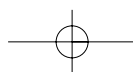
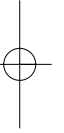
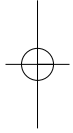


FINANCIAL REPORT _ RATP 2004

Financial Statements

At December 31, 2004

04



STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

RATP

54, quai de la Rapée
75 599 PARIS CEDEX 12

In compliance with the assignment entrusted to us by the Minister of the Economy, Finance and Budget, we hereby report to you, for the year ended December 31, 2004 on:

- > the audit of the accompanying financial statements of RATP,
- > the basis of our assessments;
- > the specific verifications and information required by law.

These financial statements have been prepared by your company's Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

01 Opinion on the financial statements

We conducted our audit in accordance with French generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion. In our opinion, the financial statements give a true and fair view of the company's financial position, its assets and liabilities as of December 31, 2004, and the results of its operations for the year then ended, in accordance with the accounting principles generally accepted in France.

Without qualifying our opinion expressed above, we draw your attention to the following information:

- > notes 2-3-e and 5-20 to the financial statements on employee benefit plans and retirement commitments,
- > note 2-1 to the financial statements which describes the impact of changes in accounting methods on the financial statements for the year ended December 31, 2004.

02 Basis of our assessments

In accordance with the requirements of Article L.225-235 of the French Commercial Code relating to the justification of our assessments, we draw your attention to the matters below:

Provisions for commitments and contingencies

RATP increased its provision for risks associated with asbestos-related occupational disease to €10.5 million.

In connection with our assessment of the significant estimates used for the preparation of the financial statements, we have examined the assumptions adopted and calculations made in order to verify the amount of the provision recognized under balance sheet liabilities at year end.

Provisions for pensions, long-service benefits (médailles de travail) and off-balance sheet commitments

Notes 2-1-a and 2-1-b to the financial statements set out the methods used to measure the commitments for pensions relating to industrial accidents and occupational disease and long-service benefits (médailles du travail). At December 31, 2004, these provisions amounted to €9.7 million and €9.4 million respectively.

In notes 2-3-e and 5-20 to the financial statements RATP mentions the methods used to determine retirement commitments. These were reported as off-balance sheet commitments and amounted to €21.6 billion as at December 31, 2004.

In connection with our assessment of the significant estimates used for the preparation of the financial statements, we reviewed the assumptions made and calculation methods used. As such estimates result from a complex

technical process, we based our assessment on:

- > a computer-based review to validate the calculations made: completeness of employee data, data integrity, compliance with assumptions disclosed;
 - > a review by an actuary of the assumptions used for the calculations: discount rate, mortality table, salary increase rate.
- Our review enabled us to ensure that the assumptions made for the valuation of the amounts reported in the financial statements for the year ended December 31, 2004 as provisions and off-balance sheet commitments were reasonable, and the amounts were calculated accurately.

Changes in accounting method

As mentioned in the first part of this report, note 2-1 to the financial statements sets out the changes in accounting methods during the period.

We assessed the accounting principles used by your company, and verified the appropriateness of these changes and the presentation of the related financial information.

These assessments were part of our audit of the individual financial statements taken as a whole and thus contributed to our unqualified opinion expressed in the first part of this report.

03 Specific verifications and information

We also performed the specific verifications required by law in accordance with the auditing standards generally accepted in France.

We have no comments to make as to the fair presentation and the conformity with the financial statements of the information given in the Board of Directors' management report, and in the documents on the financial position and the annual financial statements.

Paris, 6 June 2005

The Statutory Auditors

PriceWaterhouseCoopers Audit

Daniel Chauveau, Yves Nicolas

Salustro Reydel

Philippe Arnaud

FINANCIAL REPORT _ RATP 2004

BALANCE SHEET

December 31, 2004

		31/12/2004		
		Gross	Accumulated depreciation, amortization and provisions	Net
assets		31/12/2003		
Intangible assets	91,089	297,662	191,407	106,255
> Research and development costs	4,351	12,291	10,205	2,086
> Leases	•	351	52	299
> Other	86,738	285,020	181,150	103,870
Property, plant and equipment	7,394,377	16,690,738	9,229,312	7,461,427
> Land	377,090	373,944	3,418	370,526
> Buildings	4,175,035	9,668,235	5,422,767	4,245,469
> Technical installations, machinery and tooling	390,441	1,427,719	991,615	436,104
> Transportation equipment	1,164,623	3,846,941	2,673,377	1,173,565
> Other	58,632	253,267	138,135	115,132
> Work-in-progress	1,228,556	1,120,632	•	1,120,632
Financial assets	222,026	299,550	4,261	295,289
> Investments	89,671	93,889	3,908	89,981
> Receivables from subsidiaries and affiliates	8,985	8,878	•	8,878
> Other portfolio investments	•	•	•	•
> Loans	96,643	98,081	353	97,727
> Other	26,727	98,702	•	98,702
non-current assets (I)		17,287,950	9,424,980	7,862,970
Inventories and work-in-progress	142,162	247,863	99,155	148,709
Advances and prepayments to suppliers	6,633	9,273	•	9,273
Accounts receivable	3,977,263	4,211,728	18,130	4,193,598
> Trade receivables and related accounts	115,294	133,122	13,566	119,556
> Government and local authority receivables	231,841	186,120	•	186,120
> Other	3,630,128	3,892,485	4,564	3,887,921
Financial assets	429,237	614,733	667	614,066
> Marketable securities	383,723	479,663	667	478,996
> Cash and cash equivalents	45,514	135,070	•	135,070
> Prepaid expenses	28,043	131,942	•	131,942
current assets (II)		5,215,540	117,952	5,097,588
Deferred expenses (III)	16,007	9,209	•	9,209
Bond redemption premiums (IV)	17,662	14,821	•	14,821
Unrealized foreign exchange losses (V)	•	1	•	1
total assets (I + II + III + IV + V) (in € thousand)		22,527,520	9,542,932	12,984,588

equity and liabilities	31/12/2003	31/12/2004
Reserve for assets made available to RATP	250,701	250,701
Revaluation surplus	233,805	232,193
Capital endowment	283,367	283,367
Reserves	272,708	277,513
> Reserve from disposals of assets made available to RATP and no longer used (redeployment)	173,307	177,983
> Reserve from disposals of assets constructed by RATP and no longer used (reinvestment)	41,475	41,604
> General reserve	57,926	57,926
Retained earnings	64,596	51,892
Net income	6,508	22,515
Investment subsidies	1,795,088	1,831,976
Regulated provisions	77,396	72,570
total equity (I)	2,984,169	3,022,727
Provisions for contingencies	45,541	42,231
Provisions for commitments	1,772,787	2,186,892
provisions for liabilities (II)	1,818,328	2,229,122
Liabilities	4,486,947	4,680,963
> Loans from Ile-de-France Region	263,279	277,890
> Bonds	3,774,675	3,829,006
> Borrowings from and liabilities to financial institutions	23,725	133,984
> Other borrowing and financial debts	367,700	381,224
> Accrued interest	57,568	58,859
Advances on orders in process	1,503	1,527
Trade payables and related accounts	157,429	169,564
Taxes and social security contributions	552,199	617,350
Payables to suppliers of assets and related accounts	187,277	175,281
Other liabilities	205,958	241,412
Prepaid income	1,930,400	1,846,452
liabilities (III)	7,521,713	7,732,549
Unrealized foreign exchange gains (IV)	289	190
total equity & liabilities (I + II + III + IV) (in € thousand)	12,324,499	12,984,588
Net financial debt (RATP indicator, see figure in appendix 13 c)	4,034,006	4,028,449

STATEMENT OF INCOME

for the period ended December 31, 2004

operations	31/12/2003	31/12/2004	% change
Operating income	3,883,947	4,066,337	4.7%
Income from transport (services) (1)	2,758,840	2,886,919	4.6%
Standard contribution	662,773	677,175	2.2%
Other operating income (1)	78,147	88,957	13.8%
Other income	289,994	316,924	9.3%
> Income from services other than transport (1)	116,192	124,427	7.1%
> Sales of by-products (1)	1,772	2,399	35.4%
> Decrease in stocks of manufactured goods	(1,016)	(741)	(27.0)%
> Capitalized production	59,511	58,958	(0.9)%
> Provision reversals and costs transferred	60,539	76,712	26.7%
> Other	52,995	55,169	4.1%
Income used to offset depreciation charges	94,193	96,363	2.3%
> Reversal of special revaluation provisions	4,709	4,821	2.4%
> Portion of investment subsidies released to profit during the year	89,484	91,542	2.3%
> STP -residual portion of transport taxes and proceeds from fines	0	0	•
Operating expenses	3,674,867	3,850,105	4.8%
Use of bought-in goods and services	617,211	650,633	5.4%
Energy	115,066	122,388	6.4%
> Electricity	55,761	55,753	0.0%
> Fuel	50,030	57,285	14.5%
> Heating	9,276	9,350	0.8%
Cost of leased tracks	18,426	18,842	2.3%
User rights payable to SNCF	22,100	20,743	(6.1)%
Equipment and other external services	461,619	488,661	5.9%
> Equipment and supplies	138,571	149,620	8.0%
> Other external services	323,048	339,041	5.0%
Taxes, duties and other payables	195,637	208,191	6.4%
Payroll costs	2,256,971,	2,353,456	4.3%
> Wages and salaries	1,304,221	1,365,831	4.7%
> Payroll-related costs	507,121	527,139	3.9%
> Net RATP employee benefit plan cost	445,630	460,486	3.3%
Depreciation, amortization and provisions	580,946	599,307	3.2%
> Depreciation and amortization	531,404	543,598	2.3%
> Asset provisions	0	3,418	100.0%
> Depreciation and amortization of current assets	16,773	20,425	21.8%
> Provisions for commitments and contingencies	32,769	31,866	(2.8)%
Other expenses	24,101	38,518	59.8%
operating income (in € thousand)	209,080	216,233	3.4%

