

SUPPLEMENT NUMBER ONE DATED 5 AUGUST 2019 TO THE BASE PROSPECTUS DATED 12 JULY 2019



(established in England)

£5,000,000,000

Euro Medium Term Note Programme

This Supplement (the "**Supplement**") is supplemental to, forms part of and must be read and construed in conjunction with, the base prospectus 12 July 2019 (the "**Base Prospectus**") prepared by Transport for London (the "**Issuer**") in connection with its Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to £5,000,000,000 in aggregate principal amount of notes ("**Notes**"). Terms given a defined meaning in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

This Supplement has been approved by the United Kingdom Financial Conduct Authority (the "**FCA**"), which is the United Kingdom competent authority for the purposes of Directive 2003/71/EC (as amended or superseded, the "**Prospectus Directive**") and relevant implementing measures in the United Kingdom, as a base prospectus supplement issued in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom.

The purpose of this supplement is to:

- a) incorporate by reference the Issuer's 2018/2019 Annual Report and Statement of Accounts and updating the 'Significant Change' paragraph accordingly;
- b) update details of the Issuer's Executive Team and matters relating to the Issuer's Financial Administration; and
- c) update the "Auditors" paragraph appearing under the General Information section including disclosure regarding the auditor's qualified opinion in respect of achieving value for money for the Issuer's 2018/2019 Annual Report and Statement of Accounts, in accordance with the Local Audit and Accountability Act 2014.

IMPORTANT NOTICES

The Issuer accepts responsibility for the information contained in this Supplement and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b)

any other statement in, or incorporated by reference into, the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no significant new fact, material mistake or inaccuracy relating to the information included in the Base Prospectus which is capable of affecting the assessment of the Notes issued under the Programme has arisen or been noted, as the case may be, since publication of the Base Prospectus.

AMENDMENTS OR ADDITIONS TO THE BASE PROSPECTUS

With effect from the date of this Supplement the information appearing in, or incorporated by reference into, the Base Prospectus shall be amended and/or supplemented in the manner described below.

1. A copy of the audited Statement of Accounts for the year ended 31 March 2019 appearing on pages 119 – 341 of the Issuer's 2018/2019 Annual Report and Statements of Accounts (the "**March 2019 Financials**") has been filed with the FCA and is incorporated by reference in and forms part of this Supplement in its entirety.

To the extent that any document referred to in the March 2019 Financials incorporates by reference any information or other documents therein, either expressly or implicitly, such information or other documents are not incorporated by reference in and will not form part of this Base Prospectus. Any information contained in the March 2019 Financials which is not incorporated by reference in the Base Prospectus is either not relevant for prospective investors for the purposes of Article 5(1) of the Prospectus Directive or is covered elsewhere in the Base Prospectus.

A copy of the March 2019 Financials has been submitted to the National Storage Mechanism and is available for inspection at <http://www.morningstar.co.uk/uk/NSM> and may be inspected, free of charge, at the specified office of the Principal Paying Agent (Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB) and at the principal office of the Issuer (55 Broadway, London, SW1H 0BD).

2. The 'Significant Change' paragraph appearing on page 80 of the Base Prospectus under the 'General Information' section is deleted in its entirety and replaced with the following:

Since 31 March 2019, there has been no significant change in the financial or trading position of the Issuer and its subsidiaries, save that there has been (i) an improvement of £225.7 million from the surplus on the provision of services after tax of £171.5 million in the 12 weeks to 23 June 2018 to £397.2 million in the 12 weeks to 22 June 2019 reflecting additional grant income received in the relevant period (ring fenced for the Crossrail project) (ii) a decrease in current liabilities of £279.0 million primarily driven by a reduction in the short term creditors balance of £206.2 million in the period from 31 March 2019 to 22 June 2019 (iii) a decrease in current assets of £206.6 million predominately driven by cash expended in the relevant period reducing the cash balance from £1,881.7 million as at 31 March 2019 to £1,751.0 million as at 22 June 2019 (iv) an increase in long term assets of £349.9 million resulting from net tangible fixed asset additions of £378.2 million in the 12 weeks to 22 June 2019.

Since 31 March 2019, there has been no material adverse change in the financial or trading position or prospects of the Issuer and its subsidiaries.

3. The table setting out members of the 'Executive Team' appearing on page 20 of the Base Prospectus shall be updated to replace Nigel Holness as Managing Director, London Underground with 'Vernon Everitt' as 'Interim Managing Director, London Underground'.

4. The table setting out members of the 'Executive Team' appearing on page 20 of the Base Prospectus shall be updated so that Vernon Everitt's position as Managing Director, Customers, Communication and Technology shall be caveated with a footnote reading:

** Vernon Everitt's direct reports will each lead Customers, Communication & Technology for a period of time while he is working with London Underground and TfL engineering.*

5. The last sentence of the third paragraph under the section titled "TfL's Financial Administration" appearing on page 23 of the Base Prospectus shall be deleted in its entirety and replaced with the following:

Since Sarah Bradley left TfL at the end of July 2019, Tony King has been appointed as the Interim Statutory CFO, with a permanent Statutory CFO to be appointed in due course.

6. The last sentence of the fifth paragraph under the section titled "TfL's Financial Administration" appearing on page 24 of the Base Prospectus shall be deleted in its entirety and replaced with the following:

The provision of the guarantee was most recently renewed on 23 July 2019 by TTL.

7. The section titled "Auditors" appearing under the General Information section on page 81 of the Base Prospectus shall be deleted in its entirety and replaced with the following:

The financial statements of the Issuer have been independently audited for the financial years ended 31 March 2018 and 31 March 2019 by Ernst & Young LLP of 1 More London Place, London, SE1 2AF.

In each of these years, the auditors have found the financial statements to give a true and fair view of the financial position of Transport for London Corporation and Group and of its expenditure and income for said year ended.

In accordance with the Local Audit and Accountability Act 2014, the auditors are also required to opine on whether TfL is achieving value for money in respect of arrangements to secure economy, efficiency and effectiveness in the use of resources. The auditors issued a qualified opinion, in this respect, for financial year ended 31 March 2019 (unqualified opinion for financial year ended 31 March 2018) as a consequence of the announcement of increased costs to bring the Crossrail project to completion, as well as findings that procurement processes across the TfL Group were not being followed in all cases during the financial year 31 March 2019 leading to a significant amount of single source tender arrangements and other contracting arrangements that may not have provided value for money. As one of the two joint sponsors of the Crossrail project, TfL has been working with the DfT to strengthen the governance of the project and continues to work on implementing the recommendations of the independent reviews into Crossrail's governance, financial and commercial arrangements. With respect to procurement processes across the TfL Group, an action plan has been drawn up to address these matters and implementation of this plan will take place during the financial year 2019/20.