



FOCUS ON EDF EN

Analyst Group Lunch Meeting - 6 July 2017

Antoine Cahuzac - Group Senior Executive
VP of Renewable Energies and CEO of EDF
Énergies Nouvelles

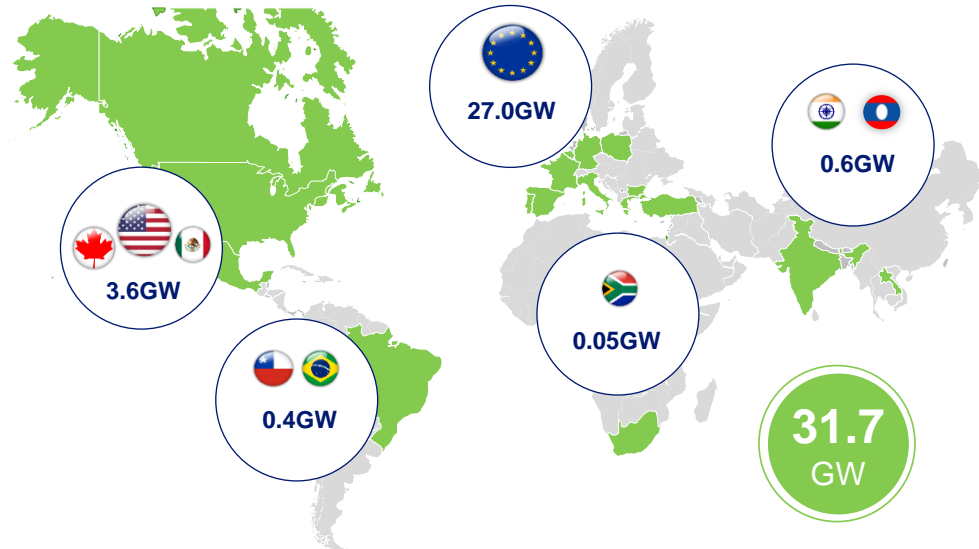
Bruno Fyot – COO of EDF EN

Denis Rouhier – CFO of EDF EN



EDF'S LEADERSHIP IN RENEWABLES ACTIVITIES IS A STRONG PLATFORM FOR GROWTH

Global presence in 22 countries



BALANCED CAPACITY MIX WITH 30.4GW IN OPERATION

- 7.8GW renewables and 22.6GW hydro operating assets
- 1.3GW under construction

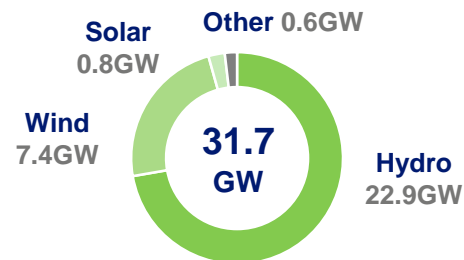
HYDROPOWER: 'DNA' OF EDF

- Leader in Europe with a growing development pipeline

SELECTIVE GROUP INVESTMENT PLAN

- Over €2bn gross investments p.a. and increasing over time

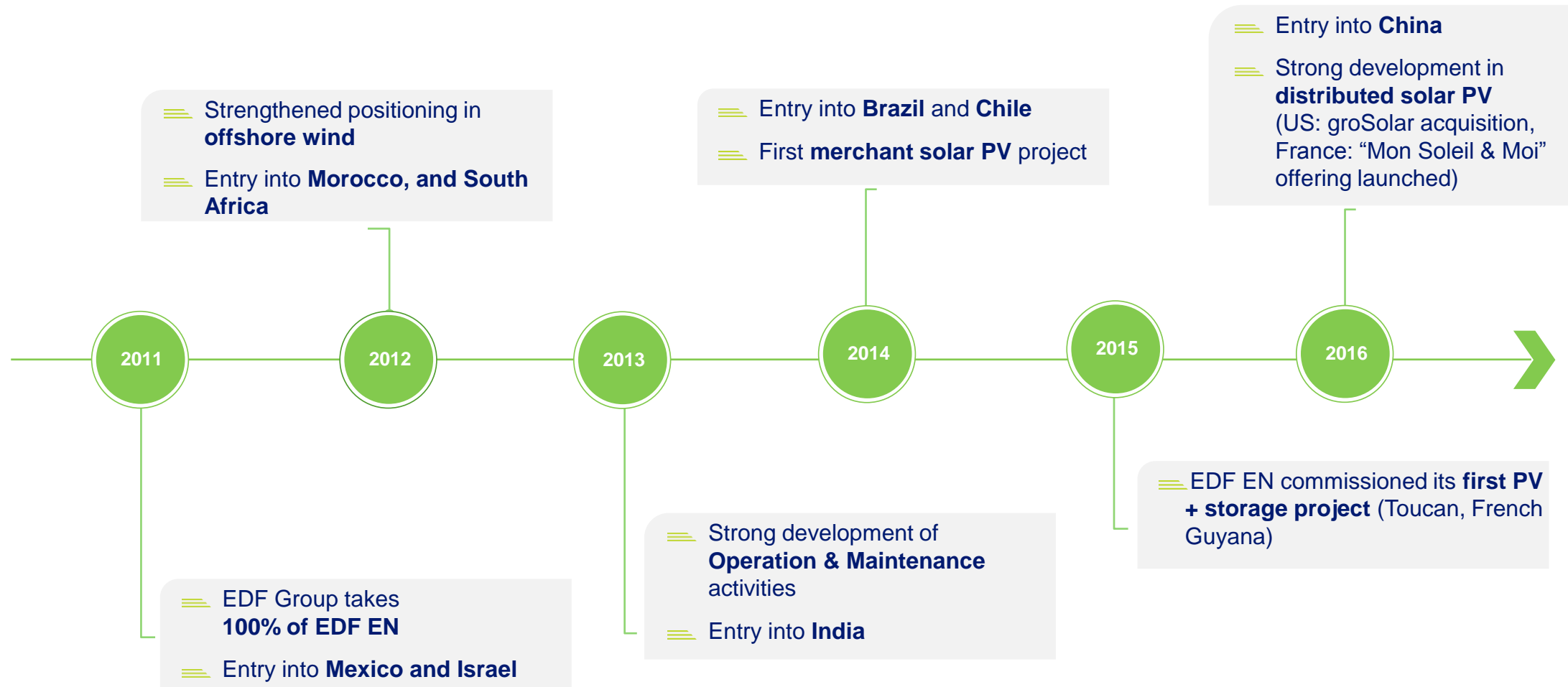
Capacity by Technology



Key figures at 31 December 2016. All capacity figures are net figures, corresponding to EDF Group's stake in each asset. Includes net installed power generation capacity and net power generation capacity under construction. In addition, renewables activities comprise 2.9GWth of renewable heat capacity (located mainly in France and operated by Dalkia)

EDF ENERGIES NOUVELLES, A LEADING RENEWABLES PLAYER WITH STRONG TRACK RECORD