finance and exceptional	31/12/2003	31/12/2004	% change
Financial income	115,649	147,648	27.7%
> From investments in subsidiaries and affiliated companies	2,477	2,580	4.2%
> From other long-term investments and asset receivables	1,679	377	(77.6)%
> Accrued interest and related income	94,849	132,578	39.8%
> Provision reversals and operating expenses transferred	7,511	818	(89.1)%
> Foreign currency translation gains	364	144	(60.3)%
> Proceeds from disposal of marketable securities	8,769	11,151	27.2%
Financial expenses	314,891	337,794	7.3%
> Accrued interest and related expenses	310,145	333,568	7.6%
> Amortization and provisions	4,357	3,629	(16.7)%
> Foreign currency translation losses	389	596	53.4%
> Losses on disposal of marketable securities	0	0	•
financial expense	(199,242)	(190,146)	(4.6)%
Exceptional income	655,918	613,588	(6.5)%
> From operating transactions	4,226	5,623	33.0%
> From capital transactions	39,097	365	(99.1)%
> Other	580,562	579,225	(0.2)%
> Provision reversals and operating expenses transferred	32,033	28,375	(11.4)%
Exceptional expenses	655,569	608,103	(7.2)%
> From operating transactions	8,787	5,763	(34.4)%
> Other	261,154	184,493	(29.4)%
> Amortization and provisions	385,628	417,847	8.4%
exceptional income	348	5,484	N.S
Employee profit sharing	3,678	9,038	145.7%
Income taxes	0	18	
total income	4,655,514	4,827,573	
total expenses	4,649,006	4,805,058	
net income (in € thousand)	6,508	22,515	N.S
(1) Revenues	2,954,951	3,102,702	5.0%
(2) Including executive bonuses	51,885	55,094	6.2%

NOTES TO FINANCIAL STATEMENTS

at December 31, 2004

The financial statements have been prepared in thousands of euros.

1 SIGNIFICANT EVENTS

General Events

During 2004, RATP signed a new contract with the Ile-de-France public transport authority (Syndicat des transports Ile-de-France or STIF) for a four-year period, effective as of January 1, 2004. The contract set forth the terms and conditions governing RATP's provision of public transport services in the Ile-de-France region, including the remuneration of the service, the financial contribution made by STIF to compensate for the public service provided, the arrangements regarding contract implementation, and RATP's relations with STIF particularly with regard to reporting on investments.

Social Security

The Decree 2004-174 of 23 February 2004 set up the RATP social security coordination fund (Caisse de Coordination aux Assurances Sociales, or CCAS), to provide coverage relating to health insurance, maternity, invalidity, life insurance, industrial accidents and occupational disease for current employees, retirees and those who meet eligibility requirements. It is managed by a joint Executive Board.

The social security coordination fund (CCAS) prepares separate accounts for the risks it insures, in accordance with the French social security accounting principles applied since 1999, which specifically require the separation of health and maternity insurance from insurance for industrial accidents and occupational disease.

Subsidiaries and Investments

During 2004, RATP increased its stake in Promo Métro to 66%.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

RATP has its own specific chart of accounts, which was approved by the interministerial order of 21 March 1985, in conformity with the requirements of the French national accounting council (Conseil National de la Comptabilité or CNC). The chart was prepared in accordance with the rules, principles and framework governing the standard national chart of accounts.

In addition to the accounts present in the national chart of accounts, RATP's chart includes items to reflect RATP's particular management reporting requirements and its specific characteristics in terms of legal form and financing system.

2.1 Specific Provisions

a) Long Service Benefits (Médailles du travail)

RATP accounts for its long service benefits (médailles du travail) in accordance with CNC Opinion n°2004-05 of 25 March 2004, following CNC Recommendation n°2003-R.01. The associated commitment was estimated at €8,922 thousand and deducted from retained earnings as of 1 January 2004. Changes in the amount over the year were recorded as expense provisions or reversals. As of 31 December 2004, the provision amounted to €9,394 thousand.

The long service benefit commitment comprises two components: a bonus given upon award of the long service benefit, and two days vacation allocated in the year the award is made, which can be taken over an indefinite period (long term benefit).

The discount rate applied as of December 31, 2004 was 4.5%, down from 5% as of January 1, 2004. Inflation of 2% is included.

b) Disability Pensions for Industrial Accidents and Occupational Disease

RATP insures its employees and retirees against industrial accidents and occupational disease. The purpose of disability pensions is to compensate employees for long-term physical or psychological damage or other negative effects on their professional capacity resulting from an incident during their career.

Up to December 31, 2003, these pensions were recorded as off-balance sheet items and amounted to €72 million.

As of December 31, 2004, the following accounting principles were applied:

- > Pensions paid to retirees and other persons entitled to the benefits were recorded in a similar manner as retirement pensions. Consequently, their probable present value was reported as an off-balance sheet commitment, as other retirement pension commitments are not provisioned.
- > An expense provision was recorded for the probable present value of the pensions for employees in post.

The discount rate applied as of December 31, 2004 was 4.5%, compared with 5% as of January 1, 2004. Inflation of 2% is included.

This commitment was estimated at €10,290 thousand and deducted from retained earnings as of January 1, 2004. Changes over the year were recorded as an expense provision or reversal. As of December 31, 2004, the associated provision amounted to €9,681 thousand.

c) Other Provisions

In accordance with the transitional measures set out in CRC Regulation n°2002-10, as amended by CRC Regulation n°2003-07 on asset depreciation and amortization, effective from January 1, 2003, for consistency purposes RATP applied the same accounting principles to its financial statements for 2003 and 2004 as for previous periods. Consequently, category 1 expenses (replacement costs) were not provisioned, and category 2 expenses (multi-annual overhaul and servicing plans) were provisioned for the overhaul and servicing of railway rolling stock. The provision for overhaul and servicing amounted to €59,848 thousand as of December 31, 2004.

2.2 Accounting Policies: Balance Sheet

Depreciation and amortization of property and equipment is itemized in exhibits 1 and 2.

a) Intangible Assets

> The research and development costs associated with clearly separable asset components, which will probably be used for business purposes and whose cost can be identified, are recorded in the balance sheet and amortized over a three year period. All other research costs are recorded as operating expenses.

> Software acquired by the company is recorded in the balance sheet and amortized over a three year period if the pretax acquisition cost and supply cost is equal or above €3 thousand. The same applies to internally developed software.

Modifications to software and new internally developed software which result in a material clearly identifiable functional improvement are capitalized if the associated costs amount to at least €45 thousand.

b) Property, Plant and Equipment

Property, plant and equipment include the assets made available to RATP, which are owned by the local authorities, particularly the Ile-de-France public transport authority (STIF), and the assets acquired or developed by RATP.

As required in its operating terms and conditions, RATP is responsible for servicing and renewing all its assets, including the components owned by the local authorities. It thus capitalizes the items in the perspective of a public service balance sheet.

The assets made available to RATP as of January 1, 1949 were valued at that time at their replacement cost.

Assets acquired or internally developed are measured at their acquisition or production cost.

Those costs include the labour required to develop the equipment. Since 1986 (without exception), these expenses have been charged to the associated asset accounts based on the cost of labour calculated in the cost accounting system. Until December 31, 2002, labour costs included an increment for social security contributions and indirect production costs, measured at a coefficient of 2.32. Since January 1, 2003, the rate has been reduced to 1.84, in line with market values.

The value of all property, plant and equipment in use as of December 31, 1976 was remeasured, as provided for in Article 61 of the 1977 Finance Act.

Low value items (cost below €381.12) are recorded as operating expenses. They include:

- > small tools, technical office equipment (such as computers and telephones) and extinguishers,
- > office furniture if it concerns one-off items or renewals of existing furniture.

Depreciation is computed using the straight-line method based on the useful lives of the assets, as agreed with the Economic and Finance Transport Control Commission, which are:

- > infrastructure and buildings: 50 years,
- > telecommunications and alarm systems: 15 years,
- > electrical installations: 20 years (sub-stations) and 15 years (other),
- > track signalling systems: 15 years; assisted driving systems: 6 years 2/3,
- > tracks: 20 years (RER) and 15 years (metro, tramway),
- > technical installations: 10 years (various equipment, train operating systems), 6 years 2/3 (sound and lighting equipment, air conditioning), 15 years (ventilation and evacuation equipment), 20 years (electrical transformers),
- > escalators and automatic gates: 20 years,
- > rolling stock: 25 years (RER), 20 years (metro), 15 years (tramway) and 10 years (buses),
- > company cars and rolling stock associated with the bus network: 8 years,
- > improvements and fittings: 15 years;
- furniture and technical office equipment: 10 years;
- electronic equipment: 6 years 2/3; computer equipment: 5 years.

