cash flows less than one year) of the Company, its subsidiaries and those managed in the name and for the account of Infrabel, SNCB and possibly their subsidiaries. Payment conditions of short-term loans or borrowings to the benefit of or to be borne by the entities considered under the centralization perimeter are in accordance with prevailing market conditions on an arm's length basis.

Main aspects of treasury management

- Any structural treasury surplus must be used, to the extent possible, to reduce debt.
- Any structural treasury deficit must be consolidated by long term debts.
- Treasury surplus must be invested, in accordance with prevailing market conditions on an arm's length basis preferably in subsidiaries with treasury deficits.
- Investment limits must be respected in the case any treasury surplus remains after awarding investments to subsidiaries or after executing imposed investments by cross-border arrangements.
- Any investment implying currency risk must be immediately and fully hedged in EUR in order to eliminate the currency risk on the principal and on the interest except if the investment (in foreign currency) itself concerns the hedging of currency risk in relation to a cross-border arrangement.
- In order to finance remaining deficits, the Company relies on credit lines (confirmed, unconfirmed and so-called "evergreen" ones) and issues short-term EUR-denominated commercial paper by public offering after consulting at least 3 banking institutions.

Operations on derivatives

Derivates consist of: swaps, forward rate agreements, options, forward exchange contracts and futures that have as underlying an interest rate, inflation index, an exchange rate, energy prices (e.g. fuel for diesel engines and electricity for traction) or a credit.

Main aspects of derivatives operations

- Any operation on derivatives is tested for compliance with the requirements imposed by debt and treasury management.
- The aim of any operation on derivatives is to achieve a perfect hedge in EUR (with a fixed or floating interest rate). At any time, it must hedge an existing borrowing or existing investment.
- For new hedges, only references in EUR can be used as a reference interest rate. As a short-term interest rate reference, no use can be made of references other than short-term ones, preferably Euribor 1Y, provided that the related costs (against Euribor 1M, 3M and 6M) can be justified.
- Investments and borrowings must be aligned with each other in order to limit short-term risks as much as possible.
- For hedging transactions, at least three counterparts must be previously consulted.
- Credit risk towards counterparties for derivatives must be spread and systematically covered by the closing of Credit Support Annexes.

2.1.1 Market Risk: Currency Risk

The Company is exposed to currency risk arising from borrowings in foreign currency.

Every significant borrowing operation, even a short-term one, that generates a currency risk, must be immediately and fully hedged in EUR (principal and interest) using derivatives. The hedged position can be subject to a floating or fixed interest rate. Assets and liabilities relative to cross-border arrangements are in USD and JPY, but the Company is not exposed to currency risk.

a. Financial instruments by currency

	EUR	USD	31/12/2014 JPY	Other	Total
Financial assets					
Trade and other receivables	1.883.467.455,52	0,00	0,00	0,00	1.883.467.455,52
Derivatives	254.968.641,55	113.901.725,74	-7.041.202,22	0,00	361.829.165,07
Other financial assets	794.882.075,44	197.589.348,20	23.244.780,23	0,00	1.015.716.203,87
Cash and cash equivalents	433.229.637,69	0,00	0,00	784.726,34	434.014.364,03
Total financial assets	3.366.547.810,20	311.491.073,94	16.203.578,01	784.726,34	3.695.027.188,49
Financial liabilities					
Financial liabilities	3.495.745.750,61	364.713.780,17	0,00	0,00	3.860.459.530,78
Derivatives	621.016.020,51	-74.444.700,97	16.282.037,26	0,00	562.853.356,80
Trade and other payables	401.143.712,27	0,00	0,00	0,00	401.143.712,27
Other amounts payable	613.781.197,07	0,00	0,00	0,00	613.781.197,07
Total financial liabilities	5.131.686.680,46	290.269.079,20	16.282.037,26	0,00	5.438.237.796,92
Net exposure	-1.765.138.870,26	21.221.994,74	-78.459,25	784.726,34	-1.743.210.608,43

	EUR	USD	31/12/2013 JPY	Other	Total
Financial assets					
Trade and other receivables	1.647.333.273,58	0,00	0,00	0,00	1.647.333.273,58
Derivatives	157.078.621,40	78.669.281,62	-7.434.076,63	0,00	228.313.826,39
Other financial assets	985.001.537,96	205.472.682,48	23.812.735,45	0,00	1.214.286.955,89
Cash and cash equivalents	1.355.262.507,41	1.255.564,49	0,00	724.041,01	1.357.242.112,91
Total financial assets	4.144.675.940,35	285.397.528,59	16.378.658,82	724.041,01	4.447.176.168,77
Financial liabilities					
Financial liabilities	3.142.310.902,97	399.116.497,03	0,00	0,00	3.541.427.400,00
Derivatives	497.339.973,14	-128.793.941,84	16.505.874,23	0,00	385.051.905,53
Trade and other payables	148.212.637,80	0,00	0,00	0,00	148.212.637,80
Other amounts payable	598.308.415,52	0,00	0,00	0,00	598.308.415,52
Total financial liabilities	4.386.171.929,43	270.322.555,19	16.505.874,23	0,00	4.673.000.358,85
Net exposure	-241.495.989,08	15.074.973,40	-127.215,41	724.041,01	-225.824.190,08

The detail presented above shows the currency exposure of the assets and liabilities of the Company. With the exception of the euro, the American dollar and the Japanese yen constitute the major foreign currencies of the Company. The exposure to the USD and the JPY results from the cross-border arrangements. The related foreign currency risk in USD and JPY are hedged using swap transactions as presented in item b. hereafter.

Certain elements of the trade receivables and other creditor ((2014: 283.247.824,41 EUR; 2013: 21.755.311,05 EUR), of the trade payables (2014: 53.045.302,66 EUR; 2013: 46.381.311,86 EUR) and other debts (2014: 167.733.433,12; 2013: 120.249.999,30 EUR) do not satisfy financial instruments' definition as defined in IAS 32.

b. Currency-derivatives

	31/12/2014		31/12/2013	
	Total fair value	Total nominal value	Total fair value	Total nominal value
Currencies bought				
USD	33.297.862,31	28.815.789,47	28.091.472,85	25.422.622,07
JPY	23.323.239,48	21.937.968,50	23.939.950,86	21.996.965,93
Other	0,00	0,00	0,00	0,00
Currencies bought - Total	56.621.101,79	50.753.757,97	52.031.423,71	47.419.588,00
Currencies sold				
USD	221.644.289,02	161.307.546,52	235.554.696,31	195.285.987,50
JPY	0,00	0,00	0,00	0,00
Other	0,00	0,00	0,00	0,00
Currencies sold - Total	221.644.289,02	161.307.546,52	235.554.696,31	195.285.987,50
Options				
USD	0,00	0,00	0,00	0,00
Other	0,00	0,00	0,00	0,00
Options - Total	0,00	0,00	0,00	0,00

The currency-derivatives are swaps transactions concluded exclusively for assets and liabilities related to cross-border leasing transactions. These derivatives transactions are put in place to manage the cash flows in foreign currency. The company has chosen not to apply hedge accounting as defined in IAS 39 and therefore does not recognize the derivatives as hedging instruments. The derivatives are recognized at fair value through profit or loss.

Sensitivity analysis

A sensitivity analysis has been performed based on the Company's position at the end of the period. For currency risk, the sensitivity analysis consists in evaluating the impact on the IFRS financial statement of a variation of the USD and JPY (or any other significant currency) exchange rates relative to EUR by +/- 10% at the closing rate.

Foreign exchange rate variation	Impact on net result	Impact on other comprehensive income
2014		
USD + 10%	2.357.999,42	0,00
USD - 10%	-1.929.272,25	0,00
JPY + 10%	-8.717,69	0,00
JPY - 10%	7.132,66	0,00
2013		
USD + 10%	1.674.997,04	0,00
USD - 10%	-1.370.452,13	0,00
JPY + 10%	-14.135,05	0,00
JPY - 10%	11.565,04	0,00

2.1.2 Market Risk: Interest Rate Risk

a. Interest rate risk

The interest rate risk is measured under IFRS, meaning the type of interest rate of the original financial instrument (payables and receivables), excluding derivatives concluded thereafter.

The main interest rate exposure arises, for the company, from borrowings in EUR and USD. At 31 December 2014 (2013), fixed rate financial instruments represent a net liability (asset) while floating rate financial instruments represent a net liability. Cash surpluses are invested by the Company with respect for the Company financial risk management policy.

	31/12/2014	31/12/2013
Fixed rate instruments		
Financial assets	1.172.595.126,08	1.803.653.672,73
Trade and other receivables	821.294.481,72	1.067.450.792,49
Other financial assets	351.300.644,36	736.202.880,24
Cash and cash equivalents	0,00	0,00
Financial liabilities	1.625.220.215,52	1.691.321.424,67
Financial liabilities	1.625.220.215,52	1.691.321.424,67
Trade and other payables	0,00	0,00
Other amounts payable	0,00	0,00
Total fixed rate instruments	-452.625.089,44	112.332.248,06
Variable rate instruments		
Financial assets	1.226.152.065,70	2.005.245.398,00
Trade and other receivables	334.340.591,88	283.583.292,77
Other financial assets	544.826.629,03	416.468.742,00
Cash and cash equivalents	346.984.844,79	1.305.193.363,23
Financial liabilities	2.692.671.488,05	2.417.107.112,28
Financial liabilities	2.203.628.753,76	1.837.266.615,04
Trade and other payables	0,00	0,00
Other amounts payable	489.042.734,29	579.840.497,24
Total variable rate instruments	-1.466.519.422,35	-411.861.714,28
Total	-1.919.144.511,79	-299.529.466,22

b. Cash flow sensitivity analysis

A 1% rise of floating interest rates (including derivatives) would cause an increase of 2.565.261,02 EUR (2013: 7.282.564,16 EUR) in the net interest expenses of the Company in 2014.

c. Fair value sensitivity analysis

Changes in market interest rates affect both the fair value of non-derivative financial instruments recorded at fair value through profit or loss, and derivatives. These changes are taken into account in the assessment of the sensitivity of the net result.

The sensitivity analysis at fair value was determined for the Company at the end of the period. An increase of 1% causes an increase of 66.020.136,05 EUR (63.940.450,49 EUR) on 31 December 2014 (2013), of which 0,00 EUR (0,00 EUR) through other comprehensive income.

2.1.3 Credit Risk

The company is exposed to credit risk on trade and financial receivables.

Investments must be assimilated to fixed income instruments and cannot be made in equity instruments. Investments are subject to strict minimum counterparty credit requirements, depending on their maturity. The Company has also set maximum amounts per counterparty. Such limits are, however, not applicable to investments and instruments that are rated AAA/Aaa or are issued or guaranteed by the Belgian State, the Flemish community, the Walloon region, the French community and the Brussels-Capital Region.

Credit risk towards counterparts for derivatives must be spread and systematically covered by Credit Support Annexes. Under this type of agreements the net amount, payable by the Company or by its counterpart in case all of the derivatives agreed between the different parties were terminated, is calculated on a regular basis. Through the use of CSA's risk is limited to a maximum amount depending on the counterparty's credit rating. In case a bank's rating falls below BBB+/Baa, contracts with that bank need to be transferred to another bank with a higher credit rating. No new operations can be concluded with counterparty's on negative credit watch during such period.

2.1.1.1 Aging balance of financial assets

	Net carrying amount	Assets for which NO impairment loss is accounted for							Assets for which an impairment loss is accounted for
		Not expired	since 0-1 month	since 1-3 month	Past due at the end of the period		since 1-2 year	since more than 2 years	
				since 3-6 month	since 6-12 month				
31 December 2014									
Trade and other receivables	1.883.467.455,52	1.841.372.785,35	25.270.420,87	4.502.517,05	1.504.598,94	5.555.725,06	-114.597,63	5.406.005,88	0,00
Derivatives	361.829.165,07	360.446.665,12	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Other financial assets	1.015.716.203,87	1.015.716.203,87	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Cash and cash equivalents	434.014.364,03	434.014.364,03	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	3.695.027.188,49	3.651.550.018,37	25.270.420,87	4.502.517,05	1.504.598,94	5.555.725,06	-114.597,63	5.406.005,88	0,00
31 December 2013									
Trade and other receivables	1.647.333.273,58	1.628.983.389,52	10.159.332,06	1.506.488,82	-249.547,51	-4.078.579,82	9.768.089,10	1.244.101,41	0,00
Derivatives	228.313.826,39	228.313.826,39	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Other financial assets	1.214.286.955,89	1.214.286.955,89	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Cash and cash equivalents	1.357.242.112,91	1.357.242.112,91	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	4.447.176.168,77	4.428.826.284,71	10.159.332,06	1.506.488,82	-249.547,51	-4.078.579,82	9.768.089,10	1.244.101,41	0,00

2.1.1.2 Rating

Securities and deposits in which the Company has invested have the following (Standard & Poor's) ratings:

Rating	31/12/2014					
	Nominal		Fair value adjustment	Accrued income		Total
	Non-current	Current		Non-current	Current	
Other financial assets	651.395.486,81	391.416.524,64	-36.059.789,14	6.532.315,46	2.431.666,10	1.015.716.203,87
AAA	0,00	0,00	0,00	0,00	0,00	0,00
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Sovereigns</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
AA+	41.241.039,64	0,00	4.882.382,49	581.074,70	0,00	46.704.496,83
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Sovereigns</i>	41.241.039,64	0,00	4.882.382,49	581.074,70	0,00	46.704.496,83
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
AA	236.724.301,43	200.000.000,00	0,00	2.094.110,64	65.917,78	438.884.329,85
<i>Financial institutions</i>	25.435.863,12	0,00	0,00	1.458.047,15	0,00	26.893.910,27
<i>Sovereigns</i>	211.288.438,31	200.000.000,00	0,00	636.063,49	65.917,78	411.990.419,58
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
AA-	127.775.214,28	2.213.059,80	0,00	108.973,56	55.238,54	130.152.486,18
<i>Financial institutions</i>	127.775.214,28	2.213.059,80	0,00	108.973,56	55.238,54	130.152.486,18
<i>Sovereigns</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
A+	43.945.422,92	22.890.489,22	1.101.999,86	0,00	310.191,09	68.248.103,09
<i>Financial institutions</i>	28.815.789,47	22.890.489,22	219.034,45	0,00	235.131,30	52.160.444,44
<i>Sovereigns</i>	15.129.633,45	0,00	882.965,41	0,00	75.059,79	16.087.658,65
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
A	80.140.545,27	9.829.741,65	0,00	3.748.156,56	1.241.221,80	94.959.665,28
<i>Financial institutions</i>	80.140.545,27	9.829.741,65	0,00	3.748.156,56	1.241.221,80	94.959.665,28
<i>Sovereigns</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
BBB-	3.094.697,75	3.713.637,30	239.603,87	0,00	109.182,66	7.157.121,58
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Sovereigns</i>	3.094.697,75	3.713.637,30	239.603,87	0,00	109.182,66	7.157.121,58
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
CCC	0,00	0,00	0,00	0,00	0,00	0,00
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Sovereigns</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
A-1+	0,00	0,00	0,00	0,00	0,00	0,00
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Sovereigns</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
A-2	0,00	0,00	0,00	0,00	277,78	277,78
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	277,78	277,78
<i>Sovereigns</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
NR	118.474.265,52	152.769.596,67	-42.283.775,36	0,00	649.636,45	229.609.723,28
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Sovereigns</i>	0,00	144.599.596,67	0,00	0,00	0,00	144.599.596,67
<i>Corporates</i>	25.534.461,47	8.170.000,00	-610.000,00	0,00	649.636,45	33.744.097,92
<i>Equity securities</i>	92.939.804,05	0,00	-41.673.775,36	0,00	0,00	51.266.028,69
<i>Other</i>	0,00	0,00	0,00	0,00	0,00	0,00

Rating	31/12/2013					
	Nominal		Ajustements	Produits acquis		Total
	Non courant	Courant	de juste valeur	Non courant	Courant	
Other financial assets	1.112.564.810,34	82.053.079,21	3.585.673,82	5.557.912,02	10.525.480,50	1.214.286.955,89
AAA	0,00	0,00	0,00	0,00	0,00	0,00
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Sovereigns</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
AA+	35.110.500,74	0,00	2.090.892,50	494.838,67	0,00	37.696.231,91
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Sovereigns</i>	35.110.500,74	0,00	2.090.892,50	494.838,67	0,00	37.696.231,91
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
AA	402.105.085,00	37.000.000,00	0,00	604.411,53	154.866,61	439.864.363,14
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Sovereigns</i>	402.105.085,00	37.000.000,00	0,00	604.411,53	154.866,61	439.864.363,14
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
AA-	145.217.672,63	1.058.945,95	0,00	1.375.401,17	0,00	147.652.019,75
<i>Financial institutions</i>	145.217.672,63	1.058.945,95	0,00	1.375.401,17	0,00	147.652.019,75
<i>Sovereigns</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
A+	63.483.432,62	30.353.362,70	1.190.697,74	0,00	2.162.442,48	97.189.935,54
<i>Financial institutions</i>	48.313.111,29	30.353.362,70	-136.250,27	0,00	2.087.180,83	80.617.404,55
<i>Sovereigns</i>	15.170.321,33	0,00	1.326.948,01	0,00	75.261,65	16.572.530,99
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
A	75.137.167,36	8.473.573,20	0,00	3.083.260,65	1.333.578,03	88.027.579,24
<i>Financial institutions</i>	75.137.167,36	8.473.573,20	0,00	3.083.260,65	1.333.578,03	88.027.579,24
<i>Sovereigns</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
A-	4.068.848,60	1.823.961,75	0,00	0,00	336.595,08	6.229.405,43
<i>Financial institutions</i>	4.068.848,60	1.823.961,75	0,00	0,00	336.595,08	6.229.405,43
<i>Sovereigns</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
BBB	6.826.644,60	0,00	304.083,58	0,00	109.476,28	7.240.204,46
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Sovereigns</i>	6.826.644,60	0,00	304.083,58	0,00	109.476,28	7.240.204,46
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
CCC	0,00	0,00	0,00	0,00	0,00	0,00
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Sovereigns</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
A-2	0,00	0,00	0,00	0,00	416,67	416,67
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	416,67	416,67
<i>Sovereigns</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
NR	380.615.458,79	3.343.235,61	0,00	0,00	6.428.105,35	390.386.799,75
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Sovereigns</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Corporates</i>	380.506.173,44	1.555.535,61	0,00	0,00	6.428.105,35	388.489.814,40
<i>Equity securities</i>	109.285,35	1.787.700,00	0,00	0,00	0,00	1.896.985,35
<i>Other</i>	0,00	0,00	0,00	0,00	0,00	0,00

Rating	31/12/2014					
	Nominal		Ajustements de juste valeur	Produits acquis		Total
	Non courant	Courant		Non courant	Courant	
Cash and cash equivalents	0,00	434.011.962,64	0,00	0,00	2.401,39	434.014.364,03
A-1+	0,00	0,00	0,00	0,00	0,00	0,00
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Sovereigns</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
A-1	0,00	0,00	0,00	0,00	0,00	0,00
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Sovereigns</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
A-2	0,00	50.000.000,00	0,00	0,00	0,00	50.000.000,00
<i>Financial institutions</i>	0,00	50.000.000,00	0,00	0,00	0,00	50.000.000,00
<i>Sovereigns</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
NR	0,00	384.011.962,64	0,00	0,00	2.401,39	384.014.364,03
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Sovereigns</i>	0,00	296.200.118,45	0,00	0,00	0,00	296.200.118,45
<i>Corporates</i>	0,00	782.324,95	0,00	0,00	2.401,39	784.726,34
<i>Cash at bank</i>	0,00	81.109.901,59	0,00	0,00	0,00	81.109.901,59
<i>Cash in hand</i>	0,00	5.919.617,65	0,00	0,00	0,00	5.919.617,65

Rating	31/12/2013					
	Nominal		Ajustements de juste valeur	Produits acquis		Total
	Non courant	Courant		Non courant	Courant	
Cash and cash equivalents	0,00	1.357.233.681,38	0,00	0,00	8.431,53	1.357.242.112,91
A-1+	0,00	223.592.181,57	0,00	0,00	0,00	223.592.181,57
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Sovereigns</i>	0,00	223.592.181,57	0,00	0,00	0,00	223.592.181,57
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
A-1	0,00	103.265.361,49	0,00	0,00	0,00	103.265.361,49
<i>Financial institutions</i>	0,00	1.255.564,49	0,00	0,00	0,00	1.255.564,49
<i>Sovereigns</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Corporates</i>	0,00	102.009.797,00	0,00	0,00	0,00	102.009.797,00
A-1	0,00	50.000.000,00	0,00	0,00	0,00	50.000.000,00
<i>Financial institutions</i>	0,00	50.000.000,00	0,00	0,00	0,00	50.000.000,00
<i>Sovereigns</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Corporates</i>	0,00	0,00	0,00	0,00	0,00	0,00
NR	0,00	980.376.138,32	0,00	0,00	8.431,53	980.384.569,85
<i>Financial institutions</i>	0,00	0,00	0,00	0,00	0,00	0,00
<i>Sovereigns</i>	0,00	216.408.680,22	0,00	0,00	0,00	216.408.680,22
<i>Corporates</i>	0,00	711.918.708,42	0,00	0,00	8.431,53	711.927.139,95
<i>Cash at bank</i>	0,00	45.148.737,88	0,00	0,00	0,00	45.148.737,88
<i>Cash in hand</i>	0,00	6.900.011,80	0,00	0,00	0,00	6.900.011,80

Amounts mentioned as Corporate without rating (NR) are exclusively related to subsidiaries.

With regard to the current accounts it concerns mainly a current account with the financial institutions with a A-1 short term rating.

Regional distribution

The financial assets held by the Company are distributed as follows by geographic region.