EDF Group's platform for the development of new renewables



EDF Energies Nouvelles' scope includes all non-hydro renewables activities of the Group, except some assets in Italy (Edison), Belgium (EDF Luminus) and in the UK (50% held by EDF Energy)

EDF EN: A SUSTAINABLE BUSINESS MODEL, LEVERAGING KEY COMPETITIVE ADVANTAGES

KEY
COMPETITIVE
ADVANTAGES...



Extensive and diversified
international footprint

EDF brand name,
with dynamic and flexible
structure leveraging on
local Group synergies

**Integrated O&M
skills and capabilities:**
operational excellence

Development

Construction

Generation

Asset rotation

Operations
&
Maintenance

... SUPPORTING
A MODEL
GEARED
TOWARDS
SUSTAINABLE
GROWTH



Partnerships bringing
strong development
opportunities and local
market knowledge, with
reduced balance sheet
impact

An **intensified
development phase**
starting 2017, with
gradually growing
CAPEX and a robust
pipeline

A **generator** aiming
to gradually grow
installed capacity and
output

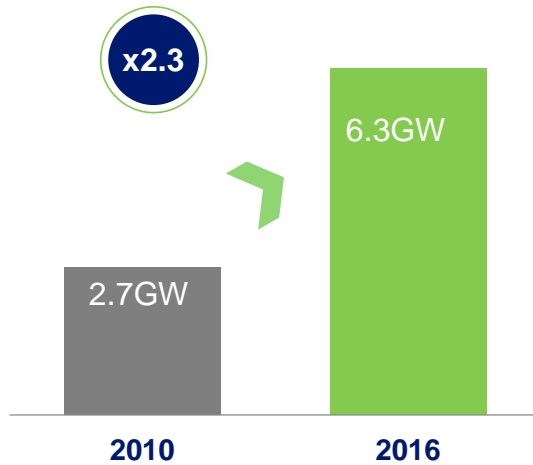
A strong ability to
maximise value from
**selective asset
rotation** to cover
corporate and
development costs