Additional expenses incurred on assets but which do not increase the useful life of the assets significantly are amortized over the useful lives of the assets.

As an exception to generally accepted accounting principles, advertising spaces and sales outlets are amortized in line with the useful lives agreed with advertising or sales agents, on the basis of the

additional revenues generated through those spaces and outlets.

Each year one tenth of the subsidies collected for the acquisition of land are transferred to income.

c) Leases

Assets held under leases (cf. §3-l) are recorded as non-current assets in RATP's balance sheet. The net present value generated is recorded over the term of the leasehold transactions (exhibit 21a).

d) Financial Assets

The gross value of financial assets reflects the acquisition cost less associated transaction costs. The fair value of investments held by RATP is determined based on the net equity of the subsidiary or in the case of subsidiaries that hold investments themselves, based on the consolidated net equity of the sub-group and on the earnings outlook of the subsidiary or sub-group.

If the fair value of the investment is lower than the net carrying amount a provision for impairment is recorded (see breakdown of provisions in exhibit 3).

e) Inventories

Inventories are stated at weighted average cost, with the exception of replacement stock, which is stated at original unit cost (see breakdown of inventory by category in 4).

For its network operations, RATP stocks spare parts which must be maintained or replaced to ensure they are continually available for the servicing and maintenance of fixed and rolling stock. Spare parts are classified as inventory until the associated equipment is retired.

Additional purchase costs may be included in the gross value of supplies.

RATP provisions for inventory depreciation and impairment (see detail of provisions in exhibit 3)

> A special provision was instituted in 1988 for spare parts. Due to the similarity between spare parts and the associated property and equipment, the same method is used to calculate depreciation for both.

> For other supplies, a partial provision is recorded for dormant and slow-moving stock (valued by applying flat rates to categories of items) and a full provision for stock which is to be retired in the short term.

f) Accounts Receivable

Receivables are measured at face value. An allowance for doubtful accounts for the full amount of the receivable is recorded if there is collection risk (see detail of provisions in exhibit 3).

FINANCIAL REPORT _ RATP 2004

g) Bond Redemption Premiums

Bond redemption premiums are recorded on a straight line basis over the term of the bonds. However, if the decision were taken to make an early repayment before the date of the financial statements, the related expenses would be fully amortized.

h) Equity

The account under equity and liabilities entitled "Reserve for assets made available to RATP" essentially reflects the residual value, set as of January 1, 1949 – when RATP was created – of the assets made available to RATP and which were still recorded in the balance sheet as of December 31, 1976.

The revaluation surplus recorded under equity arises from the revaluation performed in 1963 on the basis of 1959 data, which amounted to €8,557 thousand, and the revaluation performed in 1978 on the basis of 1976 data for €225,248 thousand (see exhibit 7). A special revaluation provision of €77,396 thousand has also been recorded under equity.

RATP was formed under the provisions of the Act of March 21, 1948. However, no capital was transferred to the entity at that time. In 1986, the public authorities allocated capital of €283,367 thousand to RATP partially in exchange for the repayment of loans granted by the Economic and Social Development Fund.

In accordance with the legal provisions governing RATP's operations, gains and losses resulting from the sale of property are recorded directly in reserves, with a distinction drawn between the assets made available to RATP and those internally developed by RATP. In accordance with the agreement made with the supervisory authorities, these reserves may be used to fund the acquisition of new property.

Investment subsidies are transferred to the income statement as the associated assets are amortized.

(See breakdown of changes in equity, exhibit 8)

i) Provisions for Contingencies and Commitments

They are recorded in accordance with CRC regulation n°2000-06 on liabilities (see breakdown of provisions, exhibit 3).

j) Financial Instruments

Loans are stated in the balance sheet in euros at their redemption value.

Currency Transactions

Balances denominated in foreign currencies are translated at the year-end exchange rate, with the exception of those concerning operations which are fully hedged by cross currency swaps. Fully hedged operations, particularly those concerning debt denominated in foreign currencies, have been presented at the hedged rate since 2003 (see § 2.3.)

At the date of the financial statements, if the exchange rate applied modifies the amounts previously recorded in euros, the adjustments are recorded under liabilities if they reflect unrealized foreign exchange gains, and under assets if they reflect unrealized foreign exchange losses. If unrealized foreign exchange losses are recorded, a foreign exchange contingency provision should also be recorded.

Derivative Financial Instruments

RATP uses derivative financial instruments, such as interest rate swaps, interest rate swaptions and currency swaps to manage risk relating to interest rates and exchange rates. It also uses floors and caps to hedge against exposure to commodity price increases, particularly for diesel fuel. All these hedging instruments are leveraged.

The income and expense arising from these instruments is systematically recorded when the income is collected or expense incurred from the hedged operations.

The difference between interest receivable and interest payable on swaps, caps and floors, and the premiums and net payments associated with these transactions are recorded as an adjustment to interest expense.

Unrealized gains and losses arising from hedges on future purchases of diesel fuel are deferred. They are reported in the income statement when the hedged transaction is concluded.

k) Trade Payables

Prepayments to suppliers are reported under balance sheet assets. If their market value falls below their carrying amount they are provisioned.

l) Prepaid Income

Prepaid income is principally composed of the lease payments on leaseholds in USA and Sweden which amounted to €1,693,310 thousand. It reflects the lease payments collected in full upon signature of the leaseholds which are effective over future periods.
(See breakdown in exhibit 5).

2.3 Accounting Policies: Income Statement**a) Income generated by the contract with the Ile-de-France public transport authority (Syndicat des transports d'Ile-de-France)**

Income generated by the contract originally entered into on July 12, 2000 with the Ile-de-France transport authority, and renewed on November 27, 2003 for the three-year period from 2004 to 2007, comprised:

Income included in RATP's reported revenues

- > Direct income from users of transport services,
- > Compensation for the difference between the actual price paid by users and the contractually agreed price, by transport ticket type,
- > Commissions on sales generated by the network,
- > A bonus or surcharge for service quality, aimed at motivating RATP to improve the quality of its services.

Income not included in RATP's revenues

- > A standard contribution over the term of the contract.

This contribution covers expenses which cannot be allocated to overheads for contractually agreed services.

b) Subsidies for maintaining or providing unprofitable services

Under the provisions of Article 8§6 of Decree 59.157 of January 7, 1959 on the Paris regional transport system, subsidies are paid by the local authorities that request RATP to maintain or provide unprofitable services.

Exhibit 9 presents the breakdown of revenues by business sector, and exhibit 10 shows revenues by type of transport ticket.

c) Income used to offset depreciation charges

This item reflects the use of investment subsidies and special revaluation provisions.

d) External expenses

These expense items are particularly material to transport business. They include energy costs, leased line costs, and SNCF interconnection costs (interconnection of RATP and SNCF networks).

e) Payroll and payroll-related costs

Since 1999, RATP has used an accounting system enabling the separation of its « transport » business from its « social security service provision » business. The accounting system entails:

- > preparing income statements for each type of risk covered (Retirement, Health, Permanent Disability and Death, Industrial Accidents, Unemployment, Family);

> instituting social security contributions comparable in function and level with those applicable to common law social security systems.

The system as a whole is known as the Social Security Accounting System (Traitement Comptable de la Protection Sociale or TCPS).

Presentation in the company's financial statements

In order to facilitate the understanding and comparison of RATP's income statement with that of other transport companies, the payroll costs related to the transport business have been presented as they are for common law companies, in two separate lines, one reflecting «Wages and salaries» and the other «Payroll-related costs». RATP's business as a social security service provider is reported in a single line entitled «Net RATP employee benefit plan cost».

RATP's business as a social security service provider is illustrated in more detail in appendix 11. The business is presented in the same way as for other social security entities and shows:

- > The origin and amount of resources: particularly in terms of the employer's contributions and, where appropriate, employees' contributions;
- > The amount of benefits made to participants,
- > The compensation system with other social security funds and entities,
- > Management costs.

Main characteristics of the social security accounts

Employer and employee contributions

The resources recorded in the social security accounts mainly comprise the employer's contributions which are stated as "payroll-related costs" in RATP's income statement, and the contributions made by employees, when appropriate. In terms of health insurance, as employee contributions have been replaced by a special tax (CSG) paid to URSSAF, RATP receives a contribution to its health insurance fund from the CSG taxes collected; the amount is set by a government order published in the French official gazette.

Benefits

Benefits provided by RATP include:

- > Benefits in kind, rendered by RATP's healthcare centre (Espace Santé), along with medical and hospital costs, reimbursement of tests and pharmaceuticals, etc.
- > Financial benefits, such as wages and salaries paid to employees on sick leave (daily indemnities), death indemnities, industrial accident and disability pensions, family allowances, etc.

Health insurance and family allowance under agreement with the general social security system

RATP has provided health insurance and family allowances since 1972 under the terms of the general social security system. In compliance with its agreement with the state social security provider, referred to as the bilateral compensation system, RATP pays contributions to the national health insurance funds (CNAM) and (CNAF), and the funds reimburse RATP for benefits given (healthcare benefits in kind). The arrangements and amounts paid by RATP are set forth by decree, and the transfers to RATP are performed under the terms and conditions of the Social Security Code.