Zone	31/12/2014	31/12/2013
Belgium	2.780.460.462,85	3.674.588.724,43
Eurozone	422.925.404,67	301.462.086,99
Europe - other	379.030.309,66	366.310.853,81
United States	52.904.737,29	51.998.044,46
Other	59.706.274,02	52.816.459,08
Total	3.695.027.188,49	4.447.176.168,77

Management of derivatives counterparty credit risk

Management of derivatives counterparty credit risk				31/12/2014
Counterparty	Credit risk	Collateral posted	Collateral received	Net exposure
150	-31.248.266,22	7.200.000,00	0,00	-24.048.266,22
151	0,00	0,00	0,00	0,00
152	44.655.009,37	0,00	-46.200.000,00	-1.544.990,63
154	-357.834.085,65	290.012.046,00	0,00	-67.822.039,65
155	-21.725.806,84	7.000.000,00	0,00	-14.725.806,84
156	-36.480.361,77	13.800.000,00	0,00	-22.680.361,77
157	0,00	0,00	0,00	0,00
158	9.918.982,60	0,00	0,00	9.918.982,60
159	-6.361.685,06	6.200.000,00	0,00	-161.685,06
160	-21.982.795,51	0,00	0,00	-21.982.795,51
161	-17.415.740,25	0,00	0,00	-17.415.740,25
162	-18.878.935,12	0,00	0,00	-18.878.935,12
165	-21.982.795,51	9.800.000,00	0,00	-12.182.795,51
With CSA	-479.336.479,96	334.012.046,00	-46.200.000,00	-191.524.433,96
163	39.621.282,72	0,00	0,00	39.621.282,72
164	16.841.395,76	0,00	0,00	16.841.395,76
Belgian State	214.084.465,91	0,00	0,00	214.084.465,91
Eurofima	7.765.143,84	0,00	0,00	7.765.143,84
Without CSA	278.312.288,23	0,00	0,00	278.312.288,23
Total	-201.024.191,73	334.012.046,00	-46.200.000,00	86.787.854,27

Management of derivatives counterparty credit risk				31/12/2013
Counterparty	Credit risk	Collateral posted	Collateral received	Net exposure
150	-33.481.114,67	34.700.000,00	0,00	1.218.885,33
151	0,00	0,00	0,00	0,00
152	26.828.273,97	60.600.000,00	0,00	87.428.273,97
154	-206.776.234,83	170.722.388,00	0,00	-36.053.846,83
155	-8.911.109,79	0,00	0,00	-8.911.109,79
156	-22.161.956,83	2.800.000,00	0,00	-19.361.956,83
157	-8.999.870,11	0,00	0,00	-8.999.870,11
158	8.747.798,96	0,00	0,00	8.747.798,96
159	-3.625.760,83	14.300.000,00	0,00	10.674.239,17
160	-9.154.303,69	0,00	0,00	-9.154.303,69
161	-13.035.601,12	0,00	0,00	-13.035.601,12
162	-8.756.409,80	0,00	0,00	-8.756.409,80
With CSA	-279.326.288,74	283.122.388,00	0,00	3.796.099,26
163	31.230.640,15	0,00	0,00	31.230.640,15
164	13.745.461,76	0,00	0,00	13.745.461,76
Belgian State	118.784.622,14	0,00	0,00	118.784.622,14
Eurofima	-42.806.914,45	0,00	0,00	-42.806.914,45
Without CSA	120.953.809,60	0,00	0,00	120.953.809,60
Total	-158.372.479,14	283.122.388,00	0,00	124.749.908,86

As required by the financial risk management policy, the Company has concluded bilateral Credit Support Annexes with its derivatives counterparties. The CSA's main purpose is to reduce bilateral counterparty risk. The Company has posted collateral with the counterparties for which the fair value of derivatives has exceeded certain previously agreed thresholds. These thresholds are defined at the level of the CSA of each counterparty and based on their rating.

The instruments concluded with the counterparties without CSA (apart for the Belgian State and Eurofima) have the legal form of a derivative but have the economic characteristics of a deposit.

Posted collaterals in 2013 relate also to derivatives instruments reclassified as non-current assets and liabilities held for sale following IFRS 5 application. As a result of the reorganization in 2014 there are no derivatives any more covered by a CSA booked as held for sale.

2.1.4 Liquidity Risk

When borrowings are made, the Company takes into account the forecasted cash flows in order to level and reduce the treasury deficits as much as possible.

Liquidity risk is covered by spreading debt maturities over time. According to the Company's financial risk management policy a maximum of 20% of the outstanding debt can be concentrated on any given year, with a maximum of 10% of the debt per quarter.

The following are the remaining contractual maturities and the end of the reporting period of the financial liabilities and related assets, including interest payments. The undiscounted contractual cash flows from liabilities and related assets by nature and by maturity are the following:

	Carrying amount	Contractual cash flows *	< 6 months	6-12 months	1-2 year	2-5 years	> 5 year
* Including interest payments							
31 December 2014							
Financial assets							
Trade and other receivables	594.180.416,29	860.345.000,00	11.891.000,00	30.035.000,00	41.926.000,00	125.778.000,00	650.715.000,00
Derivatives	361.829.165,07	56.908.055,43	13.351.003,82	12.558.681,78	19.888.046,25	10.574.845,91	535.477,67
Other financial assets	930.705.799,48	1.399.630.339,81	359.465.116,64	23.749.199,34	46.203.797,80	47.045.130,32	923.167.095,71
Cash and cash equivalents	296.207.767,57	296.217.649,12	296.217.649,12	0,00	0,00	0,00	0,00
Total financial assets	2.182.923.148,41	2.613.101.044,36	680.924.769,58	66.342.881,12	108.017.844,05	183.397.976,23	1.574.417.573,38
Financial liabilities							
Financial liabilities	3.860.459.530,78	4.517.398.465,71	1.266.029.861,37	205.609.361,34	384.009.511,14	526.035.219,70	2.135.714.512,16
Derivatives	562.853.356,80	502.396.504,06	982.898,28	59.131.794,01	15.573.492,71	68.948.417,81	357.759.901,25
Trade and other payables	401.143.712,27	401.143.712,27	398.452.694,22	2.178.155,75	-638.304,95	336.377,70	814.789,55
Other amounts payable	613.781.197,07	613.887.433,16	238.355.016,89	73.113.707,23	90.346.123,21	210.281.935,35	1.790.650,48
Total financial liabilities	5.438.237.796,92	6.034.826.115,20	1.903.820.470,76	340.033.018,33	489.290.822,11	805.601.950,56	2.496.079.853,44
Total	-3.255.314.648,51	-3.421.725.070,84	-1.222.895.701,18	-273.690.137,21	-381.272.978,06	-622.203.974,33	-921.662.280,06
31 December 2013							
Financial assets							
Trade and other receivables	740.248.052,08	1.097.156.252,91	11.891.128,39	39.315.000,00	51.206.228,39	153.618.685,18	841.125.110,95
Derivatives	225.506.835,72	47.474.128,97	2.144.955,80	174.350,25	24.083.106,38	27.376.731,18	-6.305.014,64
Other financial assets	823.899.739,47	1.006.049.845,85	63.380.199,18	14.409.492,32	235.371.161,30	53.826.435,94	639.062.557,11
Cash and cash equivalents	440.018.515,73	440.087.653,94	440.087.653,94	0,00	0,00	0,00	0,00
Total financial assets	2.229.673.143,00	2.590.767.881,67	517.504.037,31	53.898.842,57	310.660.496,07	234.821.852,30	1.473.882.653,42
Financial liabilities							
Financial liabilities	3.541.427.400,00	4.277.375.695,78	966.923.410,71	47.518.953,62	481.885.277,51	700.714.804,57	2.080.333.249,37
Derivatives	385.051.905,53	140.997.276,18	-18.238.137,22	24.587.540,09	124.354.387,20	43.591.444,06	-33.297.957,95
Trade and other payables	148.212.637,80	148.212.637,80	147.511.421,66	167.579,45	532.441,45	872,60	322,64
Other amounts payable	598.308.415,52	600.591.244,73	233.473.392,62	113.377.205,23	228.462.668,29	12.660.747,09	12.617.231,50
Total financial liabilities	4.673.000.358,85	5.167.176.854,49	1.329.670.087,77	185.651.278,39	835.234.774,45	756.967.868,32	2.059.652.845,56
Total	-2.443.327.215,85	-2.576.408.972,82	-812.166.050,46	-131.752.435,82	-524.574.278,38	-522.146.016,02	-585.770.192,14

During the year 2013, the company contracted a credit line "facility agreement" with a consortium of financial institutions for an amount of 350 million EUR and a maturity of 3 years. This credit line has been reduced to 300 million EUR in November 2014.

2.1.5 Fair Value Risk

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:
Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs, other than quoted prices of level 1, that are observable for assets or liabilities, directly (e.g. as prices) or indirectly (e.g. derived from prices).

Level 3: inputs of assets or liabilities that are not based on observable market data.

	31/12/2014		
	Level 1	Level 2	Level 3
Assets			
Financial assets at fair value through profit or loss			
Deposits	0,00	0,00	0,00
Fixed rate securities	69.949.277,06	52.160.444,44	0,00
Derivatives	0,00	289.778.339,92	72.050.825,15
Other	0,00	68.651.199,99	0,00
Available-for-sale financial assets	0,00	0,00	51.266.028,69
Total	69.949.277,06	410.589.984,35	123.316.853,84
Liabilities			
Financial liabilities at fair value through profit or loss			
Financial liabilities	0,00	0,00	211.214.252,12
Derivatives	0,00	555.030.353,97	7.823.002,83
Other	0,00	2.024.324,32	0,00
Total	0,00	557.054.678,29	219.037.254,95

	31/12/2013		
	Level 1	Level 2	Level 3
Assets			
Financial assets at fair value through profit or loss			
Deposits	0,00	37.696.231,91	0,00
Fixed rate securities	23.812.735,45	48.408.138,48	0,00
Derivatives	0,00	226.679.426,39	1.634.400,00
Other	0,00	60.138.421,50	0,00
Available-for-sale financial assets	0,00	0,00	2.127.876,09
Total	23.812.735,45	372.922.218,28	3.762.276,09
Liabilities			
Financial liabilities at fair value through profit or loss			
Financial liabilities	0,00	230.165.070,13	0,00
Derivatives	0,00	385.051.905,53	0,00
Other	0,00	37.812.146,28	0,00
Total	0,00	653.029.121,94	0,00

To estimate the fair value of financial instruments, the following hypothesis and the methods are used:

- for holding interests in companies and investments quoted on a stock exchange: their quoted price.
- for holding interests in unlisted companies: estimation through recent sales transactions and, in absence of such transactions, based on different valuation techniques, such as discounting free cash flows and the multiple method.
- for trade receivables and other current assets: fair value considering their maturity.
- for cash and cash equivalents: fair value considering their maturity.

Changes in level 3 financial instruments	
	EUR
Assets	
Balance at 1 January	3.762.276,09
Level 3 inputs	49.817.799,26
Fusion	64.931.836,75
Payments	-12.680.262,35
Total gains and losses recognised in net-result	18.431.739,10
Transfers assets-liabilities	766.164,99
Transfers to available-for-sale assets	-1.712.700,00
Balance at 31 December	123.316.853,84
Liabilities	
Balance at 1 January	0,00
Level 3 inputs	277.813.681,92
Fusion	0,00
Payments	-100.700.931,69
Total gains and losses recognised in net-result	41.158.339,73
Transfers assets-liabilities	766.164,99
Transfers to available-for-sale assets	0,00
Balance at 31 December	219.037.254,95

As a result of the reorganization, the participations from the ex-SNCB are valued as level 3.

One of the consequences of the SNCB group reorganization is the transfer of a part of the financial debts to Infrabel. Among these debts were all quoted debts, the company has therefore no directly observable market references to determine the value of its debts designated at fair value through profit or loss and derivatives without CSA. These instruments are recognised as Level 3 as from January 1st 2014.

3 Note 3 – Critical accounting estimates and significant judgments

The preparation of financial statements in accordance with IFRS brings the Company to establish significant judgments, estimates and assumptions that affect the application of the valuation rules, and the reported amounts of assets, liabilities, income and expenses, and which, contain by nature a certain degree of uncertainty. Those estimates are based on experience and on assumptions that the Company consider reasonable based on the circumstances. Per definition, actual results might be and will often be different from those estimates. Revisions of the accounting estimates are recognised during the period in which the estimates are revised, and throughout subsequent concerned periods. Judgments and estimates concern mainly the following areas:

3.1 *Fair value of derivatives and other financial instruments*

The fair value of financial instruments that are not quoted on an active market (such as derivatives traded over the counter) is determined using valuation techniques. The Company selects the methods and retains the assumptions that seem to be appropriate, based principally on existing market conditions at reporting date. The Company uses the discounted cash flow method for a variety of available for sale financial assets that are not traded on active markets.

We refer to note 2.2.2.b for a sensitivity analysis.

3.2 *Employee benefits*

Liabilities arising from employee benefits are actuarially determined, based on different financial and demographic assumptions. Any variation of these assumptions would impact the amount of the liability. An important assumption that has a major sensibility on the liability is the discount rate. At each closing, the Company determines this rate by reference to first category corporate bonds with similar maturity at closing date. Other major assumptions are based on the market, or reflect the Company's best estimate (see additional information disclosed in note 18).

A sensitivity analysis on main assumptions is presented in the note 18.5.

3.3 *Useful life of property, plant and equipment*

Property, plant and equipment mainly comprise railway rolling stock, railway infrastructure and stations. Depreciation is computed as from the date at which the asset is ready to be used, according to the straight line method and according to a rate corresponding to the estimated useful life of the asset.

This useful life has been estimated by management and corresponds to the period during which the asset is expected to be available to be used by the Company. Estimated useful life takes into consideration the foreseen use by the Company, foreseen physical wear that depends on operational factors such as the maintenance program, technical and economical obsolescence, and legal limitations and other similar limitations (such as the leasing contract period). For a detail of the useful lives estimated for property, plant and equipment, we refer to note 1.4. However, actual useful life might differ because of numerous factors. This could result in a shorter or longer useful life. If the estimated useful life appears to be incorrect, or if there's a change in the circumstances in such manner that the estimated useful life has to be revised, that could lead to an impairment loss or an increased or decreased depreciation charge for the upcoming periods. Useful lives are examined at each closing date and prospectively adjusted if necessary.

3.4 Impairment losses on interests in subsidiaries, joint ventures and related parties

Interests in subsidiaries, joint ventures and related parties are subject to an impairment test when there is an objective ground to believe that the interest might have suffered an impairment loss. An impairment loss on these interests is recognised if the carrying amount exceeds the recoverable amount. The recoverable amount is equal to the present value of future cash flows, the discount rate being equal to the weighted average cost of capital, determined based on the Capital Asset Pricing Model. These calculations use estimates and assumptions about discount rates, growth rates, future capital needs and future operating results.

For the non-significant parties, the valuation is solely based on the share in equity of the financial year t-1.

3.5 Deferred tax: recovery of deferred tax assets

Deferred tax assets are only recognised for deductible temporary differences and losses carried forward if it is probable that future taxable profits (based on a future horizon of three years) will offset these losses and differences and if tax losses remain available given their origin, their period of occurrence and their compliance with the legislation relating to their recovery.

4 Note 4 – Impact of the transition to IFRS

Reconciliation of equity at 1 January 2013	Belgian GAAP	Capital grants	Revaluation land and investments	Derivative financial instruments	Employee benefits	Deferred taxes	IFRS
		4.1	4.2	4.3	4.4	4.5	
Intangible assets	125.146.978,29						125.146.978,29
Fixed assets	1.255.868.071,57		453.417.229,35				1.709.285.300,92
Investment grants	68.206.692,31		673.581.401,26				741.788.093,57
Interests in subsidiaries	165.098.226,59		34.568.000,00	-11.447.838,65			188.218.387,94
Interests in joint ventures and associates	13.753.877,85		62.000.000,00				75.753.877,85
Trade and other receivables	876.964.646,77	27.809.512,00		-64.062.871,72			840.711.287,05
Derivative financial instruments	105.287.173,40			194.255.951,25			299.543.124,65
Other financial assets	5.057.896.609,09			167.362.617,97			5.225.259.227,06
Deferred tax assets	0,00					136.456.846,34	136.456.846,34
Non-current assets	7.668.222.275,87	27.809.512,00	1.223.566.630,61	286.107.858,85	0,00	136.456.846,34	9.342.163.123,67
Stocks	7.279.115,13						7.279.115,13
Trade and other receivables	1.159.399.646,50						1.159.399.646,50
Derivative financial instruments	16.889.316,98			267.412,21			17.156.729,19
Other financial assets	200.303.617,71			219.318,80			200.522.936,51
Current tax receivables	0,00						0,00
Cash and cash equivalents	1.200.021.224,26						1.200.021.224,26
Current assets	2.583.892.920,58	0,00	0,00	486.731,01	0,00	0,00	2.584.379.651,59
Non-current assets classified as available-for-sale	6.742.235,30		29.897,78				6.772.133,08
TOTAL ASSETS	10.258.857.431,75	27.809.512,00	1.223.596.528,39	286.594.589,86	0,00	136.456.846,34	11.933.314.908,34

	Belgian GAAP	Capital grants	Revaluation land and investments	Derivative financial instruments	Employee benefits	Deferred taxes	IFRS
		4.1	4.2	4.3	4.4	4.5	
Capital	741.778.929,39						741.778.929,39
Reserves	1.167.295.752,33	-1.341.994.531,11	1.223.596.528,39	-33.443.107,26	17.538.111,33	136.456.846,34	1.169.449.600,02
Stockholders equity	1.909.074.681,72	-1.341.994.531,11	1.223.596.528,39	-33.443.107,26	17.538.111,33	136.456.846,34	1.911.228.529,41
Liabilities for employee benefits	478.888.210,66				-14.848.962,24		464.039.248,42
Provisions	124.868.570,46						124.868.570,46
Financial liabilities	4.857.946.436,01			-45.566.359,37			4.812.380.076,64
Derivative financial instruments	170.747.110,67			418.327.151,35			589.074.262,02
Trade debts	44.018.289,20						44.018.289,20
Grants	0	1.291.685.687,86					1.291.685.687,86
Other liabilities	361.013.553,33			-50.793.681,15			310.219.872,18
Non current liabilities	6.037.482.170,33	1.291.685.687,86	0,00	321.967.110,83	-14.848.962,24	0,00	7.636.286.006,78
Liabilities for employee benefits	162.331.110,12				-2.689.149,09		159.641.961,03
Provisions	58.845.987,43			-22.774.046,64			36.071.940,79
Financial liabilities	883.204.089,36			459.775,35			883.663.864,71
Derivative financial instruments	25.932.986,25			23.838.494,83			49.771.481,08
Trade debts	244.996.608,86						244.996.608,86
Social debts	389.495.221,88						389.495.221,88
Grants	0	78.118.355,25					78.118.355,25
Other liabilities	547.494.575,80			-3.453.637,25			544.040.938,55
Current liabilities	2.312.300.579,70	78.118.355,25	0,00	-1.929.413,71	-2.689.149,09	0,00	2.385.800.372,15
Liabilities directly associated with non-current assets classified as available-for-sale							0,00
Total liabilities	8.349.782.750,03	1.369.804.043,11	0,00	320.037.697,12	-17.538.111,33	0,00	10.022.086.378,93
TOTAL EQUITY AND LIABILITIES	10.258.857.431,75	27.809.512,00	1.223.596.528,39	286.594.589,86	0,00	136.456.846,34	11.933.314.908,34

Reconciliation of equity at 1 January 2013	Belgian GAAP	Capital grants	Revaluation land and investments	Derivative financial instruments	Employee benefits	Deferred taxes	IFRS
		4.1	4.2	4.3	4.4	4.5	
Intangible assets	11.652.939,42						11.652.939,42
Fixed assets	1.733.811.314,14						1.733.811.314,14
Investment grants	732.421.698,73						732.421.698,73
Interests in subsidiaries	172.690.438,09			-1.634.400,00			171.056.038,09
Interests in joint ventures and associates	74.951.847,27						74.951.847,27
Trade and other receivables	979.223.558,49	29.204.214,62					1.008.427.773,11
Derivative financial instruments	124.335.225,95			103.528.324,31			227.863.550,26
Other financial assets	1.048.336.303,05			73.372.093,13			1.121.708.396,18
Deferred tax assets	0,00						0,00
Non-current assets	4.877.423.325,14	29.204.214,62	0,00	175.266.017,44	0,00	0,00	5.081.893.557,20
Stocks	899.429,92						899.429,92
Trade and other receivables	660.660.811,52						660.660.811,52
Derivative financial instruments	450.276,13						450.276,13
Other financial assets	92.578.559,71						92.578.559,71
Current tax receivables	0,00						0,00
Cash and cash equivalents	1.357.242.112,91						1.357.242.112,91
Current assets	2.111.831.190,19	0,00	0,00	0,00	0,00	0,00	2.111.831.190,19
Non-current assets classified as available-for-sale	4.580.261.534,76						4.580.261.534,76
TOTAL ASSETS	11.569.516.050,09	29.204.214,62	0,00	175.266.017,44	0,00	0,00	11.773.986.282,15

	Belgian GAAP	Capital grants	Revaluation land and investments	Derivative financial instruments	Employee benefits	Deferred taxes	IFRS
		4.1	4.2	4.3	4.4	4.5	
Capital	741.778.929,39						741.778.929,39
Reserves	2.268.905.168,27	-1.220.007.418,66		-33.443.107,26	17.538.111,33	136.456.846,34	1.169.449.600,02
Net profit of the year	150.807.769,01			-24.809.660,65	-17.538.111,33	-136.456.846,34	-27.996.849,31
Stockholders equity	3.161.491.866,67	-1.220.007.418,66	0,00	-58.252.767,91	0,00	0,00	1.883.231.680,10
Liabilities for employee benefits	260.214.592,54						260.214.592,54
Provisions	133.215.974,59						133.215.974,59
Financial liabilities	2.558.404.511,22			-3.335.471,10			2.555.069.040,12
Derivative financial instruments	116.344.004,85			259.204.631,94			375.548.636,79
Trade debts	40.927.975,12						40.927.975,12
Grants	0	1.195.959.044,68					1.195.959.044,68
Other liabilities	358.652.595,19			-21.960.274,56			336.692.320,63
Non current liabilities	3.467.759.653,51	1.195.959.044,68	0,00	233.908.886,28	0,00	0,00	4.897.627.584,47
Liabilities for employee benefits	154.414.756,70						154.414.756,70
Provisions	50.208.346,64						50.208.346,64
Financial liabilities	985.154.389,89			1.203.969,99			986.358.359,88
Derivative financial instruments	9.350.224,67			153.044,07			9.503.268,74
Trade debts	153.665.974,54						153.665.974,54
Social debts	25.189.246,09						25.189.246,09
Grants	0	53.252.588,60					53.252.588,60
Other liabilities	383.613.209,18			-1.747.114,99			381.866.094,19
Current liabilities	1.761.596.147,71	53.252.588,60	0,00	-390.100,93	0,00	0,00	1.814.458.635,38
Liabilities directly associated with non-current assets classified as available-for-sale	3.178.668.382,20						3.178.668.382,20
Total liabilities	8.408.024.183,42	1.249.211.633,28	0,00	233.518.785,35	0,00	0,00	9.890.754.602,05
TOTAL EQUITY AND LIABILITIES	11.569.516.050,09	29.204.214,62	0,00	175.266.017,44	0,00	0,00	11.773.986.282,15

Reconciliation of operating result at 1 January 2013	Belgian GAAP	Capital grants and SPV LLN 4.1	Revaluation land and investments 4.2	Derivative financial instruments 4.3	Employee benefits 4.4	Deferred taxes 4.5	IFRS
Turnover	2.282.220.537,36						2.282.220.537,36
Operating grants	233.972.000,13						233.972.000,13
Internally generated fixed assets	19.738.355,32						19.738.355,32
Other operating income	33.744.449,69						33.744.449,69
Purchase of raw materials and goods for resale	-4.756.952,68						-4.756.952,68
Services and other goods	-237.432.808,24			-19.660.794,78			-257.093.603,02
Employee expenses	-2.125.651.954,32				-17.538.111,33		-2.143.190.065,65
Other operating expenses	-7.669.418,87						-7.669.418,87
Total of the operating expenses before depreciation and impairment	194.164.208,39	0,00	0,00	-19.660.794,78	-17.538.111,33	0,00	156.965.302,28
Investment grants	91.209.836,86						91.209.836,86
Depreciation and impairment losses on intangible assets, property, plant and equipment and investment properties	-109.415.180,99						-109.415.180,99
Impairment losses on investments in subsidiaries, joint ventures and associates	-20.461.843,55			9.813.438,65			-10.648.404,90
Operating result	155.497.020,71	0,00	0,00	-9.847.356,13	-17.538.111,33	0,00	128.111.553,25
Financial income	89.729.516,87			204.841.246,34			294.570.763,21
Financial expenses	-122.407.624,35			-209.984.724,33			-332.392.348,68
Net result from continuing operations before tax	122.818.913,23	0,00	0,00	-14.990.834,12	-17.538.111,33	0,00	90.289.967,78
Income taxes	-5.767,05					-149.249.677,26	-149.255.444,31
NET RESULT FROM CONTINUING OPERATIONS	122.813.146,18	0,00	0,00	-14.990.834,12	-17.538.111,33	-149.249.677,26	-58.965.476,53
Net result from discontinued operations	0,00	0,00	0,00	-9.813.438,65	0,00	0,00	-9.813.438,65
NET RESULT FOR THE YEAR	122.813.146,18	0,00	0,00	-24.804.272,77	-17.538.111,33	-149.249.677,26	-68.778.915,18
Other comprehensive income for the year :							
Actuarial differences on post-employment benefits	27.994.622,83						27.994.622,83
Tax relating to other comprehensive income	0,00					12.792.608,89	12.792.608,89
Available-for-sale financial assets	0,00						
Tax relating to other comprehensive income	0,00			-5.387,88		222,03	
Total other comprehensive income for the year	27.994.622,83	0,00	0,00	-5.387,88	0,00	12.792.830,92	40.782.065,87
TOTAL COMPREHENSIVE INCOME	150.807.769,01	0,00	0,00	-24.809.660,65	-17.538.111,33	-136.456.846,34	-27.996.849,31

4.1 Investment grants

Investment grants on intangible assets, property, plant and equipment are accounted for as equity in the Belgian GAAP accounts, while they are accounted for as liabilities in the IFRS accounts as of 1 January 2013 (1.263.876.175,86 EUR under non-current liabilities and 78.118.355,25 EUR under current liabilities) and 31 December 2013 (1.166.754.830,06 EUR under non-current liabilities and 53.252.588,60 EUR under current liabilities).