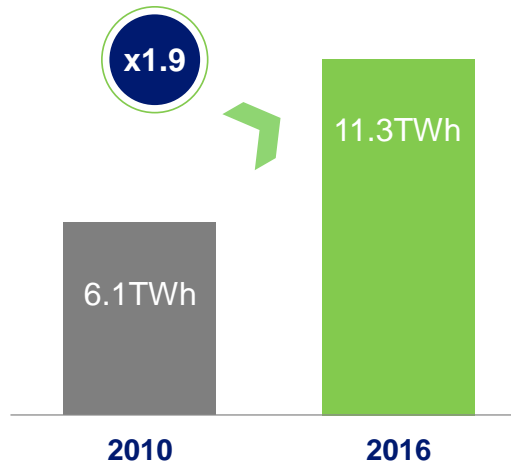
An integrated player, active across the entire value chain,
with the ability to develop highly competitive projects with high returns

EDF EN – A DEDICATED PLATFORM TO BENEFIT FROM RENEWABLES CAPACITY GROWTH

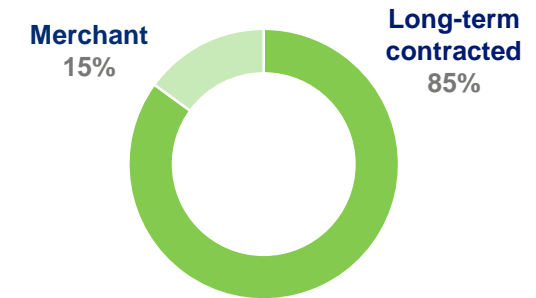
Net installed capacity
x 2.3 since 2010



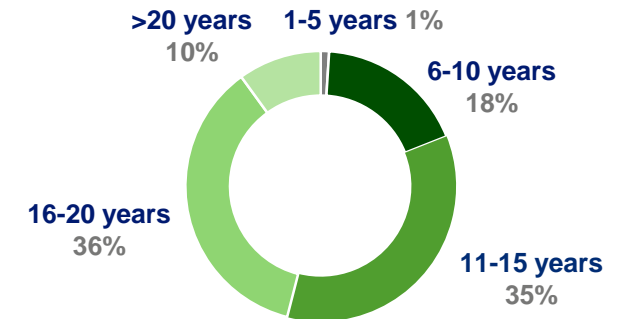
Significant increase in
total output



~85% of long-term
contracted generation revenues⁽²⁾



~14 average remaining
years of contract⁽³⁾



INTEGRATED
OPERATOR ALONG
THE VALUE CHAIN

- Development, Construction and Operation
- O&M (13.5GW under management)
- DSSA⁽¹⁾

LEADING POSITION
IN WIND

- 11.5GW developed and built over the last 15 years

(1) Development and sale of structured assets (DSSA)

(2) Based on estimations at 31 December 2016 of revenues from fully consolidated assets. Includes regulated, quasi-regulated and long-term contracted assets

(3) Based on estimations at 31 December 2016 of revenues from fully consolidated assets. Revenues from assets with a strict regulated or commercial PPA

HIGH VALUE CREATION REQUIREMENTS AND TRACK RECORD FOR EDF EN PROJECTS

A SELECTIVE DEVELOPMENT POLICY...

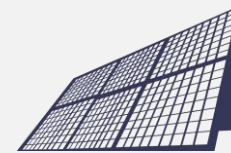
- ≡ Rigorous **country analysis**
- ≡ Stringent initial **project selection**
- ≡ Advanced **engineering capabilities** to estimate **projects' returns**
- ≡ Unique **procurement process** with in-depth due diligence of supply chain
- ≡ Strict **investment decision** processes



... TO DELIVER ATTRACTIVE IRR SPREADS⁽¹⁾ ABOVE WACC



ONSHORE WIND



SOLAR PV



200 to 300 bps

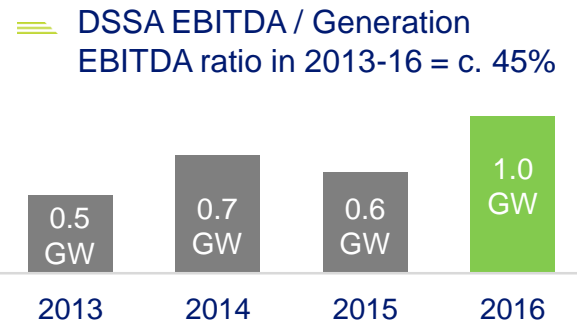
⁽¹⁾ Average performance based on a review of all projects over €50m CAPEX until mid-2016