Demographic compensation between systems

As part of its Social Policy, the Government set up a compensation system in 1974 to offset differences in resources and requirements between the various social security systems in France, which arise particularly due to demographic changes. The compensation system provides coverage for health insurance, but is especially important for retirement and pension plans.

f) Exceptional income and expenses

The breakdown of exceptional income and expenses is given in exhibit 12.

3 OTHER INFORMATION

a) Maturity of receivables and payables (exhibit 13)

b) Receivables and payables (exhibit 14)

c) Related parties (exhibit 15)

d) Trade receivables and trade payables (exhibit 15)

e) Number of employees (exhibit 16)

f) Compensation of the ten highest paid executives (exhibit 17)

g) Subsidiaries and investments Exhibit 18 shows the financial characteristics of companies in which RATP holds a minimum 20% stake or an investment worth more than €1.5m gross (SEDP, RATP Développement,

LOGIS-TRANSPORTS, PROMOMETRO, TELCITE, FINANCIERE TRANSDEV, BMS and RATP INTERNATIONAL).

h) Consolidation

RATP prepares consolidated financial statements.

i) Economic interest groups (exhibit 19)

j) j) Off-balance sheet commitments (exhibit 20)

k) Asbestos

The plan to eliminate friable asbestos, required by the Decree 96-97 of February 7, 1996, has almost been completed. In financial terms, only a few minor operations are outstanding.

Non-friable asbestos (covered asbestos or material containing asbestos), will gradually be removed during maintenance work on the installations. Given the lack of precise knowledge as to which equipment and machinery contains non-friable asbestos, it is not yet possible to plan beyond six months. Consequently, no provisions were recorded for this purpose in the 2004 financial statements. In 2004, the expenses incurred for asbestos removal amounted to €2,245 thousand.

RATP also complies with the new obligations set forth by the Decree of July 13, 2001 which require it to regularly take measure dust accumulation.

An internal study has been performed to investigate cases of employees with asbestos related illnesses and the financial consequences for the company. All risks arising from cases already declared or which have been brought to court have been provisioned. Although it is not possible to predict the financial impact of future cases, RATP deems that the provision of €10,454 thousand, recorded in the balance sheet as of December 31, 2004, is adequate and reflects its best estimate of the financial risk borne by the company.

l) Lease transactions

The detailed impact of these transactions on the financial statements is shown in exhibit 21a.

Leaseholds

RATP has a number of leaseholds, which it uses for debt management purposes. RATP grants a right of use to its assets enabling foreign investors (to date American) to assume economic ownership of the assets, and thus amortize the assets and benefit from significant tax advantages.

FINANCIAL REPORT _ RATP 2004

A leasehold transaction is composed of the main lease granted by RATP and a sub-lease enabling RATP to retain the right of use of the asset. RATP enters into an early buyout option, enabling it to unwind the arrangement before the initial term of the transaction.

Under French generally accepted accounting principles such an arrangement is not deemed to be a sale during the period in which the early buyout option (EBO) may be exercised.

The tax advantage gained by the foreign investor is shared with RATP. The overall profit generated on each transaction is included in the downpayment received when the contracts are signed. It is immediately used to reduce RATP's debt, and is accounted for on a straight line basis over each year, as exceptional income.

All associated costs, sub-lease payments, interest and principal lease payments are recorded in a single entry under exceptional income and expense, in accordance with accounting principles on defeasance transactions.

RATP did not institute any new leasehold transactions during 2004.

Swedish lease

The Swedish lease is designed to function prior to equipment delivery.

The investor pays the supplier the full value of the equipment. RATP makes swapped deposits to cover the lease payments and buyback option on the equipment. RATP then records the difference between the deposits and the value of the equipment as profit.

In December 2004, RATP completed the payment of the second tranche of a Swedish lease signed in 2002.

Other leases

Exhibit 21b shows details of RATP's other lease commitments.

4

INFORMATION ON EXPOSURE TO MARKET RISK

a) Preamble

The transactions entered into by RATP principally concern interest rate hedges, which are used to mitigate against risk on RATP's debt or investment portfolio.

In accordance with recommended practice, RATP only records accrued interest on derivatives.

b) Exposure to interest rate risk

Interest rate risk on debt and investments is essentially managed by modulating the fixed and floating part of the debt, in line with interest rate changes. It is done by using interest rate swaps.

At December 31, 2004, interest rate swaps totalled €1,915,676 thousand, comprising the following characteristics:

Swaps	Aggregate amount of swaps	Accrued Interest
(in € thousand)		
Due within 1 year:		
> Long term	501,534	335
> Short term	299,354	1
Due between 1 and 5 years inclusive	214,788	33
Due in 5 years or more	900,000	159
Total	1,915,676	528

The comparison of interest rate swaps in place at the end of 2004 and at the end of 2003 is presented below, with the purpose of each hedge:

Purpose of Hedge	Amount in 2004 (€ thousand)	Amount in 2003 (€ thousand)	Comments
A - Purpose of long term debt transaction			
1) Long positions changing fixed to floating rate debt:			
> positions on short term interest rates	913,424	981,077	Euribor position from 2005 to 2014
> positions on long term interest rates	0	0	
2) Long positions changing floating to fixed rate debt			
> positions on short term interest rates	702,898	827,898	Settlement date 2014
> positions on long term interest rates	0	0	
3) Additional interest rate transactions:			
> Euribor post set	0	50,000	Settlement date 2014
4) Swaps hedging long positions against the risk of interest rate increases			
> short term rates	0	0	
> long term rates	0	0	
5) Neutral swaps (successive of leveraged) and other	0	0	
Sub-total A	1,616,322	1,858,975	
B - Transactions backing short term investments and financing and other			
> Investments	0	24,843	
> Treasury notes	299,354	298,755	
> Short-term Euro Medium Term Notes	0	0	
Sub-total B	299,354	323,598	
Total	1,915,676	2,182,573	

This exhibit does not show the notional amount of cross-currency and assets swaps backing the 1999 leasehold transaction, which are not exposed to interest rate risk.

At the end of 2004, on the basis of the long term rates observed, the interest rate swaps shown above were used to change 5 % of fixed rate debt to floating rate debt. Floating rate positions (floating rate loans and swap positions) thus represent 11% of aggregate debt.

In addition to these interest rate swaps, at the end of 2004, caps amounted to €350,000 thousand and floors to €150,000 thousand.

Aggregate forecast income from hedging transactions in 2004 was €23,960 thousand, comprising €9,443 thousand from current transactions and €14,517 thousand from the deferral of net payments on interest rate swaps, particularly for positions previously acquired and unwound before the end of 2004.

Floating rate debt at December 31, 2004

At December 31, 2004, floating rate positions represented 11% of aggregate debt (excluding treasury notes), or €460,240 thousand. Outstanding treasury notes (100% floating rate) excluding Tick Epargne, amounted to €299,354 thousand.

On a like-to-like basis, a 1% increase in short term floating rates would increase interest expense on financing by €7,596 thousand.

Valuation of the portfolio of derivative financial instruments

The market value of derivative financial instruments corresponds to the amounts which would be paid (-) or received (+), upon settlement.

The market values of derivatives are determined on the basis of listed prices supplied by the financial institutions.

Interest rate risk management (in € thousand)	Estimated market value at December 31, 2004
Total swap portfolio	27,900
Total swaption portfolio	(13,974)

These financial instruments are not recorded in the balance sheet.

c) Exposure to exchange rate risk

RATP issues loans in foreign currencies. The associated exposure to exchange rate risk is systematically hedged using cross currency swaps.

The cross currency swaps in place at December 31, 2004 are shown below.

Debt		Cross currency swap		
Amount in foreign currency (in thousand)	Currency	Receive		Pay
		Amount in foreign currency (in thousand)	Currency	Amount in € thousand
2,000,000	JPY	2,000,000	JPY	14,788
400,000	DKK	400,000	DKK	53,738
150,000	GBP	150,000	GBP	244,898

d) Exposure to risk of commodity price increases (diesel fuel for the Bus network)

RATP hedges against the risk of commodity price increases for its future purchases of diesel fuel and/or increases in the dollar over the euro.

2004

The estimated price was computed based on EN 590 fuel, cargoes CIF NWE at a price of \$237,47 /T and at a €/ \$ exchange rate of 1.10.

A participating swap was set up for 2004.

The bank guarantees a capped price of €215 /T while enjoying the benefit of any decrease in diesel fuel prices to a floor of €189 /T. RATP relinquishes all benefit from a decrease in market prices below the €189 /T floor, and agrees to pay the capped price of €215 /T, in exchange for not settling the inception premium.

> If the price set is above or equals 215, RATP receives quantity x (price set of EN590 -215)

> If the price set is between 189 and 215 inclusive, no payments are made.

> If the price set is below 189, RATP pays quantity x (215- price set EN590).

In 2004, the above-mentioned transaction generated gains of €4.8m.

Hedged position at December 31, 2004

The price estimates are determined on the basis of ULSD 50 ppm CARGOES CIF NWE MEAN fuel prices of \$381.5 /T at an exchange rate of 1.22. The company decided to cover 98% of estimated requirements (90% in 2003). The fuel hedge comprises a dual phase transaction, for 50% of the annual quantity.

Hedge n° 1

RATP entered into a plain vanilla swap of €312/T Whereby, each month:

> If the benchmark price is higher than the swap price, the counterpart pays RATP the net difference, multiplied by the monthly quantity hedged.

> If the benchmark price is below the swap price, RATP pays the counterpart the net difference, multiplied by the monthly quantity hedged.