In addition 27.809.512,00 EUR (29.204.214,62 EUR) was recorded as investment grants in the IFRS accounts on 1 January 2013 (31 December 2013) in respect of receivables on the State relating to SPV LLN (construction of a parking lot).

4.2 Revaluation of land and investments

In accordance with IFRS 1 at the transition to IFRS (1 January 2013) the SNCB has valued certain plots of lands that are classified as property, plant and equipment, investment property and non-current assets held for sale for an amount of 1.127.028.528,39 EUR and certain investments in subsidiaries,

joint ventures and associates for an amount of 96.568.00,00 EUR in its IFRS accounts.

4.3 *Financial instruments at fair value*

According to IFRS, derivatives are recognised in the statement of financial position at fair value at 1

January 2013, while a provision relating to certain derivatives that was recognised in the Belgian GAAP accounts up till 31 December 2012 was reversed as at 1 January 2013.

According to SIC 27, certain investments and liabilities under cross-border arrangements were recognised at 1 January 2013. The SNCB chose to value some of these investments and liabilities at fair value at 1 January 2013.

In the context of the alignment of the Belgian GAAP accounts to IFRS, all adjustments to IFRS relating to financial instruments are recorded in the Belgian GAAP accounts as from 1 January 2013, except for positive fair value adjustments of financial instruments, investments and liabilities that are only recorded in the IFRS accounts.

4.4 *Employee benefits*

The impact of the application of IAS 19 Revised (with application on the financial years as of 1 January 2013) was recorded in the Belgian GAAP accounts in the results of 2013. On the other hand this impact was recorded in the IFRS accounts in the opening statement of financial position as of 1 January 2013. The main change concerns the scope of termination benefits that was limited as a consequence of the application of IAS 19 Revised. This has an impact (reduction) of 17.538.111,33 EUR on liabilities for employee benefits.

4.5 *Deferred taxes*

A deferred tax asset (136.456.846,34 EUR EUR at 1 January 2013 and 0 EUR at 31 December 2013) on temporary differences which include mainly positive fair value adjustments of financial instruments, some liabilities for employee benefits and recoverable tax losses, is only recognised in the IFRS financial statements.

5 Note 5 – Intangible assets

		Internally generated softwares	Others	Total
Carrying value at 1 January 2013	Note	125.128.908,29	18.070,00	125.146.978,29
Acquisitions		11.058.945,27	0,00	11.058.945,27
Internally generated fixed assets		7.422.009,45		7.422.009,45
Disposals		0,00	0,00	0,00
Transfers to				
assets held for sales	16	-94.291.833,09	0,00	-94.291.833,09
other transfers		0,00	13.065,00	13.065,00
Impairment losses		-20.531.709,97	0,00	-20.531.709,97
Reversal of impairment losses		0,00	0,00	0,00
Amortisation of the year		-17.164.515,53	0,00	-17.164.515,53
Carrying value at 31 December 2013		11.621.804,42	31.135,00	11.652.939,42
Carrying value at 1 January 2014		11.621.804,42	31.135,00	11.652.939,42
Réorganization	37	255.221.593,67		255.221.593,67
Acquisitions		45.384.671,96		45.384.671,96
Internally generated fixed assets		7.617.593,14		7.617.593,14
Disposals		0,00		0,00
Other transfers		-132.676,18	8.060,00	-124.616,18
Impairment losses		-5.066.355,71		-5.066.355,71
Reversal of impairment losses				0,00
Amortisation of the year		-46.464.566,77		-46.464.566,77
Carrying value at 31 December 2014		268.182.064,53	39.195,00	268.221.259,53
		Internally generated softwares	Others	Total
As at 31 December 2013				
Cost		74.984.480,53	31.135,00	75.015.615,53
Accumulated amortisation		-44.168.575,54	0,00	-44.168.575,54
Accumulated impairment		-19.194.100,57	0,00	-19.194.100,57
Carrying value at 31 December 2013		11.621.804,42	31.135,00	11.652.939,42
As at 31 December 2014				
Cost		456.175.474,53	39.195,00	456.214.669,53
Accumulated amortisation		-166.290.382,86		-166.290.382,86
Accumulated impairment		-21.703.027,14		-21.703.027,14
Carrying value at 31 December 2014		268.182.064,53	39.195,00	268.221.259,53

The intangible assets « Other » include green certificates received as counterpart of installation of photovoltaic panels.

Intangible assets that are not yet ready for use amount to 69.835.063,50 EUR at 31 December 2014 and to 33.800.150,70 EUR at 31 December 2013. This software under construction is fully financed in 2013 by grants and therefore was not subject to any impairment loss on this date. In 2014, 65.022.018,27 EUR was financed by government grants. No impairment loss was recorded in 2014.

Carrying value of intangible assets	31/12/2014	31/12/2013
Acquired through grants: internally generated softwares	257.107.371,93	105.900.416,66
Transfer to assets held for sales (note 16)	0,00	-94.278.612,24

On 31 December 2014, 96% of the intangible assets are financed.

The Company has no intangible assets with indefinite useful life.

6 Note 6 – Property, plant and equipment

6.1 Property, plant and equipment

	Land	Buildings	Rail infrastructure	Railway rolling stock	Plant and various equipment	Assets under construction	Total
<i>Notes</i>							
Carrying value at 1 January 2013	528.767.813,08	707.408.288,13	0,00	0,00	99.833.683,07	373.275.516,64	1.709.285.300,92
Acquisitions	0,00	152.668,91	0,00	0,00	1.023.454,66	133.211.860,82	134.387.984,39
Internally generated	0,00	0,00	0,00	0,00	0,00	12.316.345,87	12.316.345,87
Borrowing cost	0,00	0,00	0,00	0,00	0,00	248.677,85	248.677,85
Disposals	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Transfer to:							
assets held for sale (partial demerger to Infrabel and contribution to HR Rail)	16 0,00	-13.416.985,82	0,00	0,00	-27.218.863,42	-6.105.252,71	-46.741.101,95
other assets held for sales	-188.453,60	20.935,83	0,00	0,00	-4.323.689,10	-6.947.412,03	-11.438.618,90
other category within this section	388.609,98	7.975.676,99	0,00	0,00	8.976.790,28	-17.341.077,25	0,00
other	1.920.708,74	-333.165,28	0,00	0,00	2.193.980,06	-695.619,01	3.085.904,51
Impairment losses	0,00	-980.185,40	0,00	0,00	-8.232.553,85	0,00	-9.212.739,25
Reversal of impairment losses	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Depreciation	0,00	-39.144.088,12	0,00	0,00	-18.976.351,18	0,00	-58.120.439,30
Carrying value at 31 December 2013	530.888.678,20	661.683.145,24	0,00	0,00	53.276.450,52	487.963.040,18	1.733.811.314,14
Carrying value at 1 January 2014	530.888.678,20	661.683.145,24	0,00	0,00	53.276.450,52	487.963.040,18	1.733.811.314,14
Réorganisation	40.537.265,39	140.159.320,32	43.297.957,36	3.723.772.040,68	114.150.026,17	409.761.628,87	4.471.678.238,79
Acquisitions		3.433.334,62		59.680,41	582.341,88	659.464.451,04	663.539.807,95
Internally generated						104.799.935,53	104.799.935,53
Borrowing cost						189.349,33	189.349,33
Disposals		-93,33		-61.488,46	-160.374,98		-221.956,77
Transfer to:							
other assets held for sales	-1.336.769,31	-291.116,03		-89.568.418,26	-81.620,16	402.257,95	-90.875.665,81
other category within this section	10.077.303,09	94.067.297,28	2.957.835,75	646.518.873,28	46.241.647,47	-799.862.956,87	0,00
Other transfers	-970.198,57	-2.506.802,11			-235.231,97	-511.372,36	-4.223.605,01
Impairment losses		-1.701.234,74	-17.745,21	-10.643.515,79	-3.613.121,91		-15.975.617,65
Reversal of impairment losses		127.764,11			83.159,50		210.923,61
Depreciation		-48.740.091,10	-2.275.897,92	-233.521.153,53	-23.374.976,53		-307.912.119,08
Carrying value at 31 December 2014	579.196.278,80	846.231.524,26	43.962.149,98	4.036.556.018,33	186.868.299,99	862.206.333,67	6.555.020.605,03

	Land	Buildings	Infrastructure ferroviaire	Railway rolling stock	Plant and various equipment	Assets under construction	Total
As at 31 December 2013							
Cost	530.888.678,20	1.186.071.339,86	0,00	0,00	290.273.910,19	487.963.040,18	2.495.196.968,43
Accumulated amortisation	0,00	-523.555.661,05	0,00	0,00	-229.076.968,89	0,00	-752.632.629,94
Accumulated impairment	0,00	-832.533,57	0,00	0,00	-7.920.490,78	0,00	-8.753.024,35
Carrying value at 31 December 2013	530.888.678,20	661.683.145,24	0,00	0,00	53.276.450,52	487.963.040,18	1.733.811.314,14
As at 31 December 2014							
Cost	146.571.260,36	1.551.299.040,04	110.585.825,48	6.184.757.089,25	558.577.008,33	862.206.333,67	9.413.996.557,13
Accumulated amortisation		-698.218.425,57	-57.198.238,58	-2.358.782.521,02	-356.382.589,62		-3.470.581.774,79
Accumulated impairment	-1.099,46	-6.849.090,21	-9.425.436,92	-8.178.260,95	-15.326.118,72		-39.780.006,26
Carrying value at 31 December 2014	146.570.160,90	846.231.524,26	43.962.149,98	3.817.796.307,28	186.868.299,99	862.206.333,67	5.903.634.776,08

The capitalisation rate used to determine the amounts of borrowing costs to be incorporated in property, plant and equipment is 2,82% in 2014 and 3,24% in 2013.

6.2 Property, plant and equipment : finance leases

The Company holds the following assets, included in the total of property, plant and equipment under finance lease contracts:

Buildings	
As at 31 December 2013	
Cost	13.471.103,35
Transfer to assets held for sales (partial demerger to Infrabel)	-4.952.564,24
Accumulated amortisation	-7.173.327,56
Accumulated impairment	0,00
Carrying value at 31 December 2013	1.345.211,55
As at 31 December 2014	
Cost	8.518.539,11
Accumulated amortisation	-7.371.516,08
Accumulated impairment	
Carrying value at 31 December 2014	1.147.023,03

As a result of the transfer of the data center of Muizen to Infrabel as of 31 of December 2014 the buildings held under finance leases concern only the Salik building.

6.3 Other information related to property, plant and equipment

Carrying value of property, plant and equipment	31/12/2014	31/12/2013
of which the property is restricted		0,00
given as a collateral for debts	1.920.241.633,84	2.076.478.041,67
Total	1.920.241.633,84	2.076.478.041,67
Carrying value of property, plant and equipment	31/12/2014	31/12/2013
Acquired through grants		
<i>Land</i>	38.095.263,45	26.238.778,71
<i>Buildings</i>	765.389.087,93	605.254.195,14
<i>Rail infrastructure</i>	31.692.038,32	0,00
<i>Railway rolling stock</i>	3.588.687.812,57	0,00
<i>Plant and various equipment</i>	143.971.481,58	50.739.691,08
<i>Assets under construction</i>	851.838.129,94	480.326.661,09
Total	5.419.673.813,79	1.162.559.326,02

On 31 December 2014, 82,7% of the property, plant and equipment is financed.

7 Note 7 – Investment property

7.1 Investment property

	Land	Buildings	Total
Carrying value at 1 January 2013	728.814.054,87	12.974.038,70	741.788.093,57
Acquisitions	0,00	8.117,24	8.117,24
Internally generated	0,00	0,00	0,00
Disposals	0,00	0,00	0,00
Borrowing cost	0,00	0,00	0,00
Transfer to:			
non-current assets held for sale	-824.009,72	-690.221,71	-1.514.231,43
property, plant and equipment	0,00	0,00	0,00
other	-1.949.997,44	-1.524.506,27	-3.474.503,71
Impairment losses	0,00	-3.911.137,95	-3.911.137,95
Reversal of impairment losses	0,00	0,00	0,00
Depreciation of the year	0,00	-474.638,99	-474.638,99
Carrying value at 31 December 2013	726.040.047,71	6.381.651,02	732.421.698,73
Carrying value at 1 January 2014	726.040.047,71	6.381.651,02	732.421.698,73
Réorganization	-36.193.125,76		-36.193.125,76
Acquisitions			0,00
Internally generated			0,00
Disposals			0,00
Borrowing cost			0,00
Transfer to:			
non-current assets held for sale	-9.743.733,09	143.308,93	-9.600.424,16
property, plant and equipment			0,00
other	960.354,86	3.430.140,66	4.390.495,52
Impairment losses			0,00
Reversal of impairment losses			0,00
Depreciation of the year		-584.870,41	-584.870,41
Carrying value at 31 December 2014	681.063.543,72	9.370.230,20	690.433.773,92

	Land	Buildings	Total
As at 31 December 2013			
Cost	726.040.047,71	59.646.310,92	785.686.358,63
Accumulated depreciation	0,00	-49.353.521,95	-49.353.521,95
Accumulated impairment	0,00	-3.911.137,95	-3.911.137,95
Carrying value at 31 December 2013	726.040.047,71	6.381.651,02	732.421.698,73
As at 31 December 2014			
Cost	681.063.543,72	64.119.791,00	745.183.334,72
Accumulated depreciation	0,00	-50.838.422,85	-50.838.422,85
Accumulated impairment	0,00	-3.911.137,95	-3.911.137,95
Carrying value at 31 December 2014	681.063.543,72	9.370.230,20	690.433.773,92

7.2 Other information related to investment property

Carrying value of investment properties	31/12/2014	31/12/2013
of which the property is		
restricted	0,00	0,00
given as a collateral for debts	0,00	0,00
Total	0,00	0,00

Carrying value of investment properties	31/12/2014	31/12/2013
Acquired through grants		
Land	3.448.807,65	3.631.932,23
Buildings	8.008.070,66	5.367.089,52
Total	11.456.878,31	8.999.021,75

Accounted for in net result for the year ending	31/12/2014	31/12/2013
Rental income	23.335.152,30	14.009.126,32
Operating expenses	6.840.805,94	7.196.397,96

Investment properties include land and buildings leased out under an operating lease contract:

	31/12/2014			31/12/2013		
	Land	Buildings	Total	Land	Buildings	Total
Cost	434.749.567,48	13.006.420,97	447.755.988,45	438.945.488,93	7.930.485,98	446.875.974,91
Accumulated depreciation at 1 January		-10.313.031,60	-10.313.031,60	0,00	-5.933.028,62	-5.933.028,62
Depreciation of the year		-220.559,89	-220.559,89	0,00	-195.968,54	-195.968,54
Carrying value at 31 December	434.749.567,48	2.472.829,48	437.222.396,96	438.945.488,93	1.801.488,82	440.746.977,75

Fair value of investment property

The fair value has been determined based on two main methods. Land around stations and for which development plans exist, have been valued either based on market comparable, or based on present value of estimated future cash flows, considering the most favourable use of the land, and taking into account realistic and prudent assumption on their potential use. Other plots of land have been valued based on market comparable, i.e. based on recent transactions with third parties. Depending on the nature of the land, adjustments have been made to reflect the specificities of the land used for railway activities, as these specificities have not necessarily been taken into account in market prices for general transactions. These valuations are level 2 valuations (based on market data relative to the asset, other than data observable on active markets) or level 3 valuations (based on non-observable data relative to the asset).

The fair value of buildings is determined based on annual net rents (to which a return rate is applied) in respect of buildings that are occupied (rented), and based on the average selling price less costs to sell for the last five years in respect of buildings that are not occupied (rented).

	Land	Buildings	Total
Fair value as at 31 December 2014	681.063.543,72	36.040.233,82	717.103.777,54
Fair value as at 31 December 2013	726.040.047,71	35.624.184,82	761.664.232,53

8 Note 8 – Interests in subsidiaries

8.1 Interests in subsidiaries

		2014	2013
	Note		
Carrying value at 1 January		171.056.038,09	188.218.387,94
Réorganization SA	37	4.072.387,05	0,00
Acquisitions		4.638.076,49	11.530.553,32
Disposals		-4.395.543,68	0,00
Impairment			-11.528.939,32
Reversal of impairment losses			1.712.700,00
Transfer to assets held for sales	16		-17.163.963,85
Transfer to another balance sheet item			-1.712.700,00
Carrying value at 31 December		175.370.957,95	171.056.038,09

Name	Share of voting rights in % at 31 December		Location of headquarters	VAT number
	2014	2013		
SNCB SA		100,00	Bruxelles	BE 0869 763 069
Eurostation SA	99,97	99,97	Bruxelles	BE 0446 601 757
Eurogare SA	75,00	75,00	Liège	BE 0451 150 562
Foncière rue de France SA	100,00	99,92	Bruxelles	BE 0433 939 101
South Station SA	25,10	25,10	Bruxelles	BE 0896 513 095
B-Parking SA	100,00	100,00	Bruxelles	BE 0899 348 834
YPTO	100,00		Bruxelles	BE 0821 220 410
Railtour	95,44		Bruxelles	BE 0402 698 765
SPV LLN SA	100,00	100,00	Bruxelles	BE 0826 478 107
Transurb Technirail SA	92,00	92,00	Bruxelles	BE 0413 393 907
<u>Partial demerger to Infrabel:</u>				
SPV 162 SA		100,00	Bruxelles	BE 0886 279 892
SPV Zwankendamme SA		100,00	Bruxelles	BE 0888 985 105
SPV Brussels Port SA		100,00	Bruxelles	BE 0889 172 472
Syntigo SA		100,00	Bruxelles	BE 0476 975 427
<u>Contribution to HR Rail:</u>				
Rail Facilities SA		99,99	Bruxelles	BE 0403 265 325

9 Note 9 – Interests in joint ventures and associates

9.1 Interests in joint ventures and associates

		31/12/2014	31/12/2013
	Notes		
Interests in joint ventures	9.2	7.225.299,77	601.734,66
Interests in associates	9.3	85.707.188,98	74.350.112,61
Net carrying value		92.932.488,75	74.951.847,27

9.2 Interests in joint ventures

	2014	2013
Carrying value as at 1 January	601.734,66	1.482.615,04
Reorganization	9.014.407,65	0,00
Individual acquisitions	0,00	0,00
Disposals	-254.770,00	0,00
Transfer to another balance sheet item (property, plant and equipment)	217.870,00	0,00
Impairment losses	-2.365.313,16	-880.880,38
Other mouvements	11.370,62	0,00
Carrying value as at 31 December	7.225.299,77	601.734,66

Name	Share of voting rights in % at 31 December		Location of headquarters	VAT number
	2014	2013		
Publifer	50,00	50,00	Bruxelles	BE 0402 695 933
Blue Mobility	0,00	60,00	Anvers	BE 0832 369 965
BeNe RI	50,00		Bruxelles	BE 0479.863.354
Thalys Int	28,00		Bruxelles	BE 0455.370.557
THI Factory	40,00		Bruxelles	BE 0541.696.005
Belgian Mob Card	25,00		Bruxelles	BE 0822.658.483
ATO	50,00		Anvers	BE 0882.650.114
Liège Container Term	50,00		Flémalle	BE 0878.226.320

	31/12/2014							Total
	Publifer	BeNe RI	Thalys Int.	THI Factory	Belgian Mob Card	ATO	Liège Container Term	
Share in statement of financial position of joint ventures								
Current assets	2.700.914,14	6.225.526,74	6.382.551,99	54.369,21	200.455,66	1.201.008,26	785.043,74	17.549.869,74
Non current assets	506.786,19	3.921.428,92	1.030.244,80	0,00	144,42	2.499.469,03	1.439.055,93	9.397.129,29
Current liabilities	-2.322.098,07	-6.093.091,03	-6.598.065,94	-29.271,61	-173.781,18	-1.136.772,68	-909.657,62	-17.262.738,13
Non current liabilities	-4.230,12	0,00	-257.802,00	0,00	0,00	-19.805,44	-169.519,39	-451.356,95
Net assets	881.372,14	4.053.864,63	556.928,85	25.097,60	26.818,90	2.543.899,17	1.144.922,66	9.232.903,95
								0,00
Share in statement of net result of joint ventures								
Income	4.409.461,94	14.314.119,55	28.232.539,93	24.004,53	245.956,83	6.148.050,41	3.055.474,22	56.429.607,41
Expenses	-4.104.295,07	-14.304.870,85	-28.123.120,18	-37.682,91	-241.142,13	-5.720.321,66	-3.068.362,46	-55.599.795,26
Net result	305.166,87	9.248,70	109.419,75	-13.678,38	4.814,70	427.728,75	-12.888,24	829.812,15
								0,00
								0,00
	31/12/2013							Total
	Publifer	Blue Mobility	BeNe RI	Thalys Int.	THI Factory	Belgian Mob Card	ATO	
Share in statement of financial position of joint ventures								
Current assets	1.993.083,31	228.817,84	5.622.595,80	6.827.441,06	38.914,98	70.018,70	1.231.587,76	2.221.901,15
Non current assets	557.563,58	18.725,30	4.487.003,85	470.421,92	0,00	195,00	2.910.404,58	576.288,87
Current liabilities	-1.817.067,43	-208.281,10	-5.887.417,35	-6.468.207,49	-139,00	-48.209,50	-1.984.230,32	-2.025.348,52
Non current liabilities	-7.374,18	0,00	-152.583,15	-382.146,39	0,00	0,00	-41.591,60	-737,18
Net assets	726.205,28	39.262,04	4.069.599,15	447.509,10	38.775,98	22.004,20	2.116.170,42	765.467,32
								0,00
Share in statement of net results of joint ventures								
Income	4.028.935,44	466.098,49	14.406.717,10	27.657.556,11	0,00	108.701,82	5.867.847,38	4.495.033,93
Expenses	-3.867.564,82	-465.178,02	-14.380.418,97	-27.558.583,38	-1.224,02	-106.806,85	-5.623.226,85	-4.332.742,84
Net result	161.370,62	920,47	26.298,13	98972,73	-1.224,02	1.894,97	244.620,53	162.291,09

9.3 Interests in associates

	2014	2013
Carrying value as at 1 January	74.350.112,61	74.271.262,81
Reorganization	4.547.973,11	0,00
Acquisitions		105.750,00
Disposals	-200.000,00	-615,00
Impairment	-2.990.896,74	0,00
Reversals of impairment losses	0,00	48.714,80
Transfer from another balance sheet item	10.000.000,00	0,00
Transfer to another balance sheet item	0,00	-75.000,00
Carrying value as at 31 December	85.707.188,98	74.350.112,61

Name	Share of voting rights in % at 31 December		Location of headquarters	VAT nummer
	2014	2013		
Eurofima	9,80	9,80	Bâle N.C.	
Optimobil	24,01	24,01	Bruxelles	BE 0471 868 277
HR RAIL	49,00	50,00	Bruxelles	BE 0541.691.352
Terminal Athus	25,42		Athus	BE 0419.149.074
Railteam	10,00		Amsterdam	NL 818547182B01

The share of the SNCB in the voting rights of HR Rail amounts to 49%, but the percentage held in this company is 20%. Infrabel holds 20% and the State the remaining 60%.