Source: Company

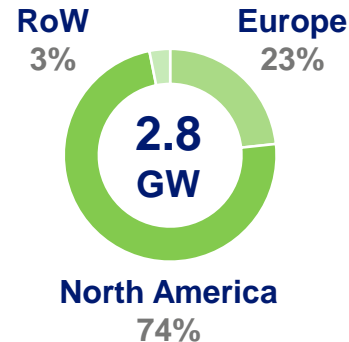
WITH OVER 2.8GW SOLD SINCE 2013, DSSA⁽¹⁾ IS AT THE CORE OF EDF EN'S BUSINESS MODEL

EDF EN has an excellent DSSA track record

CONSISTENT ROTATION OF OPERATIONAL ASSETS (EDF EN NET CAPACITY SOLD)



CUMULATIVE ASSET ROTATION 2013 TO DATE



DSSA is a self-funding and Value accretive business model

DSSA ACTIVITIES ARE AN IMPORTANT PART OF EDF EN'S BUSINESS MODEL

- ≡ DSSA consists of the disposal of certain **fully-structured projects** (typically in operation and financed)
- ≡ Allows the execution of additional market opportunities with **superior returns**

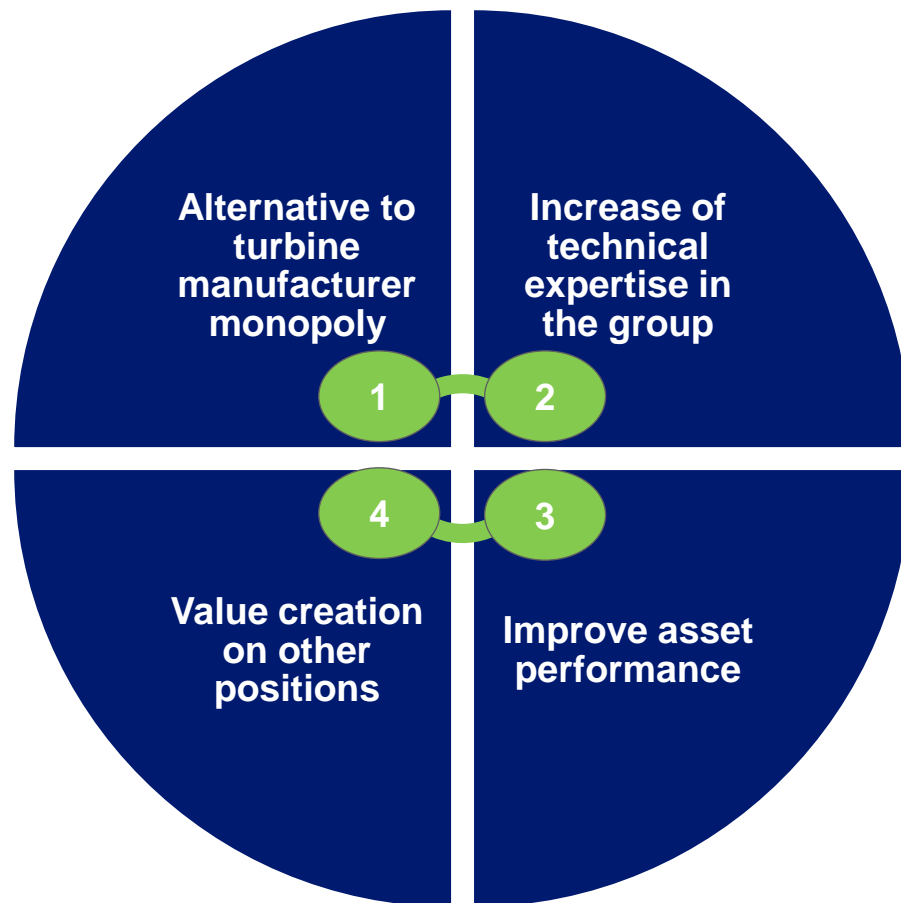
KEY BENEFITS OF DSSA

- ≡ **Immediate value crystallization** : Realize premium on capex
- ≡ **Balance portfolio** through asset rotation
- ≡ **Increase financial flexibility** through management of net investments
- ≡ **Increased competitiveness** due to lower financing costs due to participation of a co-investor