Hedge n° 2

RATP entered into a "Range Out Swap" [260-300]. This hedge is identical to the hedge set up in 2004. RATP hedged against an increase in the capped price of €300 /T, while enjoying the benefit of decreases in diesel oil prices to a floor of €260 /T. RATP accepts to relinquish the benefit of any decrease below the floor price of €260 /T and to pay the capped price of €300 /T.

> If the price set is above or equal 300, RATP receives quantity x (price set ULSD50 ppm -300)

> If the price set is between 260 and 300 inclusive, no payments are made between the parties.

> If the price set is below 260, RATP pays quantity x (300- price set ULSD50 ppm)

5 ADDITIONAL INFORMATION ON THE BALANCE SHEET AND INCOME STATEMENT

See exhibits on pages 65 to 83.

Additional information on the balance sheet and income statement

1_ Assets	65
2_ Depreciation and amortization	66
3_ Provisions	67
4_ Gross inventories	68
5_ Accruals	68
6_ Deferred expenses	68
7_ Revaluation surplus from 1976	69
8_ Changes in equity	69
9_ Revenues, gross by business	70
10_ Transport service income by type	71
11_ RATP Social Security Plan Income Statement	71
12_ Breakdown of extraordinary income and expense	73
13a_ Maturity of receivables at December 31, 2004	73
13b_ Maturity of Debt at December 31, 2004	74
13c_ Net debt at December 31, 2004	75
14_ Receivables and payables	75
15_ Items included in several balance sheet accounts	76
16_ Average number of employees and retirees paid by the company	77
17_ Compensation to members of the executive and management board	77
18_ Subsidiaries and investments	78
19_ Economic interest groups	79
20_ Financial commitments	80
21a_ Leasehold transactions / sub-leases	81
21b_ Lease commitments	83

1_ASSETS

at December 31, 2004

	Gross value at beginning of year	Acquisitions	Transfers from one item to another	Reductions	Gross value at year end (*)
	A	B	C	D	E
Intangible assets:					
Research and development costs	14,442	1,403	•	(3,553)	12,291
Lease rights	•	•	351	•	351
Other					
> Software in use	175,854	•	38,014	(6,703)	207,165
> Software in-process	74,613	31,942	(28,700)	•	77,855
total	264,909	33,345	9,665	(10,256)	297,662
Property, plant and equipment:					
Land	377,090	•	2,475	(5,621)	373,944
Buildings	9,285,014	2,708	344,474	(43,536)	9,588,660
Buildings on other land	79,145	•	430	•	79,575
Technical installations, material & industrial tooling	1,298,332	•	150,865	(21,477)	1,427,719
Transport equipment	3,733,492	•	143,186	(29,736)	3,846,941
Other	182,995	•	80,278	(10,006)	253,267
Work-in-progress	1,228,556	676,898	(784,822)	•	1,120,632
total	16,184,624	679,606	(63,115)	(110,376)	16,690,738
Financial assets:					
Investments	93,549	340	•	•	93,889
Receivables from investments	8,985	2,110	•	(2,216)	8,878
Other investments					
Loans (**)	97,723	5,558	•	(5,200)	98,081
Other (deposits and guarantees)	26,727	21,336	53,450	(2,811)	98,702
total	226,984	29,344	53,450	(10,227)	299,550
total assets (in € thousand)	16,676,517	742,295	•	(130,860)	17,287,950

(*) Gross value at year end is calculated as follows: (A + B + C + D = E).

(**) The net change in loans comprises:

-2,072	Employee loans (with accrued interest of € 0.88)
2,429	Other loans
357	

FINANCIAL REPORT _ RATP 2004

2_ DEPRECIATION AND AMORTIZATION

at December 31, 2004

	Accumulated depreciation & amortization	Depreciation & amortization increase	Depreciation & amortization reduction	Accumulated depreciation & amortization (*)
	A	B	C	D
Intangible assets:				
Research and development costs	10,091	3,666	(3,551)	10,205
Lease rights	0	52	0	52
Other	163,729	24,116	(6,695)	181,150
total	173,820	27,834	(10,246)	191,407
Property, plant and equipment:				
Buildings	5,135,322	245,629	(17,293)	5,363,658
Buildings on others land	53,802	5,307	0	59,109
Technical installations, material and industrial tooling	907,891	103,799	(20,074)	991,615
Transport equipment	2,568,869	132,718	(28,210)	2,673,377
Other	124,363	23,467	(9,695)	138,135
total	8,790,247	510,919	(75,272)	9,225,894
Deferred operating expenses				
Asset purchase costs	492	246	0	738
Bond issue costs	6,628	1,227	0	7,855
Deferred expenses	56,650	5,237	(915)	60,973
total	63,771	6,710	(915)	69,566
Bond redemption premiums	17,037	2,841	0	19,878
total (in € thousand)	9,044,875	548,304	(86,433)	9,506,745

(*) Accumulated depreciation at year end is calculated as follows: (A + B+ C = D)

Share of assets allocated to RATP's business as a social security insurance provider

	Adjustments	Social security business assets
Software (other intangible assets):	•	1,099
Buildings:	•	14
Buildings on other land:	•	0
Industrial equipment & tooling:	•	281
Transport equipment:	•	0
Other:	•	470
	•	1,865

3_ PROVISIONS

at December 31, 2004

	Provisions at beginning of year	Change in method	Increases: provisions for the year	Reductions: Reversals for the year use adjustment	Provisions at year end (A + B + C = D)	
	A	B	C	D	E	
Regulated provisions (special revaluation provision)	77,396		0	4,826	0	72,570
total 1	77,396		0	4,826	0	72,570
Provisions for commitments and contingencies						
Provisions for contingencies						
> Provisions for litigation	7,285		4,859	764	1,820	9,560
> Provisions for operating contingencies	11,670		3,461	3,170	2,782	9,179
> Provisions for industrial accidents	12,900		10,047	10,047	0	12,900
> Provisions for extraordinary contingencies						
* Other	13,687		1,293	3,576	811	10,593
	45,542		19,660	17,557	5,413	42,232
Provisions for commitments						
> Provisions for extraordinary expenses (1)	1,713,601		416,554	23,984	0	2,106,171
> Provisions for major repairs	55,543		9,252	4,947	0	59,848
> Other provisions for commitments (2) (3)	3,642	19,212	4,248	5,294	937	20,871
	1,772,786	19,212	430,054	34,225	937	2,186,890
total 2	1,818,328	19,212	449,714	51,782	6,350	2,229,122
Provisions for depreciation and amortization						
Investments	3,878		30	0	0	3,908
Receivables from investments	0		0	0	0	0
Employee loans	1,080		91	796	22	353
Non-current assets	0		3,418	0	0	3,418
Inventories and work-in-progress	1,533		1,921	1,533	0	1,921
Dormant and slow moving inventories	20,163		2,629	752	0	22,040
Spare parts	69,580		6,140	527	0	75,193
Trade receivables and related accounts	9,903		6,319	1,220	1,437	13,566
Payroll costs	11		0	5	0	6
Marketable securities	0		667	0	0	667
Other receivables	3,936		3,416	2,497	296	4,558
total 3	110,084		24,631	7,330	1,755	125,630
total (in € thousand)	2,005,808	19,212	474,345	63,938	8,104	2,427,323
(1) Appropriation						
Op.: operating activities	273,551	19,212	55,710	35,576	7,272	305,625
Fin.: financing activities	4,969		788	802	21	4,934
Extra.: extraordinary activities	1,727,288		417,847	27,560	811	2,116,764
	2,005,808	19,212	474,345	63,938	8,104	2,427,323

(1) Including a provision for the termination cost relating to leaseholds/sub-leases of trains: € 2,105,855 thousand

(2) In compliance with CNC Opinion n°2004-05 of March 25, 2004 following CNC recommendation n°2003-R01, a provision for long service benefits (médailles du travail) amounting to € 8,922 thousand was reported as of January 1, 2004.

(3) In 2004 RATP reported pension commitments for industrial accidents and occupational disease of € 10,290 thousand.

FINANCIAL REPORT _ RATP 2004

4_ GROSS INVENTORIES

at December 31, 2004

(In € thousand)	31/12/2003	31/12/2004
Spare parts	115,275	121,040
Other inventories	112,705	122,106
Work-in-progress	5,458	4,717
total	233,438	247,863

5_ ACCRUALS

at December 31, 2004

(In € thousand)	Expenses 2003	Income 2003	Expenses 2004	Income 2004
Operating	4,791	52,907	4,065	62,882
Financing	19,029	94,218	26,691	90,260
Extraordinary (1)	4,224	1,783,275	101,186	1,693,310
total	28,043	1,930,400	131,942	1,846,452

(1) Corresponding to leasehold transactions described in exhibit 21a.
Income can be used for expenses relating to sub-leases which are recorded under other receivables.

6_ DEFERRED EXPENSES

at December 31, 2004

(In € thousand)	Net amount at beginning of year	Increases	Diminutions ou adjustments (provisions)	Net amount at year end
Asset acquisition expenses	738	0	246	492
Loan transaction expenses	6,715	0	1,226	5,489
Deferred expenses	8,553	0	5,325	3,228
total	16,007	0	6,798	9,209

Deferred expenses mainly comprise:
> Loan transaction expenses, amounting to € 5,489 thousand, which are spread over the term of the loans. If early repayment is decided before the date of the financial statements all expenses relating to the loan are fully written off.