Share in the statement of financial position and in the comprehensive income of the associates:

	31/12/2014					Total	31/12/2013		
	Eurofima	Optimobil	HR Rail	Terminal Athus	Railteam		Eurofima	Optimobil	Total
Assets	2.125.631.977,06	140.767,34	251.322.853,16	2.820.100,47	22.167,20	2.379.937.865,23	2.204.578.494,14	104.249,11	2.204.682.743,25
Liabilities	-2.021.632.645,56	-77.085,40	-243.611.876,90	-992.880,91	-15.872,20	-2.266.330.360,97	-2.103.344.400,00	-48.023,19	-2.103.392.423,19
Income	78.797.995,18	273.062,99	1.045.671.995,58	5.371.442,90	64.894,40	1.130.179.391,05	93.279.722,21	235.689,49	93.515.411,70
Total comprehensive income	2.765.237,20	7.456,01	-2.119.520,32	299.789,30	208,80	953.170,99	632.758,49	7.380,41	640.138,90

10 Note 10 - Trade and other receivables

10.1 Trade and other receivables

		31/12/2014		31/12/2013		
	Notes	Gross amount	Impairment	Gross amount	Impairment	Net amount
Non-current						
Trade receivables				0,00	0,00	0,00
Receivables on public authorities						
Other trade receivables						
Other receivables		824.715.500,55	0,00	824.715.500,55	1.008.427.773,11	0,00
Receivables on public authorities	34	739.707.442,88		739.707.442,88	638.670.652,92	638.670.652,92
Deferred charges		0,00		0,00	0,00	0,00
Accrued income		0,00		0,00	0,00	0,00
Finance lease receivables	10.3	77.762.132,55		77.762.132,55	283.323.114,61	283.323.114,61
Other receivables within the Group		6.510.701,52		6.510.701,52	86.428.038,00	86.428.038,00
Other receivables		735.223,60		735.223,60	5.967,58	5.967,58
Total (non-current)		824.715.500,55	0,00	824.715.500,55	1.008.427.773,11	0,00
Current						
Trade receivables		594.767.082,28	-11.016.216,18	583.750.866,10	163.141.507,42	-4.719.469,11
Amounts due from customers for contract work		135.127.312,81	-9.330.710,11	125.796.602,70	11.280.432,90	-3.168.181,17
Receivables on public authorities	11	11.156.528,89		11.156.528,89	8.707.061,57	
Créances sur parties liées	34	401.769.398,53		401.769.398,53	79.676.000,00	
Other trade receivables		46.713.842,05	-1.685.506,07	45.028.335,98	63.478.012,95	-1.551.287,94
Other receivables		763.486.206,74	-5.237.293,46	758.248.913,28	504.346.442,38	-2.107.669,17
Receivables on public authorities	34	34.982.029,15	-224.311,20	34.757.717,95	37.496.124,40	-108.311,20
Deferred charges		119.534.429,33		119.534.429,33	7.147.497,00	
Accrued income		73.869.555,85		73.869.555,85	108.351.021,27	
Advances on inventories		3.393.753,81	-90.864,42	3.302.889,39		
Finance lease receivables	10.3	2.552.363,49		2.552.363,49	24.329.945,89	
Other receivables within the Group		12.350.617,71	-126.145,59	12.224.472,12	15.198.761,03	-5.625,59
Other receivables		516.803.457,40	-4.795.972,25	512.007.485,15	311.823.092,79	-1.993.732,38
Total (current)		1.358.253.289,02	-16.253.509,64	1.341.999.779,38	667.487.949,80	-6.827.138,28

Trade and other receivables at 31 December 2014 include 1.176.234.559,36 EUR of receivables on the State within the framework of the Management Contract (financial interventions such as compensation allowances and investment grants) and certain financing contracts for investments just as well as 334.012.045,00 EUR of cash guarantees within the framework of CSA (other receivables).

10.2 Trade and other receivables: write downs

The nominal value of trade and other receivables that are subject to impairment losses amounts to 16.253.509,64 EUR (6.827.138,28 EUR) at 31 December 2014 (2013). The table below shows the changes in write downs on trade and other receivables.

The exposure of the Company to credit risk and currency risk relating to trade and other receivables, excluding construction contracts and deferred charges, is given in note 2.

	2014	2013
Impairment on non-current trade and other receivables		
At 1 January	0,00	0,00
Write downs	0,00	0,00
Use of impairment on irrecoverable receivables that are reversed	0,00	0,00
Reversal of impairment	0,00	0,00
At 31 December	0,00	0,00

	2014	2013
Impairment on current trade and other receivables		
At 1 January	6.827.138,28	7.857.719,32
Reorganization	126.202.112,01	
Charged to impairment	17.088.604,39 (1)	2.595.890,61
Charged to impairment (stock tampon 3690 3010)	37.044,42 (2)	
Charged to impairment (37- IAS 18)	105.033,81 (3)	
Use of impairment on irrecoverable receivables that are reversed	-131.277.980,44	-528.308,06
Reversal of impairment	-2.663.811,28 (1)	-2.497.240,56
Reversal of impairment (37-IAS 18)	-64.631,55 (3)	
Transfer to assets held for sales (contribution to HR Rail)		-600.923,03
At 31 December	16.253.509,64	6.827.138,28

10.3 Finance lease receivables

	Less than 1 year	Between one and five years	More than 5 years	Total
Net investments at 31/12/2014				
Future minimum payments	5334615,27	21741286,06	114771959,6	141.847.860,97
Unearned financial income	-2782251,78	-11316480,36	-47434632,79	-61.533.364,93
Total	2.552.363,49	10.424.805,70	67.337.326,85	80.314.496,04
Net investments at 31/12/2013				
Future minimum payments	35.115.244,39	113.989.898,32	310.817.597,32	459.922.740,03
Unearned financial income	-10.785.298,50	-39.657.061,69	-101.827.319,34	-152.269.679,53
Total	24.329.945,89	74.332.836,63	208.990.277,98	307.653.060,50

The Company concluded a finance lease contract with SNCB Logistics relating to rolling stock for 67.818.433,15 EUR, and long leases of 99 years with third parties relating to land and buildings.

The finance lease receivables of 80.315.496,04 EUR at 31 December 2014 include the contracts with SNCB Logistics just and the long leases of 99 years with third parties relating to land and buildings.

The unguaranteed residual values returning to the Company under the finance lease contracts amount to 5.155.711,27 EUR (5.189.925,60 EUR) as at 31 December 2014 (2013).

11 Note 11 – Construction contracts

		31/12/2014	31/12/2013
	Notes		
Income from construction contracts (for the year)	26.11	22.804.579,27	89.990.715,58
Aggregate amount of costs incurred		50.069.886,58	33.452.930,30
Aggregate amount of recognised profits (losses)		919.177,38	876.740,44
Amount of advances received	22	44.569.523,46	40.927.975,12
Retentions		0,00	0,00

The total amount due from customers for construction contracts of which the aggregate amount of costs incurred increased with recognised profits or reduced with recognised losses is higher than the amount of intermediate invoicing is recorded at the assets side of the statement of financial position under the current trade and other receivables:

		31/12/2014	31/12/2013
	Note		
Aggregate amount of: Costs incurred		46.186.391,36	20.906.759,38
Recognised profits (losses)		468.674,35	150.919,90
Aggregate amount of: Intermediate invoicing		-35.498.536,82	-12.350.617,71
Gross amounts due from customers for construction contracts	10.1	11.156.528,89	8.707.061,57

The total amount due to customers for construction contracts for which the amount of intermediate invoicing is higher than the aggregate amount of costs incurred increased with recognised profits or reduced with recognised losses is recorded at the liabilities side of the statement of financial position under the current and non-current trade and other payables.

		31/12/2014	31/12/2013
	Note		
Aggregate amount of: Costs incurred		3.883.495,22	12.546.170,92
Recognised profits (losses)		450.503,03	725.820,54
Aggregate amount of: Intermediate invoicing		-9.313.258,25	-18.725.328,20
Gross amounts due to customers for construction contracts	22	4.979.260,00	5.453.336,74

The amount of advances received is as follows:

		31/12/2014	31/12/2013
	Note		
Advances received		75.200.000,00	51.650.000,00
Capitalized interest		1.945.979,37	1.707.900,79
Aggregate amount of: Costs incurred		-32.576.455,91	-12.429.925,67
Advances received from customers for construction contracts	22	44.569.523,46	40.927.975,12

12 Note 12 – Derivatives

12.1 Derivatives by category

The table below divides the fair value of swaps into three components:

- The nominal: the difference between the outstanding nominal amounts of the receiving leg and the paying leg converted at the closing rate.
- Accrued income and expenses.
- The fair value adjustment.

Derivatives		31/12/2014			
Assets		Nominal	Fair value adjustments	Accrued income	Total
Derivatives used for cash flow management		46.899.105,26	312.788.979,88	2.141.079,93	361.829.165,07
Interest rate swaps		2.271.984,37	286.373.271,91	0,00	288.645.256,28
Currency swaps		44.627.120,89	26.415.707,97	2.141.079,93	73.183.908,79
Commodity swaps		0,00	0,00	0,00	0,00
Inflation swaps		0,00	0,00	0,00	0,00
Other derivatives		0,00	0,00	0,00	0,00
Other		0,00	0,00	0,00	0,00
Total (non-current)		46.899.105,26	312.788.979,88	2.141.079,93	361.829.165,07
Derivatives used for cash flow management		0,00	0,00	0,00	0,00
Interest rate swaps		0,00	0,00	0,00	0,00
Currency swaps		0,00	0,00	0,00	0,00
Commodity swaps		0,00	0,00	0,00	0,00
Inflation swaps		0,00	0,00	0,00	0,00
Other derivatives		0,00	0,00	0,00	0,00
Other		0,00	0,00	0,00	0,00
Total (current)		0,00	0,00	0,00	0,00
Liabilities		Nominal	Fair value adjustments	Accrued expenses	Total
Derivatives used for cash flow management		-85.873.785,60	-466.264.537,28	-240.779,07	-552.379.101,95
Interest rate swaps		-20.879.867,35	-445.998.435,40	-613.189,16	-467.491.491,91
Currency swaps		-64.993.918,25	-6.127.625,05	372.410,09	-70.749.133,21
Commodity swaps		0,00	0,00	0,00	0,00
Inflation swaps		0,00	-14.138.476,83	0,00	-14.138.476,83
Other derivatives		0,00	0,00	0,00	0,00
Other		0,00	0,00	0,00	0,00
Total (non-current)		-85.873.785,60	-466.264.537,28	-240.779,07	-552.379.101,95
Derivatives used for cash flow management		0,00	0,00	-10.474.254,85	-10.474.254,85
Interest rate swaps		0,00	0,00	-13.377.255,92	-13.377.255,92
Currency swaps		0,00	0,00	3.016.150,77	3.016.150,77
Commodity swaps		0,00	0,00	0,00	0,00
Inflation swaps		0,00	0,00	-113.149,70	-113.149,70
Other derivatives		0,00	0,00	0,00	0,00
Other		0,00	0,00	0,00	0,00
Total (current)		0,00	0,00	-10.474.254,85	-10.474.254,85

Derivatives used for cash flow management	Nominal	Fair value adjustments	Accrued income and accrued expenses	Total
Total assets	46.899.105,26	312.788.979,88	2.141.079,93	361.829.165,07
Non-current	46.899.105,26	312.788.979,88	2.141.079,93	361.829.165,07
Current	0,00	0,00	0,00	0,00
Total liabilities	-85.873.785,60	-466.264.537,28	-10.715.033,92	-562.853.356,80
Non-current	-85.873.785,60	-466.264.537,28	-240.779,07	-552.379.101,95
Current	0,00	0,00	-10.474.254,85	-10.474.254,85
TOTAL	-38.974.680,34	-153.475.557,40	-8.573.953,99	-201.024.191,73

Other derivatives	Nominal	Fair value adjustments	Accrued income	Total
Total assets	0,00	0,00	0,00	0,00
Non-current	0,00	0,00	0,00	0,00
Current	0,00	0,00	0,00	0,00
Total liabilities	0,00	0,00	0,00	0,00
Non-current	0,00	0,00	0,00	0,00
Current	0,00	0,00	0,00	0,00
TOTAL	0,00	0,00	0,00	0,00

Derivatives		31/12/2013		
Assets	Nominal	Fair value adjustments	Accrued income	Total
Derivatives used for cash flow management	38.382.751,09	185.855.243,77	1.991.155,40	226.229.150,26
Interest rate swaps	4.908.997,68	169.304.474,89	0,00	174.213.472,57
Currency swaps	33.473.753,41	15.378.178,21	1.991.155,40	50.843.087,02
Commodity swaps	0,00	0,00	0,00	0,00
Inflation swaps	0,00	1.172.590,67	0,00	1.172.590,67
Other derivatives	0,00	1.634.400,00	0,00	1.634.400,00
Other	0,00	1.634.400,00	0,00	1.634.400,00
Total (non-current)	38.382.751,09	187.489.643,77	1.991.155,40	227.863.550,26
Derivatives used for cash flow management	0,00	0,00	450.276,13	450.276,13
Interest rate swaps	0,00	0,00	0,00	0,00
Currency swaps	0,00	0,00	450.276,13	450.276,13
Commodity swaps	0,00	0,00	0,00	0,00
Inflation swaps	0,00	0,00	0,00	0,00
Other derivatives	0,00	0,00	0,00	0,00
Other	0,00	0,00	0,00	0,00
Total (current)	0,00	0,00	450.276,13	450.276,13
Liabilities	Nominal	Fair value adjustments	Accrued expenses	Total
Derivatives used for cash flow management	-117.902.152,49	-258.395.038,59	748.554,29	-375.548.636,79
Interest rate swaps	-28.573.793,68	-256.489.124,91	-479.800,64	-285.542.719,23
Currency swaps	-89.328.358,81	-1.905.913,68	1.228.354,93	-90.005.917,56
Commodity swaps	0,00	0,00	0,00	0,00
Inflation swaps	0,00	0,00	0,00	0,00
Other derivatives	0,00	0,00	0,00	0,00
Other	0,00	0,00	0,00	0,00
Total (non-current)	-117.902.152,49	-258.395.038,59	748.554,29	-375.548.636,79
Derivatives used for cash flow management	0,00	0,00	-9.503.268,74	-9.503.268,74
Interest rate swaps	0,00	0,00	-13.464.392,06	-13.464.392,06
Currency swaps	0,00	0,00	3.961.123,32	3.961.123,32
Commodity swaps	0,00	0,00	0,00	0,00
Inflation swaps	0,00	0,00	0,00	0,00
Other derivatives	0,00	0,00	0,00	0,00
Other	0,00	0,00	0,00	0,00
Total (current)	0,00	0,00	-9.503.268,74	-9.503.268,74

Derivatives used for cash flow management	Nominal	Fair value adjustments	Accrued income and accrued expenses	Total
Total assets	97.540.690,84	185.855.243,77	3.001.840,08	286.397.774,69
Non-current	97.540.690,84	185.855.243,77	2.573.848,58	285.969.783,19
Current	0,00	0,00	427.991,50	427.991,50
Total liabilities	-117.902.152,49	-258.395.038,59	-8.754.714,45	-385.051.905,53
Non-current	-117.902.152,49	-258.395.038,59	748.554,29	-375.548.636,79
Current	0,00	0,00	-9.503.268,74	-9.503.268,74
TOTAL	-20.361.461,65	-72.539.794,82	-5.752.874,37	-98.654.130,84

Other derivatives	Nominal	Fair value adjustments	Accrued income and accrued expenses	Total
Total assets	0,00	1.634.400,00	0,00	1.634.400,00
Non-current	0,00	1.634.400,00	0,00	1.634.400,00
Current	0,00	0,00	0,00	0,00
Total liabilities	0,00	0,00	0,00	0,00
Non-current	0,00	0,00	0,00	0,00
Current	0,00	0,00	0,00	0,00
TOTAL	0,00	1.634.400,00	0,00	1.634.400,00

The other derivatives in 2013 consist mainly of the obligations assumed by the Company as part of the Shareholders pact concerning the restructuring of SNCB Logistics SA. This restructuring has been approved by the European Commission.

Following the transfer of debt to the Belgian State on 1 January 2005 a number of swap contracts have been put into place with the Belgian State. Accrued income resulting from these contracts has been recorded together with the Back-to-Back receivables in other financial assets. These accruals amounted to 68.322.901,79 EUR at 31 December 2014 (2013: 59.718.348,30 EUR).

The exposure of the Company to financial risks is presented in note 2.2.

13 Note 13 – Other financial assets

13.1 Other financial assets: available-for-sale financial assets

The table below presents the movements for the years 2013 and 2014 of the available-for-sale financial assets. A reconciliation of the total line item "Other financial assets" is presented in note 2.1.

		2014	2013
	<u>Note</u>		
Balance at 1 January		2.127.876,09	3.511.423.373,85
Reorganization		64.931.836,75	0,00
Acquisitions		0,00	46.513.500,00
Disposals		-14.080.984,15	-296.079,68
Interest income	28.1	0,00	293.807,45
Interest received		0,00	-310.509,91
Impairment losses		0,00	-7.146.426,65
Adjustment of fair value through other comprehensive income		0,00	-5.387,88
Transfer from another balance sheet item		0,00	1.787.700,00
Transfer to another balance sheet item		-1.712.700,00	0,00
Recycling of other comprehensive income to net result		0,00	-86,73
Transfer to non-current assets held for sale		0,00	-3.550.132.014,36
Au 31 décembre		51.266.028,69	2.127.876,09
Non-current		51.266.028,69	109.285,35
Current		0,00	2.018.590,74

The transfer to non-current assets held for sale in 2013 concerns the investment in Infrabel that has been transferred to Infrabel during the demerger within the framework of the reorganization on 1 January 2014.

The increase with 64.931.836,75 EUR in 2014 as a result of the reorganization consists mainly of the investment in Eurostar Int. Ltd. of 51.151.493,34 EUR (after impairment losses of 41.173.561,38 EUR) and in E.B.T. (14.005.984,15 EUR) within the framework of the merger.

The disposals of 14.080.984,15 EUR consists mainly of the sale of the investment in E.B.T. in 2014.

The exposure of the Company to financial risks is presented in note 2.

14 Note 14 – Inventories

	31/12/2014	31/12/2013
Merchandise and supplies	178.226.906,37	899.429,92
Materials	3.368.527,64	0,00
Work in progress	2.106.350,95	0,00
Finished goods	224.039,58	0,00
Carrying value	183.925.824,54	899.429,92
Of which:		
Carrying value expected to be recovered within 12 months	0,00	0,00
Carrying value expected to be recovered in more than 12 months	183.925.824,54	899.429,92

In 2014 (2013), a write-down on inventories of 6.469.330,67 EUR (259.698,10 EUR) has been accounted for in net result.

15 Note 15 – Cash and cash equivalents

		31/12/2014	31/12/2013
	Note		
Cash and cash equivalents			
Short-term deposits and commercial paper		346.984.844,79	1.305.193.363,23
Cash at bank		84.405.315,62	51.828.172,03
Cash in hand		2.624.203,62	220.577,65
Total		434.014.364,03	1.357.242.112,91
Cash and cash equivalents as in the statement of cash flows			
Bank overdrafts	20.1	0,00	-78,03
		434.014.364,03	1.357.242.034,88

An amount of 1.436.719,24 EUR (723.020.508,60 EUR) relates to companies within the SNCB Group as at 31 December 2014 (2013).

The exposure of the Company to financial risks is presented in note 2.2.

The balance of cash and cash equivalents that is restricted for the Company amounts to 296.207.767,57 EUR (542.028.312,73 EUR) as at 31 December 2014 (2013).

16 Note 16 – Non-current assets classified as held for sale and discontinued operations

16.1 (Non-current) assets held for sale and directly associated liabilities

Non-current assets held for sale at 31 December 2014 are:

	SNCB LOGISTICS	Other	Total
Intangible assets		112.954.913,25	112.954.913,25
Property, plant and equipment		373.724,73	373.724,73
Other financial assets	10.000.000,00		10.000.000,00
Non-current assets	10.000.000,00	113.328.637,98	123.328.637,98
Current assets	0,00	0,00	0,00
TOTAL ASSETS	10.000.000,00	113.328.637,98	123.328.637,98

The Management Board of the SNCB has decided to transfer the control of its investment in SNCB Logistics. This investment and the loan to SNCB Logistics (financial assets held for sale and associated derivatives) are classified as non-current assets held for sale on 31 December 2014. These assets have incurred an impairment loss for an amount of 39.000.000 EUR in 2014 to reduce the carrying value of these assets to their fair value. The related net results in 2014 and 2013 are classified as discontinued operations (note 16.3).