(1) Development and sale of structured assets (DSSA)

WITH 13.5GW UNDER MANAGEMENT, O&M EXPERTISE CREATES VALUE FOR THE WHOLE CHAIN

4 KEY PRINCIPLES



- ⇒ **Competition** with turbine manufacturers, particularly on contract renewals

- ⇒ **Obsolescence** of turbines and risk of bankruptcy

- ⇒ M&A and DVAS: improved **evaluation of acquisitions** and an advantage for **asset divestitures**

- ⇒ Better **price positioning** on tenders / **auctions** and increase of the IRR by **operational services**

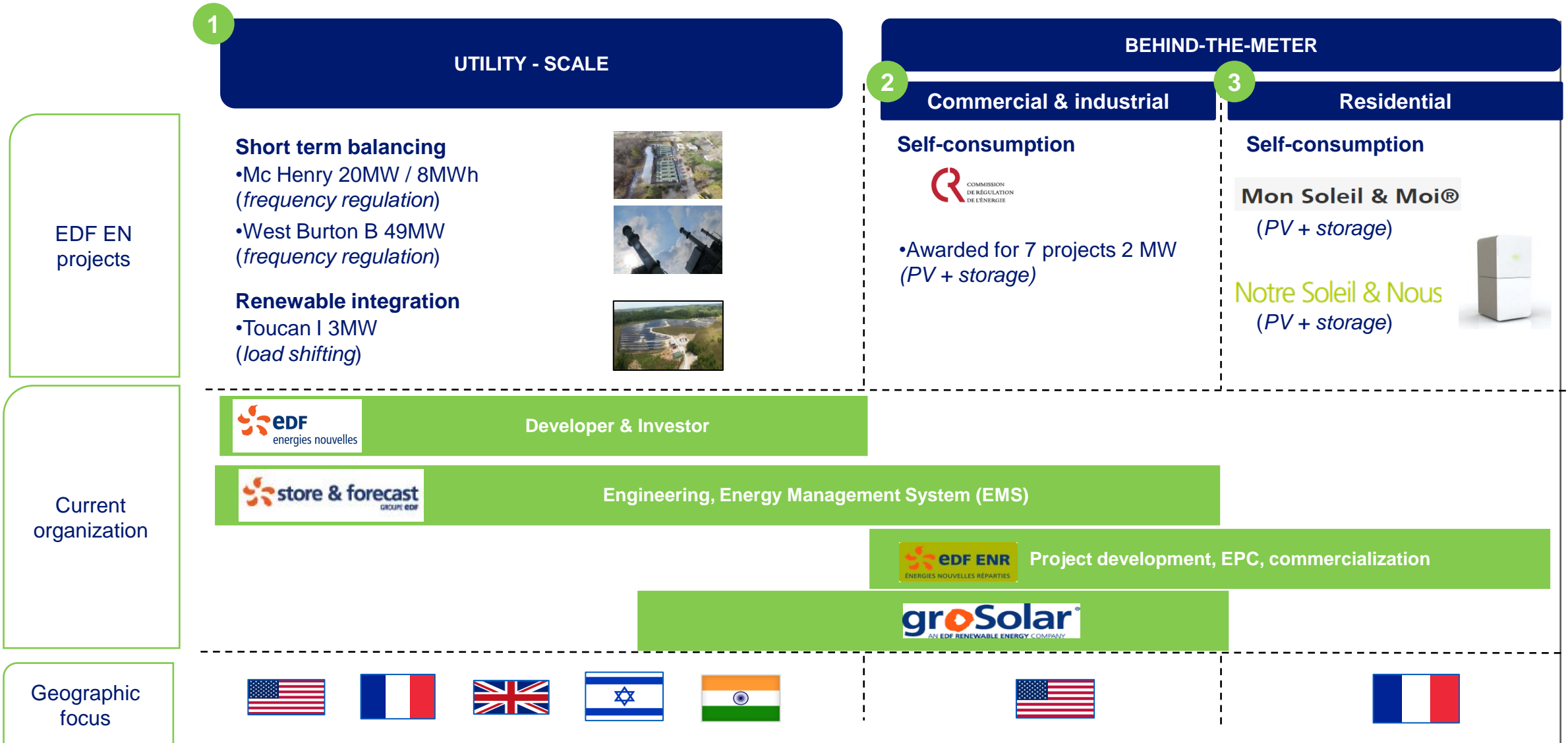
- ⇒ **Strong credibility** regarding the turbine manufacturers and third party investors