> Deferred expenses amounting to € 3,228 thousand, mainly relate to the RAVIVER project which was initiated by RATP in 1994. Unforeseen expenses for major repairs are spread over 10 years, corresponding to the usual timeframes for such work. Annual provisions for depreciation correspond to

expenses which would be incurred over 10 years to achieve RATP's quality improvement objectives. The remaining balance reflects various leases. It is spread over the term of the leases.

7_ REVALUATION SURPLUS FROM 1976

at December 31, 2004

<i>(In € thousand)</i>	Difference at beginning of year		Change over the year		Difference at year end	
	Gross value of assets	Accumulated amortization or provisions	Retirement of assets	Provisions for amortization & depreciation	Gross value of assets	Accumulated amortization or provisions
Property, plant & equipment						
Land	225,232	0	(1,612)	0	223,620	0
Buildings	1,311,975	1,234,579	(1,635)	3,191	1,310,340	1,237,770
Technical installations, equipment & industrial tooling	19,023	19,023	(1,100)	(1,100)	17,922	17,922
Transport equipment	91,984	91,984	(788)	(788)	91,197	91,197
Other	486	486	0	0	486	486
	1,648,701	1,346,073	(5,135)	1,303	1,643,565	1,347,376
Financial Assets						
Investments	15	0	0	0	15	0
	15	•	•	•	15	•
total	1,648,716	1,346,073	(5,135)	1,303	1,643,581	1,347,376

8_ CHANGES IN EQUITY

at December 31, 2004

<i>(In € thousand)</i>	31/12/2003	Increases	Reductions	31/12/2004
Reserve for assets made available to RATP	250,701	0	0	250,701
Revaluation surplus	233,805	0	1,612	232,193
Capital endowment	283,367	0	0	283,367
Statutory reserves	173,307	4,675	0	177,983
Reserves from sale of assets constructed by RATP	41,475	129	0	41,604
General reserve	57,926	0	0	57,926
Retained earnings (1) (2)	64,596	6,508	19,212	51,892
Net income	6,508	22,515	6,508	22,515
Investment subsidies	1,795,088	162,127	125,239	1,831,976
Regulated provisions	77,396	0	4,826	72,570
total	2,984,169	195,955	157,397	3,022,727

(1) Net income from 2003 is recorded as retained earnings.

(2) Long service benefits (médailles du travail), and pensions for industrial accidents and occupational disease reduced retained earnings by € 19,212 thousand.

FINANCIAL REPORT _ RATP 2004

9_ REVENUES, GROSS AT DECEMBER 31, 2004

by business ⁽³⁾

(In € thousand)	Metro	RER	BUS	Services other than transport	Total 2004	Total 2003
	Including Funiculaire	Including Orlyval	Including land owned			
Income from transport services, tax included (excluding Orlyval)					1,758,698	1,647,343 (2)
VAT on income from transport services					(91,735)	(85,851)
Compensation					1,100,878	1,130,273
Bandwidth					(25,644)	(73,603)
Additional payments					2,911	10,586
total income from transport services, excluding VAT	1,160,159	605,796	979,151		2,745,107	2,628,749
Commissions on sales	59,307	22,684	19,675		101,665	93,348
Quality of service bonus	3,347	1,705	2,547		7,599	7,357
Third party compensation, tax included (art.856)	0	0	9,656		9,656	7,483
Orlyval revenues, tax included	0	18,411	0		18,411	15,301 (2)
Returns and allowances on transport ticket sales, taxes included	(627)	(343)	(557)		(1,528)	(1,655) (2)
Transport and rental services, taxes included	0	0	3,925		3,925	5,302 (2)
Income, tax included on long term subscriptions (administrative expenses)	1,931	1,057	1,716		4,705	4,873 (2)
Transport user income from previous years	755	394	637		1,786	2,755
STIF-Adjustments from previous years	(1,049)	(548)	(886)		(2,483)	2,900
VAT on transport user income from previous years	(39)	(21)	(33)		(93)	(144)
VAT on other income	(68)	(996)	(768)		(1,832)	(1,631)
1 - income from transport services, excluding VAT	1,223,716	648,140	1,015,063		2,886,919	2,758,840
2 - Income from related business, excluding VAT	56,600	14,176	18,182		88,957	78,147
3 - Income from services other than transport and sales of by-products, excluding VAT	2,478	1,604	1,868	120,876	126,827	117,964
sub-total (1)	1,282,793	663,920	1,035,112	120,876	3,102,702	2,954,951
5 - Penalties	8,802	3,807	6,593		19,202	15,609
6 - Other ordinary income (including production held in inventory)	6,818	4,623	3,409	20,376	35,226	36,371
total, excluding VAT	1,298,413	672,350	1,045,115	141,353	3,157,130	3,006,931

(1) Revenues are measured on the basis of the principles set out in paragraph 2.2 a

(2) Aggregate transport income tax included: > in 2004: € 1,785,997 thousand (see exhibit 10)
> in 2003: € 1,673,919 thousand (see exhibit 10)

(3) Detailed breakdown by network derived from cost accounting system: Quarterly Account per Network at end December 2004.

10_ TRANSPORT SERVICE INCOME

at December 31, 2004, by type

<i>(In € thousand)</i>	Balance in 2003	Income in €	Income %
RATP network: METRO, RER and BUS	1,647,343	1,758,698	100
Monthly, weekly, and annual "Orange" travel passes	978,581	1,018,726	58
Other subscriptions (police, emerald, amethyst)	70,949	76,368	4
Tickets	541,437	600,894	34
Flat-rate travel cards per zone (Mobilis, youth tickets)	17,931	20,310	1
Special non-subsidized tickets (Paris Visite, Orlybus, Roissybus)	36,207	40,337	2
Weekly travelcards, subsidized school subscriptions, fire department subscription, night buses	2,239	2,062	0
Returns and allowances granted on travel tickets	(1,655)	(1,528)	
Transport services and leases including VAT	5,302	3,925	
Income /long subscriptions including VAT (administrative expenses)	4,873	4,705	
Orlyval income	15,301	18,411	
Transport service income from previous years including VAT	2,755	1,786	
all networks	1,673,919	1,785,997	

FINANCIAL REPORT _ RATP 2004

**11_ RATP SOCIAL SECURITY PLAN
INCOME STATEMENT**

<i>(In € thousand)</i>	Results 2003	Results 2004
Retirement Benefit Plan		
Employer's contribution	180,113	186,909
Employee contribution	93,528	95,356
General and specific demographic compensation	(32,942)	(30,971)
Retirement and post-retirement benefits	(675,622)	(691,135)
Complementary retirement benefit	(1,976)	(2,021)
Various repayments	3,262	(3,812)
Management expense (net)	(3,647)	(4,687)
net loss, retirement benefit plan	(437,283)	(450,359)
Health Insurance Plan		
Employer's contribution	185,329	187,645
Transfer received from CSG tax (ACOSS) and employee contribution	86,122	88,944
Benefits in kind	(196,310)	(196,603)
Cash benefits (deferred income, sick leave salary)	(52,454)	(51,437)
Healthcare services	(9,637)	(10,116)
Special plan expense (including general compensation)	(3,199)	(2,012)
Management expense (net)	(15,513)	(17,332)
Bilateral compensation with state health insurance fund (CNAM):		
> Contributions paid	(214,774)	(221,781)
> Management expense	13,442	11,605
> Reimbursement of benefits in kind	198,469	200,360
net loss, health insurance plan	(8,525)	(10,729)
Industrial Accident Insurance plan		
Employer's contribution	19,825	20,546
Special plan expense (of which contr to AT fund)	(790)	(814)
Benefits in kind and pensions	(8,369)	(9,189)
Cash benefits (sick leave salary)	(7,336)	(7,416)
Management cost (net)	(2,533)	(2,790)
net income, industrial accident insurance plan	798	337
Unemployment Insurance Plan		
Employer's contribution	3,890	4,551
Benefits paid	(4,798)	(5,846)
Management expense (net)	(125)	(140)
net loss, unemployment insurance plan	(1,034)	(1,434)
Family Allowance Plan		
Employer's contribution	58,368	60,468
Statutory benefits	(22,787)	(21,698)
Other benefits	(388)	(385)
Payment to UNAF fund	(22)	0
Management expense (net)	(1,765)	(1,437)
Bilateral compensation with state health insurance fund (CNAF):		
> Contributions paid	(57,924)	(59,138)
> Management expense	2,145	2,190
> Reimbursement of statutory benefits	22,787	21,698
net income, family allowance plan	415	1,699
net loss, RATP Social Security Plan	(445,630)	(460,486)

12_ BREAKDOWN OF EXTRAORDINARY INCOME AND EXPENSE

at December 31, 2004

(In € thousand)	31/12/2004
Income from disposals of property and intangible assets	(6,526)
Transfer to inventories of equipment recovered	3,959
Reimbursement of insurance	1,042
Asbestos-related occupational disease (net)	(909)
Rehabilitation of T1	(922)
Asbestos removal	(2,245)
Leasehold transactions (1)	11,161
Other	(76)
extraordinary income	5,484

(1) See exhibit n°21 a

13 a_ MATURITY OF RECEIVABLES

at December 31, 2004

receivables	Liquidity of Assets. Maturity		
	Gross amount (1)	Due within 1 year	More than 1 year
Receivables relating to assets:			
Receivables from investments	8,878	117	8,761
Loans (2) (3)	98,081	4,628	93,453
Other	98,702	0	98,702
	205,661	4,745	200,916
Receivables relating to current assets:			
Trade receivables and related accounts	133,122	133,122	0
State and local authority receivables	186,120	186,120	0
Other	3,892,485	73,346	3,819,139
	4,211,727	392,588	3,819,139
Financial assets:			
Marketable securities (4)	479,663	479,663	0
Cash & cash equivalents	135,070	135,070	0
	614,733	614,733	0
Prepaid expenses	131,942	4,711	127,231
total (in € thousand)	5,164,063	1,016,777	4,147,286

(1) Gross amount recorded in balance sheet before provisions for accumulated depreciation and amortization, also stated in the balance sheet, which amounted to: 18,483

(2) Employee loans granted during period: 1,885

Employee loans repaid during period: 2,817

(3) Loans granted by RATP to employees or to housing management entities, under the 1% mandatory employer

contribution. Such loans bear lower interest than the the usual market rates for loans of similar maturities.