Non-current assets held for sale and associated liabilities on 31 December 2013 are:

	Partial demerger to Infrabel and contribution to HR Rail	Other	Total
Intangible assets	94.291.833,09	0,00	94.291.833,09
Property, plant and equipment	46.741.101,95	9.041.480,47	55.782.582,42
Investment in subsidiaries	0,00		0,00
Interests in subsidiaries	17.163.963,85	0,00	17.163.963,85
Trade and other receivables	17.487.464,45	0,00	17.487.464,45
Derivatives	288.463,86	0,00	288.463,86
Other financial assets	4.050.458.166,58	0,00	4.050.458.166,58
Non-current assets	4.226.430.993,78	9.041.480,47	4.235.472.474,25
Inventories	7.508.525,99	0,00	7.508.525,99
Trade and other receivables	324.692.795,02	0,00	324.692.795,02
Other financial assets	1.979.805,84	0,00	1.979.805,84
Cash and cash equivalents	10.607.933,66	0,00	10.607.933,66
Current assets	344.789.060,51	0,00	344.789.060,51
TOTAL ASSETS	4.571.220.054,29	9.041.480,47	4.580.261.534,76
	Partial demerger to Infrabel and contribution to HR Rail	Other	Total
Employee benefit obligations	171.865.796,93	0,00	171.865.796,93
Provisions	1.124.600,22	0,00	1.124.600,22
Financial liabilities	2.014.107.858,83	0,00	2.014.107.858,83
Derivatives	76.111.251,10	0,00	76.111.251,10
Grants	198.923.209,30	0,00	198.923.209,30
Other amounts payable	6.622.094,11	0,00	6.622.094,11
Non-current liabilities	2.468.754.810,49	0,00	2.468.754.810,49
Employee benefit obligations	26.445.626,59	0,00	26.445.626,59
Provisions	8.393.095,93	0,00	8.393.095,93
Financial liabilities	327.193.287,89	0,00	327.193.287,89
Derivatives	10.521.372,74	0,00	10.521.372,74
Trade and other payables	68.827.760,78	0,00	68.827.760,78
Social debts	246.377.960,04	0,00	246.377.960,04
Grants	21.221.633,21	0,00	21.221.633,21
Other amounts payable	932.834,53	0,00	932.834,53
Current liabilities	709.913.571,71	0,00	709.913.571,71
TOTAL LIABILITIES	3.178.668.382,20	0,00	3.178.668.382,20

Non-current assets held for sale and liabilities associated with non-current assets held for sale at 31 December 2013 include the group of assets related to the partial demerger to Infrabel on 1 January 2014, as well as the group of assets that are transferred to HR Rail at this date.

These groups of assets have been valued at the lowest of their carrying value and their fair value. No impairment loss has been recognised relative to these

groups of assets, subsequent to their classification as non-current assets held for sale on 31 December 2013.

Interests in Infrabel (3.394.051.618,09 EUR on 31 December 2013) are part of the assets that will be transferred as a result of the partial demerger to Infrabel. The partial demerger also includes the transfer of part of the Company's debt to Infrabel, as well as derivatives and other associated financial assets for 1.789.288.014,096 EUR.

Other non-current assets held for sale are:

	31/12/2014	31/12/2013
Non-current assets available-for-sale		
Tangible assets	131.688.554,36	12.446.340,02
Property, plant and equipment	631.113,77	1.174.005,21
Accumulated impairment losses	-18.991.030,15	-4.578.864,76
Total	113.328.637,98	9.041.480,47

16.2 Gains and losses relating to non-current assets held for sale

	2014	2013
Charged to impairment losses	8.597.001,39	2.151.852,59
Reversal of impairment losses	-546.449,63	0,00
Losses on disposals	-1.226.650,83	-492.920,86
Gains on disposals	7.668.698,02	11.487.556,81

Profits and losses of the period were recorded in the statement of comprehensive income under the sections "Other operating income" and "Other operating expenses".

16.3 Net result of the accounting year of the discontinued operations

The net result (loss) of the discontinued operations includes only SNCB Logistics.

	2014	2013
Impairment losses on investment in SNCB Logistics	22.365.600,00	
Impairment losses on loan SNCB Logistics	15.000.000,00	
Impairment losses on financial assets available-for-sale		7.146.426,65
Fair value adjustments of derivatives	1.634.400,00	2.667.012,00
	39.000.000,00	9.813.438,65

17 Note 17 – Capital

The evolution of capital is as follows:

	Common shares	Dividend-right share	Total
At 31 December 2013			
CAPITAL			
Number of shares	1.053.611.251	20.000.000	1.073.611.251
Subscribed amount	741.778.929,39		741.778.929,39
Movements at 1 January 2014 as a result of reorganization	-492.756.583,82		-492.756.583,82
At 31 December 2014			
CAPITAL			
Subscribed amount	249.022.345,57	0,00	249.022.346
Number of shares	1.053.611.251	20.000.000	1.073.611.251

Every share issued by the Company gives right to one vote at the shareholders meeting, except for the dividend-right shares for which one voting right is represented by 10 shares.

The Belgian State owns directly and indirectly 99,97% of the voting rights.

The dividend-right shares, in total 20.000.000 shares, are owned for 83,12% (16.624.993 shares) by the Société Fédérale de Participations et d'Investissement (S.F.P.I.).

The change on 1 January as a result of the reorganization (-492.756.583,82 EUR) is a result of:

- -176.197.981,92 EUR due to the decrease as a result of the partial demerger to Infrabel (coefficient of decrease is equal to transferred net assets divided by total net assets);
- -361.558.601,90 EUR of transfer of capital to reserves for the amount of the decrease of revaluation surpluses as a result of the partial demerger to Infrabel.

18 Note 18 - Employee benefits

Until 31 December 2013 and in accordance with IAS 19R.40-41 most of the debts IAS 19 are included in the accounts of SNCB Holding. The other companies recognized in their accounts only a part of the debts IAS 19 with regard to the personnel at their disposal. As a result of the reorganization of the Belgian Railways the debts IAS 19 were decentralised and divided between the 3 companies (HR Rail, Infrabel and SNCB) according to the personnel or ex-personnel at their disposal. The debts with regard to the inactive (pensioners and dependents) on 31 December 2013, formerly included in the SNCB Holding, were assigned on 1st January 2014 to the three companies in proportion of the debts of the inactive for the concerned performance.

18.1 Summary of employee benefits liabilities

The following liabilities relative to employee benefits are recognised in the statement of financial position:

	31/12/2014	31/12/2013
Liability in the statement of financial position		
Post-employment benefits	316.219.345,59	240.511.028,04
Other long-term benefits	87.183.262,02	84.774.898,90
Termination benefits	31.665.252,70	34.010.511,42
Short-term benefits (holidays only)	42.123.224,21	55.332.910,88
Total liability in the statement of financial position	477.191.084,52	414.629.349,24
- current	126.870.226,65	154.414.756,70
- non-current	350.320.857,87	260.214.592,54

18.2 Description of the employee benefits

18.2.1 Post-employment benefits

The applicable post-employment benefits are the following:

1. Employer contributions to the Social Solidarity Fund

The retired statutory employees and their dependents (children and spouse) and dependents of deceased employees are covered by the Social Solidarity Fund. This fund is partially financed by the Company. The contribution due by the Belgian Railways is expressed in a percentage of pensions paid.

2. Hospitalisation insurance

In the context of the social agreement 2008-2010 it was agreed that the Belgian Railways will continue the financing of premiums to a group insurance covering the hospitalization costs in a room with two beds. This insurance applies to both active and retired statutory employees and their dependents (children and spouse), affiliated to the Fund of Social Works. Since 1 January 2012 this insurance cover is also applicable to the contractual employees during their service. A new hospitalisation insurance contract was negotiated for a period of 2 years, with effect as from 1 January 2012 onwards, which can be extended as from 2014.

3. Benefits in case of a work accident

Since the statutory employees do not benefit from the legal protection in case of a work accident, a system unique to the Belgian Railways was established. Based on this system, employees and their dependents are entitled to compensation in case of a work accident, both at work and on the way to work, or in case of occupational diseases. Benefits include the reimbursement of medical care, life annuities, which are dependent on the degree of disability, and annuities and allowances for dependents in case of death following a work accident. Some annuities are indexed.

4. Employer contributions to the union fund

As part of the 2003-2008 union agreement, the Belgian Railways agreed with the recognised trade union organizations to pay an annual amount of 10 EUR for each affiliated retired employee.

5. Pension plans

Since 1 January 2007, the Belgian State took over the pension liabilities for the statutory employees, which were previously borne by the Belgian Railways. The liability of the Belgian Railways is now limited to the payment of the employer contributions to the State. As far as the contractual employees are concerned, a defined contribution pension plan is applicable for a very limited number of employees.

With the exception of the hospitalisation insurance, which is guaranteed by an insurance company, the post-employment benefits are not pre-financed in an external fund and are therefore not financed by any underlying assets or reimbursement rights.

18.2.2 Other long-term employee benefits

The following other long-term employee benefits are granted to the employees:

1. Seniority bonuses

Decorations are paid to employees after a certain number of years of service.

2. Additional holidays in function of age

Additional days off are granted to the statutory employees as from the age of 45 and 50. A corresponding liability is recognised only for the employees for whom service needs to be performed.

3. Availability leave

Under certain conditions, availability leave can be granted for a period from one to three years. Compensation will be paid to the employees concerned.

4. Credit days

Credit days granted to the employees may be carried over more than 12 months after the end of the closing date of the accounting year. According to IAS 19 Revised, these benefits will be classified as other long-term employee benefits.

There are no underlying assets and no reimbursement rights to cover these benefits.

18.2.3 Termination benefits

The following termination benefits are granted to the employees:

1. *Partial career break*

Statutory employees can benefit from part-time early retirement schemes. These schemes apply to specific categories of employees who have attained a minimum age, and provide for allowances partially offsetting the loss of working time.

Only the indemnities granted to the employees who joined the scheme until 2006 (date of the scheme change) are considered as termination benefits.

2. *Part-time work*

For certain categories of employees who cannot benefit from early retirement, compensatory mechanisms of part-time work exist. These are arrangements of part-time work on a voluntary basis, whereby an additional allowance is provided which partially compensates the loss of working hours.

Only the indemnities granted to the employees who joined the scheme until 2006 (date of the scheme change) are now considered as termination benefits.

There are no underlying assets and no reimbursement rights to cover these benefits.

18.3 Liabilities relating to employee benefits (excluding short term)

The following amounts are recognised in the statement of financial position relative to employee benefits, with exception of the short-term benefits:

	31/12/2014				31/12/2013			
	Post employment benefits	Other long term benefits	Termination benefits	Total	Post employment benefits	Other long term benefits	Termination benefits	Total
Amount recognised in the statement of financial position								
Defined benefit obligation end of period	316.219.345,59	87.183.262,02	31.665.252,70	435.067.860,31	240.511.028,04	84.774.898,90	34.010.511,42	359.296.438,36
Fair value of plan assets end of period	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	316.219.345,59	87.183.262,02	31.665.252,70	435.067.860,31	240.511.028,04	84.774.898,90	34.010.511,42	359.296.438,36
<i>Of which : Net liability recognised</i>	316.219.345,59	87.183.262,02	31.665.252,70	435.067.860,31	240.511.028,04	84.774.898,90	34.010.511,42	359.296.438,36
<i>Of which : Net asset recognised</i>	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<i>Of which : Unfunded plans</i>	316.219.345,59	87.183.262,02	31.665.252,70	435.067.860,31	240.511.028,04	84.774.898,90	34.010.511,42	359.296.438,36
<i>Of which : Integrally or partially funded plans</i>	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

The amounts relating to defined benefit plans recognised in the statement of comprehensive income are detailed as follows:

	Note	31/12/2014				31/12/2013			
		Post employment benefits	Other long term benefits	Termination benefits	Total	Post employment benefits	Other long term benefits	Termination benefits	Total
Defined benefit cost									
Current service cost		9.510.421,85	39.624.538,09	278.025,24	49.412.985,18	12.112.229,91	68.849.675,75	862.536,24	81.824.441,90
Net interest (*)		7.485.368,04	408.433,32	651.835,80	8.545.637,16	11.555.451,18	15.984,20	1.033.731,50	12.605.166,88
Remeasurements (other long term and termination benefits)		-	1.646.354,54	530.316,29	2.176.670,83	-	-45.969,37	-3.292.556,44	-3.338.525,81
Transfers		552.524,59	-20.076,23	200.206,82	732.655,18	0,00	0,00	0,00	0,00
Past service cost		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Curtailed / settlement gain / loss		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Effect of the asset ceiling		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total Defined benefit cost		17.548.314,48	41.659.249,72	1.660.384,15	60.867.948,35	23.667.681,09	68.819.690,58	-1.396.288,70	91.091.082,97
<i>included in</i>									
<i>payroll and related benefits</i>	27.1	10.062.946,44	41.250.816,40	1.008.548,35	52.322.311,19	12.112.229,91	68.803.706,38	-2.430.020,20	78.485.916,09
<i>finance costs</i>	28.1	7.485.368,04	408.433,32	651.835,80	8.545.637,16	11.555.451,18	15.984,20	1.033.731,50	12.605.166,88
Included in statement of other comprehensive income		69.076.355,97	-	-	69.076.355,97	-27.994.622,83	-	-	-27.994.622,83

(*) Of which : Expected return on plan assets = 0

According to IAS 19 revised, actuarial gains and losses on post-employment benefits are recognised in other comprehensive income. Actuarial gains and losses relating to other long-term benefits and termination benefits are recognised in net result.

The total amount of premiums paid in 2014 by the Company relating to defined contribution plans amounts to 354.846,64 EUR.

The change in defined benefit obligation and in fair value of plan assets during the reporting period can be summarized as follows:

Change in defined benefit obligation:

	31/12/2014			Total	31/12/2013			Total
	Post employment benefits	Other long term benefits	Termination benefits		Post employment benefits	Other long term benefits	Termination benefits	
Defined benefit obligation								
As at 1 January	240.511.028,04	84.774.898,90	34.010.511,42	359.296.438,36	423.410.564,68	112.140.340,75	67.687.325,74	603.238.231,17
Current service cost	9.510.421,85	39.624.538,09	278.025,24	49.412.985,18	12.112.229,91	68.849.675,75	862.536,24	81.824.441,90
Employee contributions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Past service cost (plan changes and curtailment)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Settlement cost	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Interest cost	7.485.368,04	408.433,32	651.835,80	8.545.637,16	11.555.451,18	15.984,20	1.033.731,50	12.605.166,88
Actuarial (gains) / losses	69.076.355,97	1.646.354,54	530.316,29	71.253.026,80	-27.994.622,83	-45.969,37	-3.292.556,44	-31.333.148,64
Benefits paid	-10.916.352,90	-41.950.058,71	-7.091.998,02	-59.958.409,63	-18.535.746,02	-80.857.926,63	-9.828.346,96	-109.222.019,61
Transfers	552.524,59	-20.076,23	200.206,82	732.655,18	0,00	0,00	0,00	0,00
Change in scope	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Reorganization	0,00	2.699.172,11	3.086.355,15	5.785.527,26	0,00	0,00	0,00	0,00
Transfer to non-current assets held for sale (note 16)	0,00	0,00	0,00	0,00	-160.036.848,88	-15.327.205,80	-22.452.178,66	-197.816.233,34
Defined benefit obligation as at 31 December	316.219.345,59	87.183.262,02	31.665.252,70	435.067.860,31	240.511.028,04	84.774.898,90	34.010.511,42	359.296.438,36

The split of the defined benefit obligation, separately for the active employees and for the non-active members (pensioners and dependents) is as follows:

	31/12/2014			Total	31/12/2013			Total
	Post employment benefits	Other long term benefits	Termination benefits		Post employment benefits	Other long term benefits	Termination benefits	
Defined benefit obligation as at 31 December								
Liability relative to active members	115.815.359,05	87.183.262,02	30.871.740,57	233.870.361,64	87.398.542,65	84.774.898,90	33.767.362,30	205.940.803,85
Liability relative to pensioners and non-active members (beneficiaries, ...)	200.403.986,54	0,00	793.512,13	201.197.498,67	153.112.485,39	0,00	243.149,12	153.355.634,51
Total Defined benefit obligation as at 31 December	316.219.345,59	87.183.262,02	31.665.252,70	435.067.860,31	240.511.028,04	84.774.898,90	34.010.511,42	359.296.438,36

Change in plan assets:

	31/12/2014			Total	31/12/2013			Total
	Post employment benefits	Other long term benefits	Termination benefits		Post employment benefits	Other long term benefits	Termination benefits	
Fair value of plan assets								
As at 1 January	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Return on plan assets	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Employer contributions / benefits paid directly by employer	10.916.352,90	41.950.058,71	7.091.998,02	59.958.409,63	18.535.746,02	80.857.926,63	9.828.346,96	109.222.019,61
Employee contributions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Benefits paid	-10.916.352,90	-41.950.058,71	-7.091.998,02	-59.958.409,63	-18.535.746,02	-80.857.926,63	-9.828.346,96	-109.222.019,61
Actuarial gains / (losses)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Curtailment / settlement gain / loss	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
As at 31 December	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

The reconciliation with the statement of financial position is as follows:

	31/12/2014			Total	31/12/2013			Total
	Post employment benefits	Other long term benefits	Termination benefits		Post employment benefits	Other long term benefits	Termination benefits	
Funded status								
Defined benefit obligation as at 1 January	240.511.028,04	84.774.898,90	34.010.511,42	359.296.438,36	423.410.564,68	112.140.340,75	67.687.325,74	603.238.231,17
Fair value of plan assets as at 1 January	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	240.511.028,04	84.774.898,90	34.010.511,42	359.296.438,36	423.410.564,68	112.140.340,75	67.687.325,74	603.238.231,17
Unrecognised amount due to effect of the asset ceiling	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Amount recognised in the statement of financial position								
As at 1 January	240.511.028,04	84.774.898,90	34.010.511,42	359.296.438,36	423.410.564,68	112.140.340,75	67.687.325,74	603.238.231,17
Total expense recognised in the profit or loss	17.548.314,48	41.659.249,72	1.660.384,15	60.867.948,35	23.667.681,09	68.819.690,58	-1.396.288,70	91.091.082,97
Actuarial (gains) / losses in other comprehensive income	69.076.355,97	-	-	69.076.355,97	-27.994.622,83	-	-	-27.994.622,83
Employer contributions / benefits paid directly by employer	-10.916.352,90	-41.950.058,71	-7.091.998,02	-59.958.409,63	-18.535.746,02	-80.857.926,63	-9.828.346,96	-109.222.019,61
Change in scope	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Reorganization	0,00	2.699.172,11	3.086.355,15	5.785.527,26	0,00	0,00	0,00	0,00
Transfer to non-current assets held for sale	0,00	0,00	0,00	0,00	-160.036.848,88	-15.327.205,80	-22.452.178,66	-197.816.233,34
As at 31 December	316.219.345,59	87.183.262,02	31.665.252,70	435.067.860,31	240.511.028,04	84.774.898,90	34.010.511,42	359.296.438,36
Cumulative actuarial gains / losses in other comprehensive income	0,00	-	-	0,00	0,00	-	-	0,00

For 2015, the Company expects that the contributions and benefits paid directly will equal to 10,6 Million EUR for the post-employment benefits, 40,8 Million EUR for the other long-term employee benefits (including credit days) and 4,8 Million EUR for termination benefits.

18.4 Split of actuarial gains and losses

The actuarial gains and losses may be split as follows:

	31/12/2014			Total	31/12/2013			Total
	Post employment benefits	Other long term benefits	Termination benefits		Post employment benefits	Other long term benefits	Termination benefits	
Actuarial (gains) / losses								
(Gain) / loss due to changes in financial assumptions	71.995.941,30	2.602.801,63	2.893.622,41	77.492.365,34	-23.657.269,56	-14.057,75	-977.955,68	-24.649.282,99
(Gain) / loss due to changes in demographic assumptions	-659.528,12	20.318,17	0,00	-639.209,96	-1.279.166,00	-41.498,47	0,00	-1.320.664,47
Experience (gain) / loss	-2.260.057,21	-976.765,26	-2.363.306,12	-5.600.128,58	-3.058.187,27	9.586,85	-2.314.600,76	-5.363.201,18
Total actuarial (gains) / losses	69.076.355,97	1.646.354,54	530.316,29	71.253.026,80	-27.994.622,83	-45.969,37	-3.292.556,44	-31.333.148,64

18.5 Actuarial assumptions and sensitivity analysis

Actuarial assumptions

The liabilities for employee benefits are calculated on an actuarial basis, based on the projected unit credit method. The main underlying parameters (financial and demographic assumptions) used in the calculation of the liability can be summarized as follows:

	31/12/2014	31/12/2013
Discount rate		
Post-employment benefits	1,17% - 1,57%	2,79% - 3,29%
Other long-term benefits	0% - 0,77%	0% - 2,23%
Termination benefits	0,17% - 0,77%	0% - 2,23%
Expected return on plan assets	0,00%	0,00%
Inflation rate	2,00%	2,00%
Medical cost increase	2,00%	2,00%
Mortality tables	MR/FR	MR/FR

As per December 31, the discount rate used to discount the liabilities is determined by reference to the market yield at reporting date of high quality corporate bonds with similar duration than the liabilities (source: Bloomberg).

The assumption for medical costs increase (including inflation) was determined based on the current contract. All assumptions represent the best estimate of the Company.

Weighted average duration

	31/12/2014	31/12/2013
Post-employment benefits	15,64	14,94
Other long-term benefits (*)	9,86	7,18
Termination benefits	6,80	6,63
Weighted average duration	14,57	13,90

(*) does not take into account the liability relative to the credit days

The assumptions relating to mortality are based on the official mortality tables and on the experience observed within the Group.