- ⇒ Rationalizing of projects by **optimizing conception and construction**

- ⇒ **Transparency** and a shared goal of **improvement of the production**

- ⇒ **Continuous innovation** and **predictive maintenance** programs

EDF EN IS BUILDING A GROWING EXPERTISE IN STORAGE, BOTH IN CENTRALIZED AND IN DISTRIBUTED PROJECTS



Focus on EDF EN

Notes: 1. Other projects commissioned at EDF group level include: Pegase (1MW, *load shifting*), NiceGrid (1MW, *load shifting*), Les Renardières (1 MW, *frequency regulation*), VENTEEA (2MW, multiple applications) Source: EDF EN

FOCUS ON FRENCH OFFSHORE WIND



SUCCESSFUL VALUE CREATION THROUGH A STRATEGIC PARTNERSHIP IN THE 3 FIRST FRENCH OFFSHORE WIND PROJECTS

Eolien Maritime France portfolio

- ⇒ 3 offshore wind projects in France
- ⇒ Over 1.4GW of combined capacity

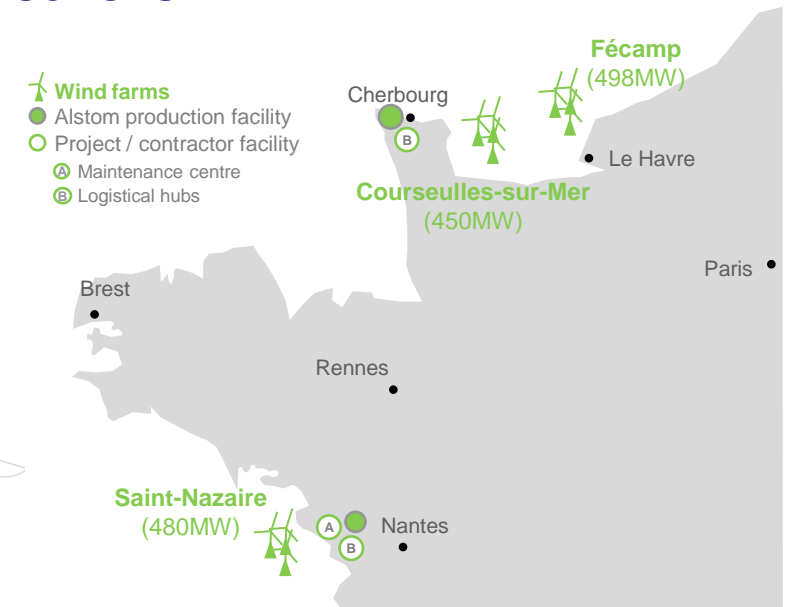
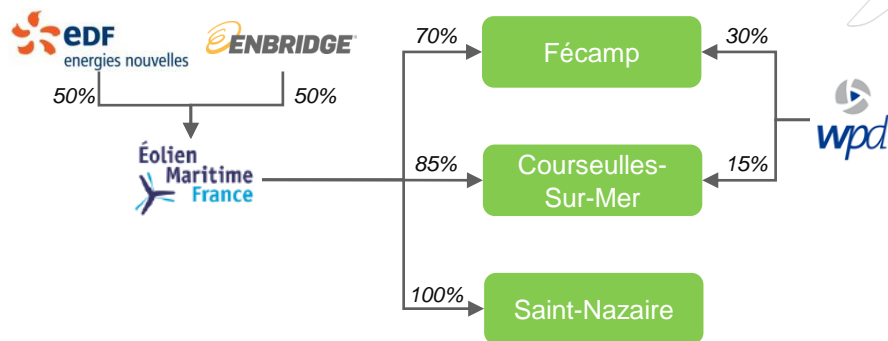
Highly valuable partnership with Enbridge

Total investment costs of c. €6bn

- ⇒ Efficiency increases with economies of scale

Optimised financial structure

- ⇒ Partnering up to share funding, development and construction risks
- ⇒ Equity method