(4) With accrued interest: 15

13 b_ MATURITY OF DEBT

at December 31, 2004

debt	Debt. Maturity			
	Gross amount	Less than 1 year	Between 1 year & 5 years	More than 5 years
Debt				
Ile-de-France loans (1)(4)	277,890	15,214	52,946	209,730
Bonds (1)(4)				
> on "euro zone" financial markets	3,376,572	0	1,646,572	1,730,000
> on international financial markets	313,424	298,636	14,788	0
> «Tick'épargne» loans	139,011	0	50,229	88,781
Borrowings from and liabilities to financial institutions (4)				
> Loans (1)	0	0	0	0
> Bank accounts (creditor)	133,107	133,107	0	0
> Postal cheques	876	876	0	0
> Bank loans	0	0	0	0
Loans and other debt (2)	381,224	379,393	100	1,732
Accrued interest (3)	58,859	58,859	0	0
	4,680,963	886,085	1,764,634	2,030,243
Accounts payable:				
Trade payables and related accounts	169,564	169,564	0	0
Tax and social security liabilities	617,350	617,350	0	0
Payables to suppliers of assets and related accounts	175,281	175,281		
Other payables	241,412	241,412	0	0
	1,203,607	1,203,607	0	0
Prepaid income	1,846,452	62,882	90,260	1,693,310
Foreign currency translation gains (4)	190		190	
total (in € thousand)	7,731,212	2,152,574	1,655,897	3,723,554
(1) Loans contracted during year	139,234			
Loans repaid during year	70,292			
(2) Of which:				
> deposits and guarantees received	100			
> bonds	146			
> commercial paper	300,000			
> «Tick'épargne» commercial paper	79,231			
> subsidiaries	15			
(3) Of which:				
> accrued interest on IDF loans		1,563		
> accrued interest on "euro zone" financial market		52,086		
> accrued interest on international financial market		897		
> accrued interest on «Tick'épargne»:		4,312		
(4) Of which: € 3,700,722 thousand at fixed interest rates and € 267,162 thousand at variable interest rates				

13 c_ NET DEBT

at December 31, 2004

<i>(In € thousand)</i>	31/12/2003	31/12/2004
Marketable securities (1)(3)	349,505	457,177
Cash & cash equivalents (1)	45,800	134,674
Foreign currency translation losses	0	1
financial assets (A)	395,305	591,852
Ile-de-France loan	263,279	277,890
Loan on financial markets	3,652,648	3,689,995
Tick'Epargne loan	122,027	139,011
Borrowings from and liabilities to financial institutions	23,725	133,984
Treasury notes (2)	367,343	379,231
Foreign currency translation gains	289	190
financial liabilities (B) (3)	4,429,311	4,620,301
net debt (B-A)	4,034,006	4,028,448

(1) Excluding financial assets allocated to leasehold transactions; see details in exhibit 21-a

(2) See (2) of exhibit 13b.

(3) Excluding accrued interest.

14_ RECEIVABLES AND PAYABLES

at December 31, 2004

<i>(In € thousand)</i>	31/12/2003	31/12/2004
Receivables		
Financial assets	3,217	2,250
Trade receivables and related accounts	29,937	47,812
State and local authority receivables (1)	164,008	82,569
Other receivables	228,998	219,003
Marketable securities	113	15
Cash & cash equivalents	0	0
total	426,272	351,650
Payables		
Ile-de-France region loans	1,678	1,563
Bonds on French financial market	50,997	52,086
Bonds on international financial markets (2)	1,047	897
Private bonds	3,846	4,312
Loans from financial institutions	6	15
Trade payables and related accounts	90,489	83,023
Taxes and social security contributions	278,213	271,886
Payables to suppliers of assets and related accounts	98,811	74,674
Other payables	153,586	125,247
total	678,673	613,705

(1) of which investment subsidies due but not yet received.

(2) in euros, dollars and yen.

FINANCIAL REPORT _ RATP 2004

**15_ ITEMS INCLUDED IN SEVERAL
BALANCE SHEET ACCOUNTS**

at December 31, 2004

position at	Dec 31, 2003	Dec 31, 2004
Commercial paper		
Assets: > Trade receivables and related accounts	14	17
total	14	17
Commercial paper		
Liabilities: > Trade payables and related accounts	0	0
> Payables for assets and related accounts	0	0
total	0	0
Related parties (1)		
Assets: > Financial assets	119,529	118,281
> Trade receivables and related accounts	13,337	14,208
> Other receivables	3,403	3,478
total	136,270	135,966
Related parties (1)		
Liabilities: > Financial liabilities	6	15
> Trade payables and related accounts	762	4,094
> Payables for assets and related accounts	0	4,119
> Other payables	692	1,084
total (in € thousand)	1,461	9,312

(1) It concerns RATP DEVELOPPEMENT, SQYBUS, PROMO METRO, LOGIS-TRANSPORTS, SEDP, SADM, TELCITE, RATP INTERNATIONAL, SYSTRA, NAXOS, MOBICITE, SLT, TVO, ORLYVAL, EMS, FLEXCITE, STBC.

16_ AVERAGE NUMBER OF EMPLOYEES AND RETIREES

paid by the company

	31/12/2003	31/12/2004	Change	in %
Breakdown by Category:				
Executives + managers	10,982	11,071	89	0.81%
Other employees	32,308	32,511	203	0.63%
Breakdown by Employment Status:				
Permanent	42,696	42,944	248	0.58%
Fixed term contract	594	638	44	7.41%
average number of employees	43,290	43,582	292	0.67%
Direct pensions	27,097	27,376	279	1.03%
Indirect pensions	11,756	11,607	(149)	(1.27)%
average number of retirees	38,853	38,983	130	0.33%

17_ COMPENSATION TO MEMBERS OF THE EXECUTIVE AND MANAGEMENT BOARD

(In Euros)	2003	2004
Members of the Board of Directors	2,767	3,567
Executive officers	1,657,255	1,674,154
(aggregate amount of 10 highest salaries)		

18_ SUBSIDIARIES AND INVESTMENTS

at December 31, 2004

subsidiaries <i>(in € thousand)</i>	Share	Equity other than share capital	% of capital held by RATP	Carrying amount of shares		Loans and advances granted by RATP and not yet repaid (1)	Guarantees granted by RATP	Revenues excl. tax at Dec.31 2004	Provisional result at Dec.31 2004	Dividends received by RATP in 2004
	Capital	Other	%	Gross	Net	Loans	Guarantees	CA HT	Result	Dividends
1 - Subsidiaries										
> S.E.D.P. 2 Square Félix Nadar 94 684 Vincennes Cedex (SIREN 380038687)	459	345	100	457	457	3,354	411	10,719	54	
> RATP DÉVELOPPEMENT Société de Participation pour l'exploitation 54 Quai de la Rapée 75599 Paris Cedex 12 (SIREN 389795006)	18,000	(4,936)	75	13,499	13,457	2,353		15,129	(1,102)	
> LOGIS TRANSPORTS 158 rue de Bagnolet 75020 Paris (SIREN 592025811)	40	(2)	88	33	33	20,777	2,095	(2)	(2)	
> PROMO METRO 43-45 rue du Gouverneur Général Félix Eboué 92130 Issy-les-Moulineaux (SIREN 712029099)	910	3,439	66	1,120	1,120			17,748	1,136	239
> RATP INTERNATIONAL 54 Quai de la Rapée 75599 Paris Cedex 12 (SIREN 419997044)	19,721	-519	100	19,727	19,179	5,405		1,150	22	
> TELCITÉ 1 avenue Montaigne 93160 Noisy-le-Grand (SIREN 411759962)	1,525	11,185	100	1,524	1,524	1,116		11,643	1,113	933
> FINANCIÈRE TRANSDEV 6 Place Abel Gance 92100 Boulogne Billancourt (SIREN 442610788)	106,929	367	49.9	53,340	53,340				2,588	1,227
> BMS 25 rue de Ponthieu 75008 Paris (SIREN 423749886)	20,995	(11,724)	7	3,770	805			1,165	(3,801)	
2 - Other investments				419	66					

(1) including accrued interest

(2) information not available.