Life expectancy at retirement

	Active employees (life expectancy at retirement)	Non-active members
Men	21,6	15,5
Women	24,7	11,0

Sensitivity analysis

	Impact on liability as at 31/12/2013	
	Increase	Decrease
Discount rate (0,5% change)		
Post-employment benefits	-23.393.527,24	25.396.147,39
Other long-term benefits (*)	-937.672,53	989.738,13
Termination benefits	-1.047.400,30	1.074.845,47
Medical cost increase (1% change)	11.010.875,35	-8.678.735,57
Mortality (change of life expectancy with 1 year)	19.612.634,61	-

19 Note 19 – Provisions

Movements for the years 2013 and 2014 can be summarised as follows:

	Legal claims	Environmental provisions	Freight sector	Other provisions	Total
As at 1 January 2013	38.061.916,13	98.077.202,88	24.801.392,24	0,00	160.940.511,25
Included in statement of comprehensive					
Increase of the year	20.550.050,10	5.334.752,84	19.660.794,78	0,00	45.545.597,72
Utilization of the year	-7.236.021,00	-996.027,33	0,00	0,00	-8.232.048,33
Decrease fo the year	-837.035,23	-1.690.344,55	0,00	0,00	-2.527.379,78
Change in discount rate	-116.873,07	-3.638.985,92	0,00	0,00	-3.755.858,99
Unwinding of discount (note 28.2)	108.718,03	862.477,48	0,00	0,00	971.195,51
Transfer from another item	0,00	0,00	0,00	0,00	0,00
Transfer to non-current assets held for sale (note 16)	-9.517.696,15	0,00	0,00	0,00	-9.517.696,15
As at 31 December 2013	41.013.058,81	97.949.075,40	44.462.187,02	0,00	183.424.321,23
Of which					
Non-current	8.778.377,69	79.975.409,88	44.462.187,02	0,00	133.215.974,59
Current	32.234.681,12	17.973.665,52	0,00	0,00	50.208.346,64
	Legal claims	Environmental provisions	Freight sector	Other provisions	Total
As at 1 January 2014	41.013.058,81	97.949.075,40	44.462.187,02	0,00	183.424.321,23
Included in statement of comprehensive					
income					
Reorganization (note 37)	13.519.703,00	38.705.400,42	26.543.978,17	15.095.507,93	93.864.589,52
Increase of the year	6.040.245,90	7.944.744,48		919.624,30	14.904.614,68
Utilization of the year	-10.961.171,20	-1.826.851,40	-12.133.088,82	-8.402.327,65	-33.323.439,07
Decrease fo the year (unused)	-8.373.505,09	-17.475.866,13		-5.792.486,03	-31.641.857,25
Change in discount rate	288.991,04	3.266.898,44	1.300.338,16		4.856.227,64
Unwinding of discount (note 28.2)	130.380,50	1.442.029,29	876.229,59		2.448.639,38
Transfer from another item			11.136.488,48		11.136.488,48
As at 31 December 2014	41.657.702,96	130.005.430,50	72.186.132,60	1.820.318,55	245.669.584,61
Of which					
Non-current	6.717.422,13	107.458.485,95	57.843.264,31	0,00	172.019.172,39
Current	34.940.280,83	22.546.944,55	14.342.868,29	1.820.318,55	73.650.412,22

The State has, within the framework of the rescue plan of the Cargo activity of the SNCB, in December 2009, submitted a file at the European Commission for approbation of the operational, organizational and financial measures introduced by the SNCB Group.

The European Commission has approved the assistance measures by decision of 26/05/2010 for the reorganization of the freight transport activities for the amount of 145 Million EUR, or:

- (i) 30 Million EUR of capital increase of the SNCB, the increase was done in January 2011 (7,5 Million EURs on 26/01/2011 and 22,5 Million EUR on 30/01/2011) ;
- (ii) 30 Million EUR in order to align the wages of the statutory employee detached to SNCB Logistics to market conditions ;
- (iii) 85 Million EUR in order to align the cost of the services « Station » and « Driving » to market conditions. As a counterpart, the SNCB Holding has received and will receive for half, SNCB shares, and for the balance, SNCB convertibles bonds.

Furthermore, an additional amount has been provided in the SNCB accounts in 2013 for 25,1 Million EUR.

In EUR	
E.U. agreement	145.000.000,00
Utilization from 02/2011 until 31/12/2014	-97.282.891,76
Balance help E.U.	47.717.108,24
Increase and unwinding of discount	24.469.024,36
Provision at 31/12/2014	72.186.132,60

20 Note 20 – Financial liabilities

20.1 Financial liabilities

This note provides information about the contractual terms of the Company's interest bearing loans and borrowings. For more information about the Company's exposure to interest rate risk, exchange rate risk and liquidity risk, see note 2.2. The terms and conditions of outstanding liabilities are commented in note 2.2.4.

Financial liabilities		31/12/2014				
		IFRS 7			Other	TOTAL
		Nominal	Net debt Fair value adjustments	Accrued expenses	Other	
Non-current financial liabilities	Notes					
Bank borrowings		1.405.920.579,23	0,00	2.610.281,38	0,00	1.408.530.860,61
Bonds		525.161.366,57	0,00	3.742.821,15	0,00	528.904.187,72
Finance lease liabilities	20.2	0,00	0,00	0,00	5.548.367,62	5.548.367,62
Other financial liabilities		412.622.830,14	47.507.637,53	6.644.148,59	0,00	466.774.616,26
Total		2.343.704.775,94	47.507.637,53	12.997.251,12	5.548.367,62	2.409.758.032,21
Current financial liabilities						
Bank overdrafts	15	0,00	0,00	0,00	0,00	0,00
Bank borrowings		472.029.646,90	0,00	4.986.726,74	0,00	477.016.373,64
Bonds		0,00	0,00	7.109.820,26	0,00	7.109.820,26
Finance lease liabilities	20.2	0,00	0,00	0,00	519.832,93	519.832,93
Commercial paper		677.973.456,85	0,00	0,00	0,00	677.973.456,85
Other financial liabilities		282.450.029,66	729.454,10	4.902.531,13	0,00	288.082.014,89
Total		1.432.453.133,41	729.454,10	16.999.078,13	519.832,93	1.450.701.498,57
Total financial liabilities		3.776.157.909,35	48.237.091,63	29.996.329,25	6.068.200,55	3.860.459.530,78

Financial liabilities		31/12/2013				
		IFRS 7			Other	TOTAL
		Nominal	Net debt Fair value adjustments	Accrued expenses	Other	
Non-current financial liabilities	Notes					
Bank borrowings		1.666.456.331,04	0,00	2.201.801,01	0,00	1.668.658.132,05
Bonds		430.819.661,51	0,00	3.559.976,30	0,00	434.379.637,81
Finance lease liabilities	20.2	0,00	0,00	0,00	6.068.200,55	6.068.200,55
Other financial liabilities		408.897.023,19	30.073.717,17	6.992.329,35	0,00	445.963.069,71
Total		2.506.173.015,74	30.073.717,17	12.754.106,66	6.068.200,55	2.555.069.040,12
Current financial liabilities						
Bank overdrafts	15	78,03	0,00	0,00	0,00	78,03
Bank borrowings		127.785.305,40	0,00	8.200.810,36	0,00	135.986.115,76
Bonds		0,00	0,00	7.082.429,30	0,00	7.082.429,30
Finance lease liabilities	20.2	0,00	0,00	0,00	484.506,21	484.506,21
Commercial paper		498.405.648,72	0,00	0,00	0,00	498.405.648,72
Other financial liabilities		334.478.934,90	480.874,36	9.439.772,60	0,00	344.399.581,86
Total		960.669.967,05	480.874,36	24.723.012,26	484.506,21	986.358.359,88
Total financial liabilities		3.466.842.982,79	30.554.591,53	37.477.118,92	6.552.706,76	3.541.427.400,00

The financial debts have increased with 319,0 Million EUR as a result of the issue of new loans at fixed interest rate on the EMTN program (90 Million EURs), the issue of commercial paper and other short-term advances (186,2 million), the capitalization of interests, the fair value adjustments (7,8 Million EUR) and a transfer from one heading to another as a result of the reorganization of an operation with Eurofima (74,5 Million EUR) reduced by the repayments (109,5 Million EURs). Following IFRS 5 application,

2.280.227.554,48 EUR have been transferred from financial liabilities to liabilities associated with non-current assets held for sale. In addition to this transfer, financial liabilities increased by 186,7 Million EUR, mainly as a consequence of commercial papers issuances.

For refinancing purposes, the company has contracted new variable rate investments for 163,0 Million EUR during the first semester of 2014 with a maturity of 5 years.

The fair value of financial liabilities is included in note 31.

Characteristics of the financial liabilities

The company has issued new loans in 2014 (private placements) for an amount of 252.797.500 EUR (current).

Characteristics of the financial liabilities			31/12/2014		
	Currency	Coupon	Final maturity	Nominal (Currency)	Carrying amount (EUR)
Bank overdrafts	EUR	N/A	< 1 year	0,00	0,00
	<i>Total EUR</i>			0,00	0,00
Total bank overdrafts					0,00
Bank borrowings	EUR	Floating	< 1 year	303.900.000,00	304.085.637,02
			1 - 2 years	194.100.000,00	194.219.034,34
			2 - 5 years	325.569.000,00	325.976.203,29
			> 5 years	383.208.206,77	383.384.720,19
		2% - 4%	< 1 year	165.000.000,00	166.095.755,55
			1 - 2 years	50.000.000,00	51.055.000,00
			2 - 5 years	0,00	0,00
			> 5 years	415.000.000,00	402.191.021,10
	<i>Total EUR</i>			1.836.777.206,77	1.827.007.371,49
	USD	4% - 6%	> 5 years	30.930.009,55	26.919.275,48
		6% - 8%	> 5 years	37.291.263,99	31.620.587,28
	<i>Total USD</i>			68.221.273,54	58.539.862,76
Total bank borrowings					1.885.547.234,25
Bonds	EUR	Floating	1 - 2 years	0,00	0,00
			2 - 5 years	0,00	0,00
			> 5 years	109.000.000,00	109.091.672,83
		Zero Coupon	> 5 years	213.000.000,00	91.990.776,20
		2% - 4%	1 - 2 years	0,00	0,00
			> 5 years	125.000.000,00	127.905.614,61
		4% - 6%	2 - 5 years	40.000.000,00	40.804.038,55
			> 5 years	75.000.000,00	76.353.167,35
		0% - 2%	> 5 years	90.000.000,00	89.868.738,44
	<i>Total EUR</i>			652.000.000,00	536.014.007,98
Total bonds					536.014.007,98
Finance lease liabilities	EUR	4% - 6%	> 5 years	0,00	0,00
		6% - 8%	> 5 years	6.068.200,55	6.068.200,55
	<i>Total EUR</i>			6.068.200,55	6.068.200,55
Total finance lease liabilities					6.068.200,55
Commercial paper	EUR	Floating	< 1 year	677.973.456,85	677.973.456,85
	<i>Total EUR</i>			677.973.456,85	677.973.456,85
Total commercial paper					677.973.456,85
Other financial liabilities	EUR	Floating	< 1 year	240.506.722,59	240.508.590,74
			> 5 years	0,00	0,00
		4% - 6%	1 - 2 years	46.783.872,41	46.873.228,59
			> 5 years	161.137.389,46	161.300.894,41
	<i>Total EUR</i>			448.427.984,46	448.682.713,74
	USD	4% - 6%	> 5 years	61.365.848,32	73.083.947,20
		6% - 8%	< 1 year	27.945.382,22	23.999.177,20
			1 - 2 years	48.786.715,40	46.083.338,88
			2 - 5 years	46.363.122,79	39.368.789,90
			> 5 years	98.398.090,58	106.907.311,58
		8% - 10%	1 - 2 years	17.061.009,05	16.731.352,65
			2 - 5 years	0,00	0,00
	<i>Total USD</i>			299.920.168,36	306.173.917,41
Total other financial liabilities					754.856.631,15
Total financial liabilities					3.860.459.530,78

Characteristics of the financial liabilities			31/12/2013		
	Currency	Coupon	Final maturity	Nominal (Currency)	Carrying amount (EUR)
Bank overdrafts	EUR	N/A	< 1 year	78,03	78,03
	<i>Total EUR</i>			78,03	78,03
Total bank overdrafts					78,03
Bank borrowings	EUR	Floating	1 - 2 years	229.400.000,00	229.517.598,37
			2 - 5 years	393.669.000,00	393.960.015,20
			> 5 years	384.993.512,17	385.222.065,76
		2% - 4%	< 1 year	126.000.000,00	129.472.024,50
			1 - 2 years	165.000.000,00	166.095.755,55
			2 - 5 years	50.000.000,00	51.055.000,00
			> 5 years	415.000.000,00	400.607.206,84
	<i>Total EUR</i>			1.764.062.512,17	1.755.929.666,22
	USD	4% - 6%	> 5 years	29.248.729,53	22.458.468,25
		6% - 8%	> 5 years	35.097.630,09	26.256.113,34
	<i>Total USD</i>			64.346.359,62	48.714.581,59
Total bank borrowings					1.804.644.247,81
Bonds	EUR	Floating	> 5 years	109.000.000,00	109.107.761,12
		Zero Coupon	> 5 years	213.000.000,00	87.473.762,26
		2% - 4%	> 5 years	125.000.000,00	127.889.085,68
		4% - 6%	> 5 years	115.000.000,00	116.991.458,05
	<i>Total EUR</i>			562.000.000,00	441.462.067,11
Total bonds					441.462.067,11
Finance lease liabilities	EUR	4% - 6%	> 5 years	0,00	0,00
		6% - 8%	> 5 years	6.552.706,76	6.552.706,76
	<i>Total EUR</i>			6.552.706,76	6.552.706,76
Total finance lease liabilities					6.552.706,76
Commercial paper	EUR	Floating	< 1 year	498.515.985,00	498.405.648,72
	<i>Total EUR</i>			498.515.985,00	498.405.648,72
Total commercial paper					498.405.648,72
Other financial liabilities	EUR	Floating	< 1 year	294.942.374,50	294.966.400,37
		4% - 6%	2 - 5 years	46.205.698,65	46.294.102,09
			> 5 years	153.389.120,34	153.544.420,48
		6% - 8%	2 - 5 years	5.892.810,35	6.229.405,43
	<i>Total EUR</i>			500.430.003,84	501.034.328,37
	USD	4% - 6%	> 5 years	58.169.531,30	53.177.530,59
		6% - 8%	< 1 year	119.423.425,86	93.034.548,31
			1 - 2 years	26.059.412,36	21.104.276,21
			2 - 5 years	107.715.267,70	86.987.732,87
			> 5 years	91.879.535,73	81.501.550,05
		8% - 10%	2 - 5 years	15.782.967,98	14.596.277,41
	<i>Total USD</i>			419.030.140,93	350.401.915,44
Total other financial liabilities					851.436.243,81
Total financial liabilities					3.602.500.992,24

20.2 Financial liabilities related to finance leases

Maturities of the liabilities related to finance leases are as follows:

	Less than one year	Between one and five years	More than five years	Total
Present value of future minimum lease payments - 31/12/2014				
Future minimum lease payments	937.037,52	3.748.150,08	3.513.890,70	8.199.078,30
Interest / future finance charges on contracts	-417.204,59	-1.261.135,41	-452.537,75	-2.130.877,75
Total	519.832,93	2.487.014,67	3.061.352,95	6.068.200,55
Present value of future minimum lease payments - 31/12/2013				
Future minimum lease payments	937.037,52	3.748.150,08	4.450.928,22	9.136.115,82
Interest / future finance charges on contracts	-452.531,31	-1.430.147,56	-700.730,19	-2.583.409,06
Total	484.506,21	2.318.002,52	3.750.198,03	6.552.706,76

Contingent rents recognized in net result under finance leases amount to 454.822,68 EUR (2013: 448.918,48 EUR) and relate to indexation.

Commitments for minimum rents due under non-cancellable operating lease contracts are included in note 33.

21 Note 21 – Deferred tax assets/liabilities

	31/12/2014	31/12/2013
Current taxes		
Current tax receivables		0,00
Current tax debts		0,00
Net position for current taxes	0,00	0,00
Deferred taxes		
Deferred tax assets		0,00
Deferred tax liabilities		0,00
Net position of deferred taxes	0,00	0,00

Movements of the year can be summarised as follows:

	31/12/2014	31/12/2013
Deferred tax assets		
As at 1 January	0,00	136.456.846,34
Taxes recognised in net result		-149.249.677,26
Taxes recognised in other comprehensive income		12.792.830,92
As at 31 December	0,00	0,00

	Statement of financial position	
	31/12/2014	31/12/2013
Deferred tax assets		
Tax losses carried forward and fiscal deductions	506.738.354,50	908.159.151,63
Liabilities for employee benefits	49.501.291,51	57.579.451,74
Write down on trade and other receivables	2.034.317,66	0,00
Financial instruments at fair value	45.848.392,41	19.800.115,81
Provisions	10.119.376,58	8.331.898,25
Gross deferred tax assets	614.241.732,66	993.870.617,43
Deferred tax liabilities		
Property, plant and equipment and investment property	50.598.447,53	383.076.996,80
Gross deferred tax liabilities	50.598.447,53	383.076.996,80
Less unrecognized deferred tax assets	-563.643.285,13	-610.793.620,63
Net position of deferred taxes	0,00	0,00

Tax losses carried forward and fiscal deductions are unlimited in time, except for 124.442.376,00 EUR (2013: 0,00 EUR) which are recoverable over a period up to 7 years.

The ability of the SNCB to recover the deferred taxes is evaluated on the basis of an analysis that is, amongst other things, based on the business plans, on the unforeseen circumstances connected with the economic situation and on the insecurities of the markets in which the SNCB intervenes. Given the various insecurities described here above, the SNCB has based her analysis on a time horizon of three years. The underlying assumptions of this analysis are reviewed yearly.

22 Note 22 – Trade and other payables

		31/12/2014	31/12/2013
	Notes		
Non-current trade payables			
Advances received relative to construction contracts	11	44.569.523,46	40.927.975,12
Total		44.569.523,46	40.927.975,12
Current trade payables			
Suppliers: excluding related parties		304.292.540,33	88.808.361,24
Suppliers: related parties		100.347.691,14	59.404.276,56
Amounts relative to construction contracts	11	4.979.260,00	5.453.336,74
Total		409.619.491,47	153.665.974,54
Total trade payables		454.189.014,93	194.593.949,66

23 Note 23 – Social debts

	31/12/2014	31/12/2013
Withholding tax	26.293,71	41.437,38
Wages	281,47	37.286,13
Holiday pay	55.841.056,70	15.493.749,44
Other social debts	32.311.529,42	9.616.773,14
Total social debts	88.179.161,30	25.189.246,09
Of which:		
Social debts that are due (Social Security)	0,00	0,00
Social debts not yet due	88.179.161,30	25.189.246,09

24 Note 24 - Grants

24.1 Investment grants

The changes during the reporting period can be summarized as follows:

	2014	2013
Investment grants		
As at 1 January	1.249.211.633,28	1.369.804.043,11
Reorganization (note 37)	4.204.456.064,23	
New grants	693.230.657,76	195.137.169,25
Allocated to property, plant and equipment and to intangible assets	-319.623.853,50	-91.209.836,86
Transfer to liabilities associated with non-current assets held for sale		-220.144.842,51
Other movements		-4.374.899,71
Balance as at 31 December	5.827.274.501,77	1.249.211.633,28
Of which		
Non-current	5.512.021.332,46	1.195.959.044,68
Current	315.253.169,31	53.252.588,60

24.2 Operating grants

The changes during the reporting period can be summarized as follows:

	2014	2013
Operating grants to be received		
As at 1 January	79.676.000,00	78.730.905,98
Reorganization	322.230.741,22	
New grants	1.120.823.633,93	233.948.020,13
Payments received	-1.145.908.063,75	-233.002.926,11
Other movements	-116.000,00	0,00
Balance as at 31 December	376.706.311,40	79.676.000,00

24.3 Financial grants

The changes during the reporting period can be summarized as follows:

	2014	2013
Financial grants to be received		
As at 1 January	12.408.559,88	16.207.865,27
Reorganization	971.051,34	
New grants	28.697.371,83	39.591.784,52
Payments received	-29.108.631,07	-37.016.988,08
Transfer to liabilities associated with non-current assets held for sale		-6.374.101,83
Balance as at 31 December	12.968.351,98	12.408.559,88

25 Note 25 – Other amounts payable

	31/12/2014	31/12/2013
Other amounts payable - non current		
Debts to other companies within the Group	2.021.482,11	36.348.480,25
Funds managed for third parties	297.752.865,93	220.018.553,29
Deferred net fees relating to cross-border arrangements	48.856.195,40	80.325.287,09
Guaranteed deposits	235.859,99	0,00
Other liabilities	812.000,00	0,00
Total	349.678.403,43	336.692.320,63
Other amounts payable - current		
Debts to other companies within the Group	16.796.759,61	20.108.536,68
VAT, taxes and withholding tax to be paid	35.195,57	19.326.639,19
Funds managed for third parties	143.055.238,43	220.000.000,00
Deferred net fees relating to cross-border arrangements	7.793.285,65	7.051.039,76
Railway Investment Fund	0,00	102.000.000,00
Other debts on public authorities	2.876.000,00	
Guaranteed deposits	47.508.738,91	1.381.771,26
Deffered income	114.935.819,38	4.577.413,59
Accrued expenses	87.319.347,75	1.597.702,93
Other liabilities	11.515.841,46	5.822.990,78
Total	431.836.226,76	381.866.094,19
Total other amounts payable	781.514.630,19	718.558.414,82

On 31 December 2014, the other debts include 440.807.364,24 EUR of debts to the State within the frame of the REN fund and 46.200.000 EUR within the framework of CSA (other debts).

26 Note 26 – Operating income and expenses

26.1 Operating income

26.1.1 Turnover

	31/12/2014
Marketing & Sales	937.436.106,38
B-Technics	114.976.222,35
Transport:	104.606.213,29
<i>Trains</i>	71.443.992,49
<i>Freight Services</i>	29.710.176,04
<i>Other</i>	3.452.044,76
Income from construction contracts	22.804.579,27
Rentals and energy supply	78.947.839,94
Detached personnel	0,00
Miscellaneous	20.192.305,97
Total turnover	1.278.963.267,20

26.1.2 Other operating income

	31/12/2014
Gross fees on cross-border arrangements	67.529.128,80
Gains	41.135.556,46
Fines and compensation	14.183.494,85
Economic recovery NMPS	9.255.828,91
Other	10.241.787,41
Total other operating income	142.345.796,43

26.2 Operating expenses

26.2.1 Services and other goods

	31/12/2014
Long term rent and rental charges	6.701.973,64
Driving performance, including equipment	58.102.064,86
Maintenance and repairs / sanitations	98.161.957,76
Infrastructure fee	637.206.796,16
Commissions	26.534.641,25
Traction electricity	87.650.581,70
Electricity other than traction / supplies	21.844.485,31
Insurances and indemnities paid to third parties	13.482.686,11
Public relations	8.524.657,78
ICT costs	61.119.998,27
Personnel costs (including HR Rail costs)	58.632.177,85
Provisions for legal claims	-11.366.923,35
Environmental provisions	4.484.712,46
Freight sector provisions	-10.832.750,66
Inter-network connections	61.761.130,71
Diabolo costs	21.664.504,67
Costs related to third parties	26.729.211,38
Other provisions	-14.913.705,38
Miscellaneous	63.595.809,56
Total services and other goods	1.219.084.010,08

26.2.2 Other operating expenses

	31/12/2014
Taxes and withholding taxes	3.232.900,41
Impairments	20.813.139,68
Losses on sale of intangible assets, property, plant and equipment, investment property and assets held-for-sale	1.444.896,02
Other operating expenses	2.939.407,65
Total other operating expenses	28.430.343,76

27 Note 27 – Employee benefit expenses

27.1 Employee benefit expenses

		31/12/2014
	Notes	
Wages, salaries and other short-term benefits		1.154.231.914,49
Social security expenses		0,00
Defined contribution plans	18	354.846,64
Post-employment benefits	18	10.062.946,44
Other long-term employee benefits	18	41.250.816,40
Termination benefits	18	1.008.548,35
Other		
Total employee benefit expenses		1.206.909.072,32

The financial expenses relating to employee benefits are recognised in financial results – Cfr. note 28.