Innovation – Floating offshore



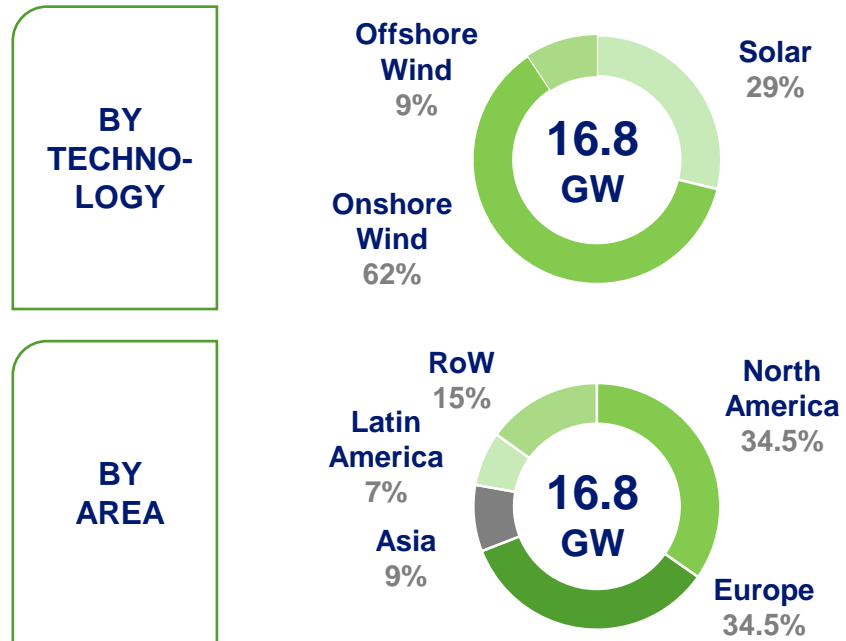
Innovative pilot awarded in France in Nov 2016

- ⇒ **Floating foundations** allow for **higher load factors** as they can be placed in particularly windy **areas previously untapped**
- ⇒ **Contract awarded to EDF EN for the installation of three 8-MW turbines on floating foundations** in the Faraman area (off Fos-sur-mer)

SIGNIFICANT INVESTMENT PLAN IN NEW RENEWABLES, SUPPORTED BY A SOLID PIPELINE

LARGE AND VISIBLE PIPELINE

CURRENT EDF EN PIPELINE⁽¹⁾



≡ Focus on emerging countries offering **grid parity**

RECENT HIGHLIGHTS

≡ Commissioning of first **wind projects in China** after UPC acquisition

≡ Collaboration with Masdar in the **largest PV plant in MENA** (DEWA 3 - 800 MW)

≡ Acceleration of **Brazil platform development**: ~500 MW under construction (PV + wind)

≡ Ongoing takeover bid of **Futuren** (France, Germany, Morocco, Italy)

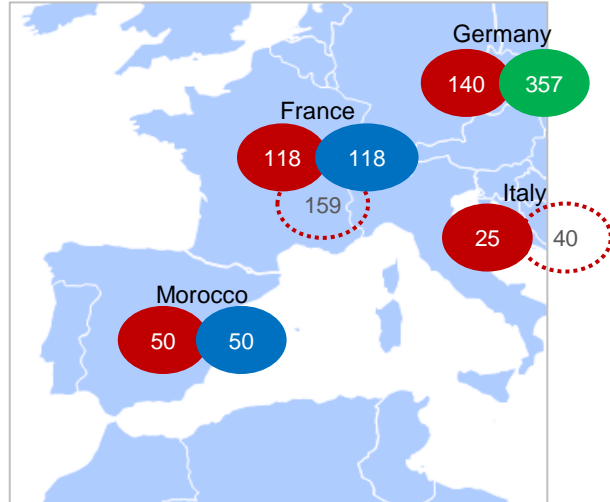
(1) Pipeline (gross capacity) at 31 December 2016 excluding capacity under construction
 (2) Development and sale of structured assets (DSSA)

FUTUREN : A LEADING RENEWABLE ENERGY PLATFORM

➤ 389 MW gross capacity in operation and a 168 MW pipeline of onshore wind in 4 countries

ASSET PORTFOLIO

- 333MW nets capacity
- 389MW gross capacity
- 168 MW of projects
- 357 MW managed for 3rd parties



KEY FIGURES

2016 results		Employees	
Sales	€56.7m		103
EBITDA	€28.0m	Gross MW in operation	389
Net income ⁽¹⁾	€2.9m		
Net financial debt ⁽²⁾	€132.8m		

⁽¹⁾ group share

⁽²⁾ including OCEANES, fair value of derivative financial instruments and shareholder loans with associates accounted for under the equity method and Loans and receivables granted to associates accounted under the equity method