19_ ECONOMIC INTEREST GROUPS

position at December 31, 2004	Siren	RATP % share of overheads
1 - EURAILTEST 75, avenue Parmentier 75544 Paris Cedex 11	SIREN 421 526 468	10%
2 - QUAI 54 54, Quai de la Rapée 75012 Paris	SIREN 407 668 409	60%
3- TOTHEME 54 54, Quai de la Rapée 75012 Paris	SIREN 411 248 594	90%
4 - SECTRANS 29, rue Lebrun 75013 PARIS		50%
5 - TRANS VAL DE MARNE pilot test site 54, Quai de la Rapée 75012 Paris	SIREN 412 897 142	26%
6 - COMUTITRES 185, rue de Bercy 75012 Paris	SIREN 433 136 066	57.60%
7 - VILLE ET TRANSPORTS 28, rue Pascal 75005 Paris	SIREN 437 664 998	50%
8 - EMIF 54, Quai de la Rapée 75012 Paris	SIREN 438 281 461	50%
9 - ARMONIA 49, rue de Provence 75009 Paris	SIREN 442 611 703	8.90%
10 - MICROBUS 54, Quai de la Rapée 75012 Paris	SIREN 442 696 860	28.17%
11 - DÉVELOPPONS LE TRANSPORT PUBLIC 30, Place Saint-Georges 75009 PARIS	SIREN 477 615 850	6%

FINANCIAL REPORT _ RATP 2004

20_ FINANCIAL COMMITMENTS

at December 31, 2004

<i>(In € thousand)</i>	2003	2004
Commitments given		
Subsidies and investments		
> Guarantee for LOGIS-TRANSPORTS	2,095	2,095
> Guarantee for SEDP	383	411
Associations		
> Guarantee for IAPR	265	265
> Guarantee for Compagnons du Voyage	350	700
Employee loan: guarantee granted to SBE	34,999	27,942
Employees: guarantees «Social housing»	354,471	352,232
Retirement benefits (see additional information 1)	143,760	156,785
Long service benefits (see text in 2-1a and additional information 5)	26,010	0
Pensions for occupational disease and industrial accidents (see additional information 3)	NC (*)	94,062
Interest rate swaps (1)	2,182,573	1,915,676
Sale of swaptions	350,000	150,000
Leasehold transactions: sub-lease of trains	2,886,159	2,766,326
Other commitments given	945	2,220
Accrued long service leave (see additional information 4)	0	43,592
total	5,982,011	5,512,306
Commitments received		
Interest rate swaps (1)	2,182,573	1,915,676
Caps	200,000	350,000
Floors	0	150,000
Bank credit letters	46,240	41,546
Bank guarantees	44,664	54,893
total	2,473,477	2,512,115

* NC= Not Calculated

(1) RATP opted to account for swaps in the same way as traditional loans and borrowings.

The breakdown of swaps by maturity is as follows:

	< 1 year	1 to 5 years	> 5 years	total
INTEREST RATE SWAPS	800,888	214,788	900,000	1,915,676

Additional information

The inflation rate used in these calculations is 2%.

1 - Retirement benefits

Retirement benefits are recorded as payables for employees that meet eligibility criteria. RATP's additional retirement commitments calculated on an actuarial basis are recorded under off-balance sheet commitments in the table below. The net discount rate used to calculate the benefits in 2004 was 2.5% compared with 3.25% in 2003.

2 - RATP social security plan

Retirement benefits payable to current and future retirees are not provisioned. At December 31, 2004 they were estimated at € 21.615 billion euros, up from € 18.26 billion euros at December 31, 2003, calculated using a discount rate of 2.5% instead of the 3.25% applied in 2003.

3 - Pensions for occupational disease and industrial accidents

This concerns pensions payable to employees on sick leave (see 2-1b).

The net discount rate used in 2004 was 2.5%.

4 - Accrued long service leave

This commitment concerns the vacation allocated to employees under RATP's internal regulations. The net discount rate used in 2004 was 2.5%.

5 - Long service benefits (Médailles du travail)

Following a change in accounting policy in 2004 the commitment for long service benefits (médailles du travail) was provisioned in the financial statements.

21 a_ LEASEHOLD TRANSACTIONS / SUB-LEASES

I - AMERICAN LEASEHOLD TRANSACTIONS

Impact on cash position

leases	1997	1998	1999	2000	2001	2002	2003	2004
Income from main lease	560,061	269,516	228,874	840,625	639,985	454,943	0	0
Sub-lease expenses	526,587	239,242	205,264	799,837	600,768	447,049	0	0
RATP net profit	33,474	30,274	23,610	40,788	39,217	7,894	0	0

The leases are effective over variable periods, so income generated is recorded as an extraordinary item over the term of the leases.

Impact on net income for the year

Leases generated income of € 11,161 thousand

leases	1997	1998	1999	2000	2001	2002	Total	2003
Income from main lease (1)	104,546	42,162	172,420	28,699	20,723	21,291	389,843	389,863
Interest on sub-leases paid (2)	34,026	16,804	10,374	63,920	41,704	16,248	183,076	184,504
Provision reversal (3)	2,455	0	20,865	0	0	0	23,320	21,259
Other income	0	0	0	928	0	0	928	
Sub-lease expenses (4)	46,095	12,447	27,601	29,597	43,743	9,014	168,498	204,410
Excess lease payments	0	0	0	0	0	0	0	0
Early Buyout Option	0	0	0	0	0	0	0	0
Expense	46	26	0	397	0	192	661	263
Provision for termination cost (3)	92,648	45,076	174,800	60,410	16,245	27,375	416,554	380,179
Currency translation adjustment				292			292	
net income (in € thousand)	2,238	1,418	1,258	2,215	2,438	957	11,161	10,773

(1) The main lease payment is received in full upon signature of the lease. The annual installment is recorded in the income statement as a balancing entry for prepaid income.

(2) Interest received or to be received on sub-lease payments to financial institutions (deposits).

(3) Income from the termination indemnity and excess lease payments made is spread on a straight line basis over the term of the leases.

(4) Sub-lease payments paid or payable by financial institutions.

Sub-lease expense, income from the main lease and interest is recorded under extraordinary income and expense.

The provision for the final termination cost is recorded under extraordinary expense.

21 a_ LEASEHOLD TRANSACTIONS / SUB-LEASES (CONT.)

II - SWEDISH LEASE Impact on cash position

<i>(In € thousand)</i>	Leases		
	Swedish lease tranche 2 completed in 2002	Additional gains due to restructuring of 2002 leasehold in 2004	Swedish lease tranche 2 completed in 2004
RATP net profit	620	118	1,444

III - OVERALL IMPACT OF LEASES ON THE BALANCE SHEET AT DECEMBER 31, 2004

assets	Total B S	Impact of Leasehold	Impact of Swedish Lease	Excl. Lease
Property, plant and equipment	7,461,427		80,500	7,541,927
Financial assets	295,289			
Deposits and guarantees	98,702	(1,753)	(94,043)	2,905
State and local authority receivables	186,120	(43,313)		142,807
Other receivables	3,887,921	(3,819,137)		68,784
Other receivables - Sub-leases paid to financial institutions		(2,584,973)		
Other receivables - Receivables EIGI/Trust on main leases		(1,032,390)		
Other receivables - Interest receivable on sub-lease payments made		(94,481)		
Other receivables - Main lease payment receivables		(107,293)		
Financial assets	614,066	(22,866)		591,200
Prepaid expenses	131,942	(101,186)		30,756
total (in € thousand)		(3,988,256)	(13,543)	

liabilities	Total B S	Impact of Leasehold	Impact of Swedish Lease	Excl. Lease
Provisions for contingencies and commitments	2,229,122	(2,105,858)		123,265
Provisions for extraordinary expenses - Termination cost		(2,105,858)		
Loans and other debt	381,224	(1,732)		379,492
Tax and social security contributions	617,350	(186,769)		430,581
Tax and social security contributions - VAT on receivables		(17,583)		
Tax and social security contributions - VAT on main lease payments received		(169,186)		
Other liabilities	241,412	(132,950)		108,462
Prepaid income	1,846,452	(1,679,684)	(13,626)	153,142
total (in € thousand)		(4,106,993)	(13,626)	

21 b_ LEASE COMMITMENTS

at December 31, 2004

Two property leases are in effect

lease <i>(in € thousand)</i>	Aggregate value	Term	Residual value
Cour de Vincennes	5,336	15	0
Philidor Maraichers	25,308	25	2,373

Leased Assets

balance sheet items	Initial cost	Depreciation		Net value
		year (1)	accumulated (1)	
Land				
Buildings	30,644	602	1,196	29,448
Installations, equipment and tooling				
Other property and equipment				
Work-in-progress				
total <i>(in € thousand)</i>	30,644	602	1,196	29,448

(1) Allocations for the year and accumulated depreciation which would have been recorded for these assets if they had been purchased. At RATP, buildings are depreciated on a straight line basis over 50 years.

Lease Commitments

balance sheet items	Installments paid		Fees payable		residual price
	during year	accrued	up to 1 year+ 1 year to 5 years	+ 5 years	
Land					
Buildings	1,401	2,932	2,406	9,720	40,691
Installations, equipment and tooling					2,373
Other property and equipment					
Work-in-progress					
total <i>(in € thousand)</i>	1,401	2,932	2,406	9,720	40,691



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