27.2 Employees headcount

		2014
A. Staff		
Average number of employees (in FTE)		
Blue-collar workers		11.490
White-collar workers		9.422
Management		405
Others		
B. Interim personnel		
Average number of employees (in FTE)		N.D.
Costs for the company		1.054.336,15

28 Note 28 – Financial income and expenses

28.1 Financial income

	31/12/2014
	Note
Interest income on :	
unimpaired held-to-maturity investments	1.058.158,84
impaired held-to-maturity investments	0,00
unimpaired loans and receivables	22.569.399,68
impaired loans and receivables	6.556,57
financial assets measured at fair value through profit or loss	2.922.848,45
financial assets held for trading	3.477.457,83
available-for-sale financial assets	13.1 0,00
Net change in fair value of financial assets designated at fair value through profit or loss	3.361.429,44
Net change in fair value of financial liabilities designated at fair value through profit or loss	4.087.231,23
Net change in fair value of derivatives	133.189.501,39
Net change in fair value of available-for-sale financial assets recycled into net result	0,00
Reversal of impairment on available-for-sale financial assets	0,00
Reversal of impairment on held-to-maturity investments	0,00
Reversal of impairment on loans and receivables	0,00
Gains from foreign exchange differences	4.907.245,68
Gain on disposal of loans and receivables	0,00
Dividends received	1.792.714,13
Other financial income	1.045.245,91
Total financial income	178.417.789,15

28.2 Financial expenses

		31/12/2014
	<u>Notes</u>	
Interest expenses on :		
financial liabilities measured at amortised cost		39.311.969,38
financial assets liabilities at fair value through profit or loss		9.150.436,90
financial liabilities held for trading		22.860.623,87
finance lease liabilities		0,00
employee benefit obligations	18.3	8.545.637,16
provisions	19	2.448.639,39
Capitalised finance costs		-189.349,33
Net change in fair value of financial assets designated at fair value through profit or loss		723.117,04
Net change in fair value of financial liabilities designated at fair value through profit or loss		21.769.731,33
Net change in fair value of derivatives		214.125.263,97
Net change in fair value of available-for-sale financial assets recycled into net result		0,00
Impairment on available-for-sale financial assets	13.1	0,00
Impairment on held-to-maturity investments		0,00
Impairment on loans and receivables		0,00
Loss on disposal of loans and receivables		0,00
Losses from foreign exchange differences		2.914.687,31
Other financial expenses		8.706.197,74
Total financial expenses		330.366.954,76

29 Note 29 – Income tax

The table below shows a reconciliation between, on the one hand, the tax (expense) / income on total comprehensive income before tax at the Belgian statutory tax rate and, on the other, the tax (expense) / income on total comprehensive income at the effective tax rate for each of the two reporting periods ending 31 December:

31/12/2014	Comprehensive income	Net result	Other elements from the comprehensive income
Result before taxes	-207.258.135,93	-138.181.779,96	-69.076.355,97
Income taxes calculated based on tax rate of 33,99%	70.447.040,40	46.967.987,01	23.479.053,39
Effect of disallowed expenses	-70.263.969,46	-70.263.969,46	0,00
Definitively taxed income	-1.186.785,32	-1.186.785,32	0,00
Other tax-free results	10.524.595,26	10.524.595,26	0,00
Change in accounting of deferred tax assets	-9.526.003,92	13.953.049,48	-23.479.053,39
Tax (expense)/income on total comprehensive income	-5.123,03	-5.123,03	0,00

31/12/2013	Comprehensive income	Net result	Other elements from the comprehensive income
Result before taxes	108.465.764,08	80.476.529,13	27.989.234,95
Income taxes calculated based on tax rate of 33,99%	-36.867.513,21	-27.353.972,25	-9.513.540,96
Effect of disallowed expenses	-25.631.514,95	-28.034.368,22	2.402.853,27
Definitively taxed income	180.866,36	197.821,86	-16.955,51
Other tax-free results	3.641.688,17	3.983.082,05	-341.393,88
Change in accounting of deferred tax assets	-77.786.139,76	-98.048.007,76	20.261.868,00
Tax (expense)/income on total comprehensive income	-136.462.613,39	-149.255.444,31	12.792.830,92

	31/12/2014	31/12/2013
	<u>Note</u>	
Current taxes through net income	-5.123,03	-5.767,05
Deferred taxes through net income	21	-149.249.677,26
Deferred taxes through other comprehensive income	21	12.792.830,92
Tax (expense)/income on total comprehensive income	-5.123,03	-136.462.613,39

30 Note 30 – Contingent assets and liabilities

The contingent assets amount to 557.513,51 EUR (2013: 16.620.038,90 EUR) and represent mainly amounts claimed by the Company from third parties responsible for disability for staff members.

The contingent liabilities amount to 510.295,49 EUR (2013: 564.599,08 EUR) and represent legal claims against the Company for which the probability that an outflow of resources will be required to settle the obligation is remote at that date.

31 Note 31 – Additional information on financial instruments

31.1 Financial assets

Classification according to IAS 39		Carrying amount at 31/12/2013	Fair value at 31/12/2013	Carrying amount at 31/12/2012	Fair value at 31/12/2012
Non-current financial assets					
Trade and other receivables	Loans and receivables measured at amortised cost	813.049.087,76	813.049.087,76	1.001.917.071,59	1.021.138.712,75
	Loans and receivables designated at fair value through profit or loss	0,00	0,00	0,00	0,00
Derivatives	Financial assets at fair value through profit or loss	361.829.165,07	361.829.165,07	227.863.550,26	227.863.550,26
Other financial assets	Available-for-sale assets at fair value through equity	51.266.028,69	51.266.028,69	109.285,35	109.285,35
	Financial assets designated at fair value through profit or loss	95.086.221,23	95.086.221,23	109.501.090,45	109.501.090,45
	Financial assets at fair value through profit or loss held for trading	68.359.373,35	68.359.373,35	59.740.632,93	59.740.632,93
	Financial assets measured at amortised cost	407.156.389,86	489.062.182,94	952.357.387,45	1.033.317.861,25
Total		1.796.746.265,96	1.878.652.059,04	2.351.489.018,03	2.451.671.132,99
Current financial assets					
Trade and other receivables	Loans and receivables measured at amortised cost	1.070.090.069,56	1.070.090.069,56	644.996.128,79	641.178.292,57
	Loans and receivables designated at fair value through profit or loss	328.298,20	328.298,20	420.073,20	420.073,20
Derivatives	Financial assets at fair value through profit or loss	0,00	0,00	450.276,13	450.276,13
Other financial assets	Available-for-sale assets at fair value through equity	0,00	0,00	2.018.590,74	2.018.590,74
	Financial assets designated at fair value through profit or loss	27.023.500,27	27.023.500,27	416.015,39	416.015,39
	Financial assets at fair value through profit or loss held for trading	-36.471,56	-36.471,56	-22.284,63	-22.284,63
	Financial assets measured at amortised cost	222.261.565,36	222.333.215,37	90.166.238,21	81.040.354,88
	Financial assets held to maturity measured at amortised cost	144.599.596,67	144.599.596,67	0,00	0,00
Total		1.464.266.558,50	1.464.338.208,51	738.445.037,83	725.501.318,28

This analysis relates only to financial liabilities as defined by IFRS 7, excluding therefore deferred charges, amounts relating to construction contracts, etc.

31.2 Financial liabilities

Classification according to IAS 39		Carrying amount at 31/12/2013	Fair value at 31/12/2013	Carrying amount at 31/12/2012	Fair value at 31/12/2012
Non-current financial liabilities					
Financial liabilities	Financial liabilities measured at amortised cost	2.232.771.019,37	2.616.706.395,32	2.390.167.900,56	2.556.076.557,66
	Financial liabilities designated at fair value through profit or loss	176.987.012,84	176.987.012,84	164.901.139,56	164.901.139,56
Derivatives	Financial liabilities at fair value through profit or loss	552.379.101,95	552.379.101,95	375.548.636,79	375.548.636,79
Trade and other payables	Financial liabilities measured at amortised cost	0,00	0,00	0,00	0,00
Other liabilities	Financial liabilities measured at amortised cost	297.988.725,92	297.988.725,92	220.018.553,29	220.018.553,29
	Financial liabilities designated at fair value through profit or loss	2.021.482,11	2.021.482,11	27.683.829,53	27.683.829,53
Total		3.262.147.342,19	3.646.082.718,14	3.178.320.059,73	3.344.228.716,83
Current financial liabilities					
Financial liabilities	Financial liabilities measured at amortised cost	1.416.474.259,29	1.417.443.242,62	921.094.429,31	911.096.975,88
	Financial liabilities designated at fair value through profit or loss	34.227.239,28	34.227.239,28	65.263.930,57	65.263.930,57
Derivatives	Financial liabilities at fair value through profit or loss	10.474.254,85	10.474.254,85	9.503.268,74	9.503.268,74
Trade and other payables	Financial liabilities measured at amortised cost	401.143.712,27	401.143.712,27	148.212.637,80	148.212.637,80
Other liabilities	Financial liabilities measured at amortised cost	313.768.146,83	313.768.146,83	340.477.715,95	340.477.715,95
	Financial liabilities designated at fair value through profit or loss	2.842,21	2.842,21	10.128.316,75	10.128.316,75
Total		2.176.090.454,73	2.177.059.438,06	1.494.680.299,12	1.484.682.845,69

This analysis relates only to financial liabilities as defined by IFRS 7, excluding therefore deferred income, amounts relating to construction contracts, etc.

32 Note 32 – Cross-border arrangements

The Company entered into several cross-border leasing transactions (assets sold or leased to a Trust, and then immediately leased back to the Company) aimed at realising financial benefits shared with the Trust. These so-called “Cross-border arrangements” are accounted for based on their economic substance in accordance with SIC-27. The underlying property, plant and equipment of those transactions can be grouped as follows:

- Rolling stock (Diesel and electrical engines, self-propelled cars, high-speed trains and passenger coaches): the related agreements have an initial basic term between 13 and 28 years.
- Qualified technological equipment: the related agreements have an initial basic term of 16 years.
- Railway infrastructure (high-speed lines): the related agreements have an initial basic term between 29 and 31,5 years.
- Administrative buildings: the related agreements have an initial basic term of 29,5 years.

The transactions do entail some restrictions on the use of the underlying assets (e.g. no disposal, no sublease without upfront approval of the Trust).

The company kept the property, plant and equipment on its statement of financial position and did not recognize any gain or loss from the sales transactions to the Trust. This property, plant and equipment relating to cross-border arrangements are primarily the subject of finance lease contracts with companies of the SNCB Group as explained in note 10.3.

The investment accounts (investment of a portion of the proceeds arising from the sale or head lease) and related payment obligations towards the Trust (over the duration of the arrangement) are recognised in the Company’s consolidated statement of financial position except for investment accounts with Governmental entities or supranational organizations counterparties (or guaranteed by Governmental entities) which represent 1.675.842.500,60 EUR (1.719.180.500,21 EUR) as per 31 December 2014 (2013). The investment accounts and related payment obligations towards the Trust are recognised in accordance with IAS 39 as explained in the notes “Other financial assets” and “Financial liabilities”. As per 31 December 2014 (2013), 347.233.262,30 EUR (593.139.965,39 EUR) has been recognised as investment accounts. On the other hand, 1.188.148.343,05 EUR (1.651.660.356,79 EUR) has been recognised with respect to the payment obligations towards the Trust on 31 December 2014 (2013).

For certain transactions, the Company used financial derivatives in order to hedge interest rate and foreign exchange risks. In those cases the Company applied the fair value option as stipulated by IAS 39 to account for the financial assets and liabilities. The use of financial derivatives is explained in note 12. As per end 2014 (2013) the fair value of the financial derivatives linked to the cross-border arrangements amounts to 8.352.162,70 EUR (25.352.112,43 EUR). The analysis of the financial risk management related to the use of financial instruments, including the financial instruments related to the cross-border arrangements, is explained in note 2.2.

The fees received from the transactions are recognised in net result on a straight line basis over the duration of the transactions. In 2014 (2013), 59.863.282,06 EUR (8.130.989,10 EUR) was recognised in the operating result. The increase is the result of certain transactions to Infrabel. At the end of the initial basic term, the Company has several options based on the type of transaction including:

- Exercise the purchase option;
- Return the assets to the Trust, who will use them for its own purpose;
- Return the assets to the Trust, for whom the Company will act as a sales agent for the assets;
- Extend the arrangement by a lease or service contract beyond the initial basic term of the arrangement; or
- Find a third party who will assume the remaining obligations towards the Trust under a lease or service contract.

33 Note 33 – Rights and obligations

The amount of contractual commitments for the acquisition of property, plant and equipment and investment properties is 573.528.413,59 EUR (325.592.901,63 EUR) as at 31 December 2014 (2013).

The amount of contractual commitments for the acquisition of services is 1.144.338.259,53 EUR (343.199.646,32 EUR) as at 31 December 2014 (2013).

The contractual obligations for the acquisition of stocks amount to 156.573.654,14 EUR (64.901,64 EUR) as at 31 December 2014 (2013).

The personal guarantees by the Company for third parties amount to 392.205.925,63 EUR (349.954.718,02 EUR) as at 31 December 2014 (2013) and mainly concern the guarantees provided for the REN equipment and for depollution.

Credit lines granted by third parties to the Company amount to 1.533.007.506,22 EUR (1.583.007.506,22 EUR) as at 31 December 2014 (2013).

Commitments for future minimum rent payments due under contracts of non-cancellable operating leases amount to 26.188.291,36 EUR (41.060.429,84 EUR) as at 31 December 2014 (2013), of which 5.496.126,78 EUR (7.357.343,81 EUR) in less than a year, EUR 18.303.451,24 (24.669.343,12 EUR) to more than one year but within 5 years and 2.388.713,34 EUR (9.033.742,91 EUR) to over 5 years.

Guarantees given by third parties on behalf of the Company amount to 2.039.517.225,33 EUR (2.486.116.878,44 EUR) as at 31 December 2014 (2013) and mainly concern the securities given by the State within the framework of the cross-border arrangements.

Goods and values held by third parties on their behalf but for which the risks and rewards are assumed by the Company represent 403.075.921,35 EUR (477.121.256,15 EUR) as at 31 December 2014 (2013) and relate to prepayments within the framework of the cross-border arrangements.

Inventories belonging to third parties but kept by the Company which bears the risks, amount to 98.233.269,94 EUR (243.000,00 EUR) as at 31 December 2014 (2013).

The guarantees given by the Company on own assets amount to 910.904.557,46 EUR (995.689.762,02 EUR) as at 31 December 2014 (2013) and relate to investments pledged under the cross-border arrangements.

The received bank guarantees amount to 456.847.813,45 EUR (0 EUR) as at 31 December 2014 (2013).

Investment accounts related to cross-border arrangements that are not recognised in the statement of financial position are shown in note 32.

34 Note 34 – Information on related parties

34.1 Consolidated companies

The list of subsidiaries, joint-ventures and associates is included in note 8 and 9.

34.2 Relations with the State

34.2.1 Holding interests

The State holds directly and indirectly 99,97% of the voting rights of the Company.

34.2.2 Management Contract

The Belgian State signed a Management Contract with the Company for the period 2008-2012. In this Management Contract, it is stated that the Company is an essential part of the transportation system in Belgium. It has been entrusted, under a coherent group policy, the mission to ensure that its activities are consistent with the sustainable mobility policy pursued by the Belgian Government and that it contributes to meeting mobility needs.

The changes in the reorganization of the Belgian Railways on 1 January 2014 were not yet included in the Management Contract. The implementation of the next management contract is in progress.

The goal of the SNCB:

1. the transport by rail of passengers and goods, including the reception of and the information to its customers;
2. the transport of goods in general and the associated logistic services;
3. the acquisition, the maintenance, the management and the financing of railway rolling stock;
4. the security and the surveillance of railways;

5. the acquisition, the design, the construction, the renovation, the maintenance and the management of railway stations, the unmanned stops and their appurtenances and their direct environment, including the design, the development, the modernization and valorisation of the urban centres;
6. the development of commercial or other activities destined to directly or indirectly improve her services or to optimize the use of her goods.

The company can, herself or via participation in existing or to be established Belgian, foreign or international institutions and legal bodies, do all commercial, industrial or financial operations, that are directly or indirectly, complete or partial, related to its goal or that can facilitate or improve the realization or development of it, including the giving of guarantees for debts of associated companies or companies with a participating interest.

The production and sale of goods or services that are directly or indirectly related with the railway activities are particularly supposed to advance the realization or the development of the goal.

The company can also act as a director, as power of attorney, as representative, as liquidator in other companies and businesses.

34.2.3 Services to public administrations

The Company provides transportation and communication services to the Belgian State and to various public administrations of the Belgian State. All these transactions are conducted as in a normal client/provider relationship, and under terms that are not more favourable than those offered to other clients and providers. The services provided to these administrations do not represent a significant portion of the Company's net revenue.

34.3 Relations between the companies of the SNCB Group

In the ordinary course of performance of the Management Contract, the Company engages in mutual relations with other companies of the SNCB Group. The main relations that are executed for companies of the Group are the following:

- services such as Treasury and accounting coordination, etc.
- during performances and performances in stations freight services.

34.4 Figures relating to relations with public authorities and companies of SNCB Group

Grants granted by public authorities are detailed in note 24.

Besides these grants, the following transactions were carried out with related parties:

34.4.1 Sale of goods and services

These transactions were concluded at normal market condition.

31/12/2014	
Sales of goods	
SNCB Logistics	
Other subsidiaries	144.112,29
Joint ventures	
Associates	
Delivery of services	
SNCB Logistics	88.924.067,30
Other subsidiaries	8.571.112,50
Joint ventures	9.577.271,54
Associates	23.483.362,40
Total	130.699.926,03

34.4.2 Purchase of goods and services

31/12/2014	
Purchases of goods	
SNCB Logistics	
Other subsidiaries	171.249.272,26
Joint ventures	20.605,50
Associates	422.515,09
Purchases of services	
SNCB Logistics	3.974.250,99
Other subsidiaries	189.161.431,19
Joint ventures	49.463.881,50
Associates	54.547.529,45
Total	468.839.485,98

These transactions were concluded at normal market conditions.

34.4.3 Receivables from and payables to related parties (except key management) following sale/purchase of goods/services

	31/12/2014	31/12/2013
Receivables from related parties		
SNCB	0,00	1.586.126.785,25
SNCB Logistics	115.832.412,80	80.817.686,64
Other subsidiaries	42.977.333,58	182.970.185,59
Joint ventures	3.567.464,97	21.508.888,25
Associates	6.110.639,08	2.924,62
Total	168.487.850,43	1.871.426.470,35
Payable to related parties		
SNCB	0,00	157.530.660,47
SNCB Logistics	-71.858,60	592.676,87
Other subsidiaries	282.474.372,18	145.706.030,08
Joint ventures	6.711.053,24	14.460.105,69
Associates	205.474.902,79	1.396,18
Total	494.588.469,61	318.290.869,29

These transactions were concluded at normal market conditions.

Furthermore, the Royal Decree of 30 December 2004, establishing the list of liabilities and assets transferred by the SNCB unitary Railway Infrastructure Fund, provided for the transfer of assets to an amount exceeding the debt assumed by the State. A receivable from the State is included in the accounts:

	31/12/2014	31/12/2013
Receivables from Public authorities		
Back to Back Operation	411.990.419,58	439.864.363,14
Financing HST	55.551.756,04	57.041.829,21
Financing REN material	435.189.528,95	448.509.022,16
Financing Desiro material	103.439.131,30	107.291.034,99
Funding HLE 18	123.559.007,62	0,00
Operating grants	387.360.406,83	79.676.000,00
Investment grants	13.216.000,00	3.289.000,00
Station of Mons (Walloon Region)	27.107.609,73	30.723.365,14
SPV LLN	30.811.118,89	29.204.214,62
Total	1.588.224.978,94	1.195.598.829,26

34.5 Relations with key management

The Directors and the members of the management committees are considered as key directors of the Company.

The total amount of compensation provided to directors and members of the management committees amounted to 2.156.085,41 EUR in 2014 and 2.426.193,14 EUR in 2013. They did not receive any loans or advances from the Company. For the list of directors and members of the management committee, we refer to note 1.

These above total amounts of compensation provided to the key management include the following elements:

- short-term benefits: annual salary (fixed and variable) and short-term fringe benefits such as health insurance, private use of a company car, as well as social security contributions paid on these benefits;
- Termination benefits
- post-employment benefits: insurance premiums paid by the Company, essentially covering an additional retirement plan;
- Any severance payments.

Key management compensation is as follows:

	31/12/2014	31/12/2013
Salaries and other short-term benefits	2.026.119,76	2.326.092,52
Termination benefits	0,00	0,00
Post-employment benefits	129.965,65	100.100,62
Other long-term employee benefits	0,00	0,00
Total	2.156.085,41	2.426.193,14

No loans were granted to key management.

35 Note 35 – Auditors fees

The Company recorded in 2014 (2013) an amount of 330.611,61 EUR (242.191,50 EUR) for auditor fees as part of the statutory audit assignment of the Company and an amount of 202.974,28 EUR (270.089,00 EUR) for non-audit services provided by the auditor and associated firms.

These amounts can be broken down as follows:

	31/12/2014		31/12/2013	
	Auditor	Related to the auditor	Auditor	Related to the auditor
Assignments related to the review	330.611,61		242.191,50	0,00
Assignments related to tax consultancy			0,00	0,00
Other assignments	202.974,28		270.089,00	0,00
Total	533.585,89	0,00	512.280,50	0,00

36 Note 36 – Events after the reporting date

No significant event impacting the financial statements of the Company has been observed after the reporting date at 31 December 2014.

37 Note 37 – Reorganization

The goal of the reorganization on 1 January 2014 is the restructuring of the Belgian Railway structures to bring these back to two autonomous public companies in the form of two limited companies of public law, a manager of infrastructure Infrabel and a railway company SNCB that participate together with the State in a subsidiary of public law HR Rail, that acts as sole employer of all of the personnel of these two companies.

The reorganization has been realized by multiple simultaneous operations on 1 January 2014:

- Merger of the SNCB Holding and the SNCB via the merger technique by absorption of the SNCB by the SNCB Holding, renamed SNCB;
- The contribution of certain activities and assets of the merged SNCB to Infrabel via a partial demerger resulting in changes in the equity of the merged SNCB;
- The creation of HR Rail in the form of a limited company of public law in which the assets and liabilities of the operational activity “Human Resources” of the merged SNCB are contributed.

Merger of the SNCB Holding and SNCB

The SNCB Holding and the SNCB have engaged into a simplified mother-daughter merger; the SNCB Holding is the absorbing company. All assets and liabilities of the SNCB have, completely and in continuity, been transferred to the SNCB Holding, without issuing new shares.

The impact of the merger on the equity of the company is negative for an amount of 401.165.865,00 EUR on 1 January 2014.

Partial demerger of the merged SNCB to Infrabel

Certain assets and liabilities of the merged SNCB have been contributed to Infrabel. It concerns:

- All of the shares held by the merged SNCB in Infrabel;
- The financial debt and the associated financial assets that are directly attributable to Infrabel and 45% of the amount of debt that is not directly attributable to SNCB Holding, Infrabel or the SNCB;
- The assets and liabilities that concern certain ICT activities;
- The provision for legal disputes and the associated receivables from assurance companies;

- The employee benefits obligations that were divided between the entities SNCB, Infrabel and HR Rail following their employees.

The capital of the merged SNCB has, within the framework of the partial demerger, decreased from 741.778.929,39 EUR to 249.022.345,57 EUR (note 17).

Contribution in HR Rail

HR Rail has been created in the form of a limited company of public law on 20 December 2013 within the framework of the restructuring.

The merged SNCB has transferred all of its assets and liabilities that form its activity "Human Resources" on 1 January 2014.

The merged SNCB contributed the following to HR Rail:

- The assets and liabilities with respect to Social Solidarity Fund and Social Documentation Fund;
- The assets and liabilities with respect to pension management;
- The intangible assets and property, plant and equipment associated with the activities of HR Rail and the associated investment grants;
- The assets and liabilities associated with the financial management of the active personnel;
- The liabilities for the employee benefits of personnel of HR Rail;
- All the liabilities with respect to the remunerations and the social costs of which administrative follow up belongs to the responsibility of HR Rail.

The assets and liabilities contributed to Infrabel and HR Rail were classified as non-current assets held for sale and associated liabilities on 31 December 2013 as described in note 16. These assets and liabilities were cancelled at 1 January 2014 at the moment the contribution to Infrabel and HR Rail. The impact of these transactions on the equity amounts to -1.504.624.860,45 EUR of which -492.756.583,82 EUR on capital and -1.011.868.273,63 on retained earnings. The impact of these transactions has been recorded in the equity since it concerns a distribution to shareholders.

Contribution by Infrabel

Infrabel transferred its activity "passenger information" to the merged SNCB and contributed intangible assets and property, plant and equipment that are fully financed by grants to the merged SNCB. This contribution has no impact on equity on 1 January 2014.

The impact of the reorganization on 1 January 2014 on the statement of financial position is as follows:

Assets	
Intangible assets (note 5)	255.221.593,67
Fixed assets (note 6)	4.471.678.238,79
Investment property (note 7)	-36.193.125,76
Investment in subsidiaries (note 8)	4.072.387,05
Investments in associates and joint ventures	13.562.380,76
Trade and other receivables	-160.467.810,75
Derivatives	-1.634.400,00
Other financial assets	-282.337.272,51
Deferred tax assets	0,00
Non-current assets	4.263.901.991,25
Inventories	181.346.201,52
Trade and other receivables	606.188.342,82
Derivatives	0,00
Other financial assets	1.669.707,74
Current tax assets	0,00
Cash and cash equivalents	-700.276.975,01
Current assets	88.927.277,07
Non-current assets held for sale	-4.499.761.075,55
TOTAL ASSETS	-146.931.807,23

Liabilities	
Equity	-1.905.790.725,45
Employee benefit obligations (note 18.3)	15.409.530,46
Provisions (note 19)	71.449.794,74
Financial liabilities	0,00
Derivatives	0,00
Deferred tax liabilities	0,00
Trade and other payables	0,00
Grants (note 24.1)	4.204.456.064,23
Other amounts payable	3.424.603,15
Non-current liabilities	4.294.739.992,58
Employee benefit obligations (note 18.3)	-9.624.003,20
Employee benefit obligations - short term benefits (note 18.3)	-18.154.356,24
Provisions (note 19)	22.414.794,79
Financial liabilities	0,00
Derivatives	0,00
Trade and other payables	278.547.837,60
Social debts	66.743.936,79
Grants	0,00
Other amounts payable	302.859.098,10
Current liabilities	642.787.307,84
Liabilities associated with non-current assets held for sale (note 16)	-3.178.668.382,20
Total liabilities	-146.931.807,23

4. 4. Report of the collège des commissaires (in French)

SNCB SA DE DROIT PUBLIC
Rue de France 85
1060 BRUXELLES

Rapport du Collège des Commissaires à l'assemblée générale des actionnaires de la société SNCB SA de Droit Public sur les comptes annuels pour l'exercice clos le 31 décembre 2014

Conformément aux dispositions légales et statutaires, nous, en qualité de Collège des Commissaires, vous faisons rapport dans le cadre de notre mandat. Le rapport inclut notre opinion sur les comptes annuels, les mentions et informations complémentaires requises, ainsi qu'un rapport sur les comptes par secteur d'activités. Les comptes annuels comprennent le bilan au 31 décembre 2014 et le compte de résultats pour l'exercice clos à cette date ainsi que les annexes.

Rapport sur les comptes annuels – Opinion sans réserve

Nous avons procédé au contrôle des comptes annuels de la société SNCB SA de Droit Public pour l'exercice clos le 31 décembre 2014, établis sur la base du référentiel comptable applicable en Belgique, tel que décrit dans le Code des Sociétés, et du référentiel spécifique à la société, tel que repris principalement dans la loi du 21 mars 1991 ainsi que dans les dispositions légales et réglementaires spécifiques aux sociétés ferroviaires, dont le total du bilan s'élève à EUR 11.887.471.329 et dont le compte de résultats se solde par une perte de l'exercice de EUR 512.309.639.

Responsabilité de l'organe de gestion relative à l'établissement des comptes annuels

L'organe de gestion est responsable de l'établissement de comptes annuels donnant une image fidèle conformément au référentiel comptable applicable en Belgique, ainsi que de la mise en place du contrôle interne qu'il estime nécessaire à l'établissement de comptes annuels ne comportant pas d'anomalies significatives, que celles-ci proviennent de fraude ou résultent d'erreurs.



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Responsabilité du Collège des Commissaires

Notre responsabilité est d'exprimer une opinion sur ces comptes annuels sur la base de notre audit. Nous avons effectué notre audit selon les normes internationales d'audit (ISA). Ces normes requièrent de notre part de nous conformer aux exigences déontologiques, ainsi que de planifier et de réaliser l'audit en vue d'obtenir une assurance raisonnable que les comptes annuels ne comportent pas d'anomalies significatives.

Un audit implique la mise en œuvre de procédures en vue de recueillir des éléments probants concernant les montants et les informations fournis dans les comptes annuels. Le choix des procédures mises en œuvre, y compris l'évaluation des risques que les comptes annuels comportent des anomalies significatives, que celles-ci proviennent de fraude ou résultent d'erreurs, relève du jugement du commissaire. En procédant à cette évaluation des risques, le commissaire prend en compte le contrôle interne de l'entité relatif à l'établissement de comptes annuels donnant une image fidèle, cela afin de définir des procédures d'audit appropriées selon les circonstances, et non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne de l'entité. Un audit consiste également à apprécier le caractère approprié des règles d'évaluation retenues, le caractère raisonnable des estimations comptables faites par l'organe de gestion, et l'appréciation de la présentation d'ensemble des comptes annuels.

Nous avons obtenu de l'organe de gestion et des préposés de l'entité, les explications et les informations requises pour notre contrôle.

Nous estimons que les éléments probants recueillis sont suffisants et appropriés pour fonder notre opinion.

Opinion sans réserve

A notre avis, les comptes annuels donnent une image fidèle du patrimoine et de la situation financière de la société SNCB SA de Droit Public au 31 décembre 2014, ainsi que de ses résultats pour l'exercice clos à cette date, conformément au référentiel comptable applicable en Belgique et à celui spécifique à la société.

Paragraphes d'observations

Sans remettre en cause notre opinion, nous attirons l'attention sur :

1. L'annexe C 10 des comptes annuels dans laquelle l'organe de gestion, conformément à l'article 96, 6° du Code des sociétés, justifie l'application des règles d'évaluation appropriées à l'hypothèse de continuité de la société. Considérant les pertes importantes subies par la SNCB, dues principalement en 2014 à des éléments exceptionnels liés à la réforme des structures des chemins de fer belges, l'organe de gestion indique dans cette annexe les éléments qui confortent la continuité d'exploitation, notamment le planning financier approuvé en mars 2015.
2. L'annexe C 10 des comptes annuels dans laquelle il est mentionné que l'organe de gestion a décidé en 2013, sur base d'une analyse menée par un expert indépendant, de reconnaître des plus-values de réévaluation sur terrains (1.127,0 millions EUR) et sur participations (96,6 millions EUR) et de les comptabiliser sous une rubrique distincte des capitaux propres, conformément à l'article 57 de l'arrêté royal du 30 janvier 2001 portant exécution du Code des sociétés. Au 1^{er} janvier 2014, après restructuration (fusion par absorption et scission), un montant de 150,4 millions EUR a été repris dans la rubrique « plus-values de réévaluation ».



L'organe de gestion est d'avis que, sur base du rapport d'expertise externe, la valeur de nombreux actifs à caractère immobilier (terrains et participations) présente un excédent certain et durable par rapport à leur valeur comptable, compte tenu d'une valeur de réalisation (de marché) prudemment estimée, de sorte qu'indépendamment du niveau de profitabilité de l'activité à laquelle ils se rattachent, la valeur réévaluée des actifs concernés peut être récupérée par leur réalisation à des conditions de marché.

Le Conseil d'Administration est d'avis, sur base des marges d'appréciation que lui laisse l'article 57 de l'arrêté royal précité, que les actifs soumis à réévaluation sont utiles à l'activité de la SNCB, que ce soit dans le cadre de la gestion du patrimoine foncier historique de la SNCB ou de la gestion des gares, et qu'en outre, leur valeur d'utilité doit être appréciée nécessairement au regard de la mission de service public impartie à la société : la réserve immobilière n'est pas destinée à servir des objectifs de rentabilité de marché mais à contribuer durablement à la réalisation des missions de la SNCB dans une perspective d'équilibre financier global.

Nous attirons l'attention sur le fait que les réévaluations ont été basées sur des données financières et des paramètres d'évaluation qui comportent nécessairement des incertitudes et des marges d'appréciation. En outre, les estimations comptables qui en résultent sont susceptibles d'être reconsidérées si ces données et paramètres devaient être remis en cause.

Autres points

1. La société ne dispose pas pour l'ensemble de ses processus de procédures écrites. L'organisation administrative des processus principaux est construite à partir d'instructions concernant des sujets divers sans que des risques spécifiques aient été identifiés, et, par conséquent, sans qu'il soit validé que tous les risques sont maîtrisés de manière adéquate sur la base des mesures d'organisation administrative et de contrôle interne. L'organisation administrative et le contrôle interne doivent être adaptés davantage à l'environnement changeant et à sa complexité croissante. Une attention particulière est demandée pour le processus d'achat et la réconciliation des transactions avec les parties liées. Nous attirons l'attention sur le fait que durant l'année 2014, la réorganisation de la société a été mise en œuvre dans les systèmes. L'année 2014 est donc caractérisée par une structure organisationnelle qui n'a été adaptée que partiellement à la nouvelle structure de la société.
2. La société a pris des mesures pour mettre en place une politique de gestion des risques de fraude. L'ensemble des risques de fraude ne sont pas encore cartographiés, et il doit être examiné dans quelle mesure les contrôles internes réduisent les risques de fraude à un niveau acceptable.
3. Nous attirons l'attention sur les estimations comptables et les matières à jugement contenues dans les comptes, notamment les provisions pour environnement (pollution des sols et assainissement) qui sont basées sur l'état actuel de l'inventaire et une estimation de la pollution des terrains, la valorisation des instruments financiers et la valorisation des engagements relatifs au personnel. Ces estimations comptables et matières à jugement comprennent nécessairement des éléments inhérents d'incertitude.
4. La SNCB a versé en décembre 2014 des acomptes à hauteur de 75 millions EUR principalement à la filiale Eurostation SA concernant des projets immobiliers à réaliser. Les subsides en capital ont été reconnus au moment de la comptabilisation de ces factures d'acompte. L'exécution d'une partie importante de ces projets est prévue à moyen terme.



5. Nous attirons l'attention sur le rapport de gestion dans lequel le Conseil d'administration décrit les engagements pris en faveur de la SNCB Logistics SA.

Rapport sur d'autres obligations légales et réglementaires

L'organe de gestion est responsable de l'établissement et du contenu du rapport de gestion, du respect des dispositions légales et réglementaires applicables à la tenue de la comptabilité ainsi que du respect du Code des sociétés et des statuts de la société.

Dans le cadre de notre mandat et conformément à la norme belge complémentaire aux normes internationales d'audit (ISA) applicables en Belgique, notre responsabilité est de vérifier, dans tous les aspects significatifs, le respect de certaines obligations légales et réglementaires. Sur cette base, nous faisons les déclarations complémentaires suivantes, qui ne sont pas de nature à modifier la portée de notre opinion sur les comptes annuels:

- Le rapport de gestion traite des mentions requises par la loi, concorde avec les comptes annuels et ne comprend pas d'incohérences significatives par rapport aux informations dont nous avons eu connaissance dans le cadre de notre mandat.
- En ce qui concerne l'exhaustivité et l'évaluation des engagements hors bilan, nous nous appuyons sur des confirmations de la direction et de tiers. Pour le reste, la comptabilité est tenue conformément au référentiel comptable et légal généralement applicable en Belgique et à celui spécifique à la société.
- L'affectation des résultats proposée à l'assemblée générale est conforme aux dispositions légales et statutaires.
- Nous n'avons pas à vous signaler d'opération conclue ou de décision prise en violation des statuts ou du Code des sociétés.
- Nous attirons l'attention sur l'application de l'article 156 quater §2 de la loi du 21 mars 1991 en vertu duquel, à partir de 2014, la SNCB est compétente pour l'exécution des travaux d'investissement sur les quais, sur lesquels la SNCB dispose dorénavant d'une servitude perpétuelle à titre gratuit. En l'absence d'informations suffisantes sur le relevé des immobilisations corporelles concernées par cette disposition, le transfert d'Infrabel à la SNCB des immobilisations corporelles et des subsides en capital correspondants n'a pu être réalisé au 1^{er} janvier 2014.
- Malgré les nombreuses références faites aux IAS/IFRS dans les comptes annuels nous insistons sur le fait que notre mission est de vérifier, strictement et uniquement, la conformité des comptes annuels au référentiel comptable et légal généralement applicable en Belgique et à celui spécifique à la société.



Rapport sur les comptes par secteur d'activités

Cadre légal

En vertu de l'article 27, §1 de la loi du 21 mars 1991 portant réforme de certaines entreprises publiques économiques, la SNCB doit établir un système distinct de comptes, d'une part, pour ses activités ayant trait à ses missions de service public décrites de manière limitative à l'article 156 de la loi du 21 mars 1991 précitée et, d'autre part, pour ses autres activités. L'annexe aux comptes annuels doit comprendre un état récapitulatif des comptes relatifs aux missions de service public et un commentaire à ce sujet.

Les missions de service public consistent principalement en :

1. le transport intérieur de voyageurs assuré par les trains du service ordinaire ;
2. le transport transfrontalier de voyageurs jusqu'aux gares situées sur les réseaux voisins définies dans le contrat de gestion ;
3. l'acquisition, la maintenance, la gestion et le financement de matériel roulant ferroviaire destiné à l'accomplissement des missions visées aux 1) et 2) ;
4. les prestations que l'entreprise ferroviaire est tenue de fournir pour les besoins de la Nation;
5. l'acquisition, la conception, la construction, le renouvellement, l'entretien et la gestion des gares ferroviaires, des points d'arrêt non gardés et de leurs dépendances;
6. la conservation du patrimoine historique relatif à l'exploitation ferroviaire;
7. les activités de sécurité dans les gares, dans les points d'arrêt non gardés, dans les trains, sur les voies, en ce compris les faisceaux voyageurs et marchandises, dans les autres espaces du domaine ferroviaire accessibles au public et dans tous les espaces gérés par la SNCB;
8. les activités de gardiennage des installations dont elle est propriétaire ou desquelles elle assure la gestion.

De plus, l'article 162 duodecimes de la loi précitée du 21 mars 1991 stipule :

- que la SNCB doit tenir, dans sa comptabilité interne, des comptes séparés pour ses activités relatives au transport de marchandises par chemin de fer et que l'annexe aux comptes annuels doit comprendre un bilan et un compte de résultats séparés pour ces activités.
- que les dotations versées pour les activités relatives à la fourniture de services de transport de voyageurs au titre des missions de service public doivent figurer séparément dans les comptes correspondants et ne peuvent pas être transférées aux activités relatives à la fourniture d'autres services de transport ou à toute autre activité.

Responsabilité de l'organe de gestion pour ce qui concerne les comptes par secteur d'activités

Le Conseil d'administration est responsable de l'établissement et de la présentation fidèle des comptes par secteur d'activités en application de l'article 27 §1 et de l'article 162 duodecimes de la loi du 21 mars 1991. Cette responsabilité comprend entre autres la conception, la mise en place et le suivi d'une organisation administrative et d'un contrôle interne relatif à l'établissement et la présentation sincère des comptes par secteur d'activités de manière qu'ils ne comportent pas d'anomalies significatives.

Le Conseil d'administration a arrêté les comptes par secteur d'activités lors de sa réunion du 8 mai 2015. Ces comptes sont repris dans les annexes aux comptes annuels.



Contrôle effectué par le Collège des Commissaires

Le Collège des Commissaires a effectué le contrôle des comptes des secteurs d'activités de l'exercice 2014. Les contrôles ont été exécutés conformément à la norme internationale ISAE 3000 : "*Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*".

Conclusion du rapport sur les comptes par secteur d'activités

Sur base de nos travaux de contrôle, destinés à obtenir une assurance limitée sur les comptes par secteur d'activités 2014 repris en annexe aux comptes annuels, nous attirons l'attention sur les constatations suivantes :

1. Les paragraphes d'observations et autres points mentionnés dans le rapport du Collège des Commissaires sur les comptes statutaires 2014 sont aussi applicables aux comptes par secteur d'activités.
2. Des changements de règles d'évaluation et d'allocation ont été approuvés par le Conseil d'administration du 8 mai 2015. Ces règles d'évaluation stipulent que les comptes par secteur d'activités sont établis selon la norme IFRS 8 "*Operating Segments*". Nous souhaitons toutefois attirer l'attention sur le fait que ce cadre de référence est repris dans le projet d'annexe 5 du contrat de gestion qui doit encore être arrêté. Une réconciliation entre le résultat suivant les normes comptables applicables en Belgique (BGAAP) et les normes IFRS est bien reprise en annexe aux comptes annuels.
3. Depuis le 1er janvier 2014, le groupe SNCB a été réformé via entre autres une fusion entre la SNCB Holding et l'ancienne SNCB. Cette réforme a donné lieu à d'importants changements dans l'organisation. Suite à cela, les comptes par secteur d'activités 2014 n'ont pas de lien avec les rapports sur les comptes publiés en 2013.
4. Lors de la répartition de la dette en application de l'article 5 de l'arrêté royal du 7 novembre 2013 portant réforme des structures de la SNCB Holding, d'Infrabel et de la SNCB, il a été fait abstraction de l'origine des dettes financières nettes ("dette historique") au 31 décembre 2013.

Jusqu'au 31 décembre 2013, il a été possible de suivre la ventilation de la dette totale de la SNCB Holding entre les différents secteurs d'activités via les tableaux de flux de trésorerie en application de l'article 94 du contrat de gestion liant l'Etat Belge et la SNCB Holding. Ainsi, une distinction était opérée entre la dette ABX (1,85 milliard EUR), d'autres dettes commerciales (0,49 milliard EUR) et les dettes afférentes aux missions de service public (0,95 milliard EUR). Lors de la répartition de dette effectuée entre la SNCB et Infrabel, il n'a pas été précisé si ces dettes commerciales étaient attribuées (entièrement ou partiellement) à la (nouvelle) SNCB.

Comme indiqué dans le rapport à l'assemblée générale à propos des comptes par secteur d'activités, la dette historique n'est ni reprise dans le secteur commercial, ni dans le secteur des services publics mais bien dans un compte-courant intersectoriel. La dette évoluera en fonction des cash-flows des différents secteurs.



5. Le bilan par secteur d'activités repris dans les comptes annuels 2013 de (l'ancienne) SNCB présentait une position de trésorerie intersectorielle négative au 31 décembre 2013 de 261,02 millions EUR à l'égard du transport de marchandises et de 63,12 millions EUR à l'égard du secteur "autre transport de voyageurs", dans les deux cas envers le secteur du transport de voyageurs de service public.

Suite d'une part, à la redéfinition des secteurs d'activités due à la réforme et d'autre part, à l'abstraction faite de l'origine de la dette historique, les positions de trésorerie intersectorielles n'ont pas été reprises dans le bilan d'ouverture au 1er janvier 2014.

6. La comptabilité par secteur d'activités est en partie fondée sur l'emploi de clés de répartition basées sur divers paramètres. Les hypothèses sous-jacentes à ces clés de répartition comprennent des éléments d'incertitudes.
7. L'allocation de certains de postes bilantaires entre les secteurs doit encore être analysée plus avant, afin d'obtenir une classification plus précise.

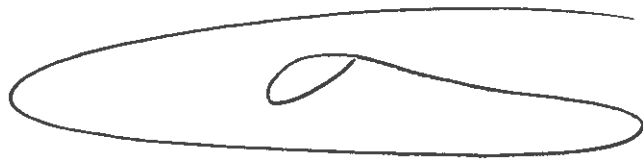
Bruxelles, le 15 mai 2015

Le Collège des Commissaires

La Cour des Comptes
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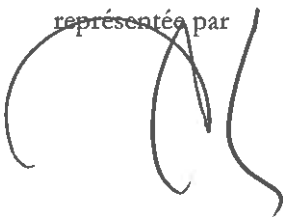
Rudi Moens
Conseiller à la Cour des Comptes



Michel de Fays
Conseiller à la Cour des Comptes
Absent à la signature.
Rudi Moens

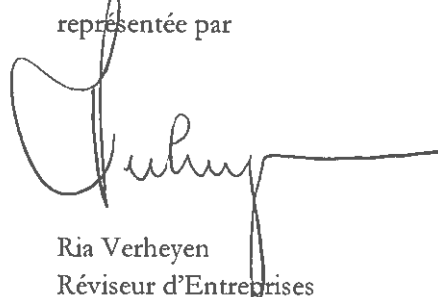
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