STRATEGIC RATIONALE

- Additional growth in asset base and development pipeline in France
- Growth opportunities in onshore wind repowering and third party management businesses in Germany
- Stronger positions in Italy and Morocco

WITH WIND ASSETS IN FRANCE, GERMANY, ITALY AND MOROCCO

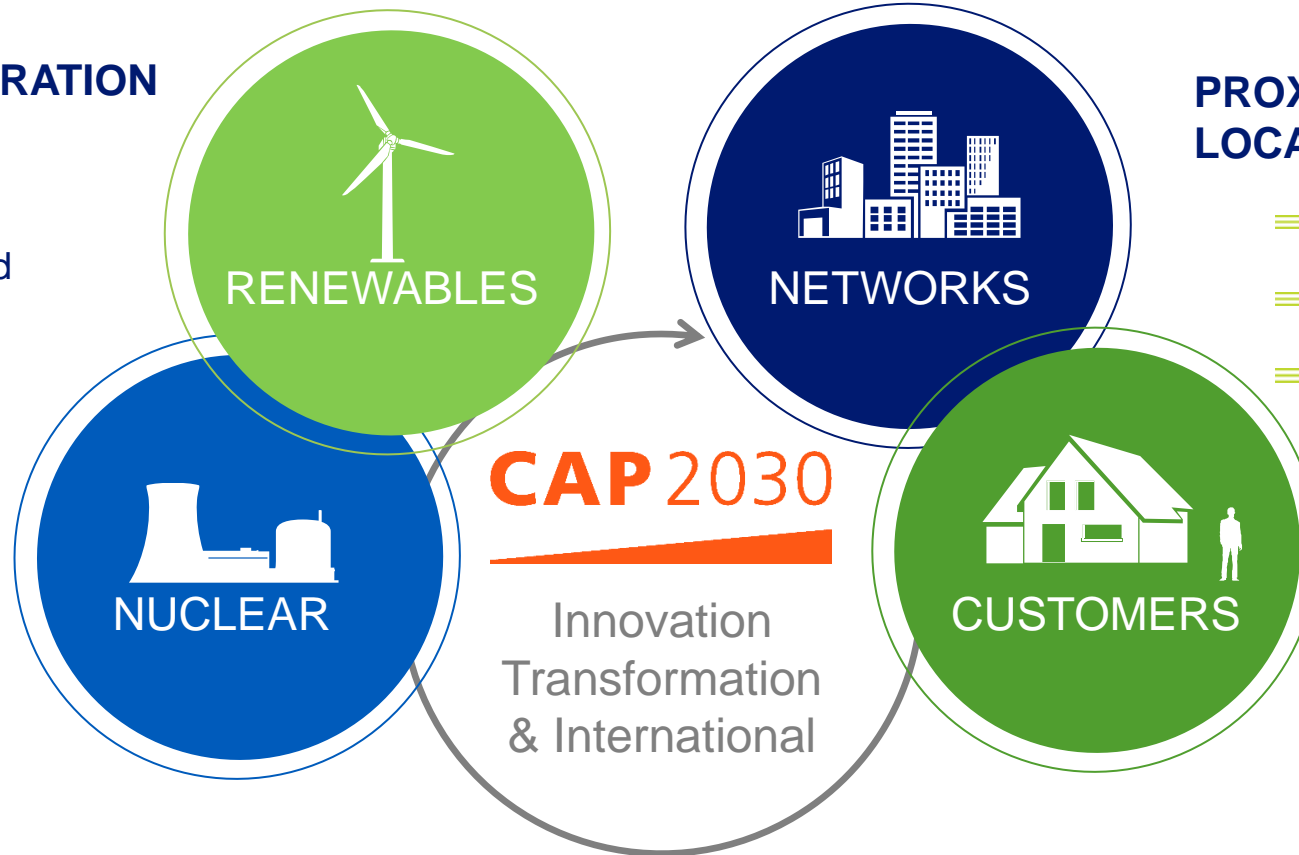


FUTUREN CONTRIBUTES PERFECTLY TO EDF EN'S GEOGRAPHICAL AND TECHNOLOGICAL ROADMAP

A TRANSACTION FULLY IN LINE WITH EDF GROUP CAP 2030 STRATEGY

LOW-CARBON GENERATION

- ≡ Largest low-carbon generation fleet
- ≡ Attractive and balanced generation mix
- ≡ Intensified renewable energy growth
- ≡ Increased share of regulated / long-term contracted generation



PROXIMITY TO CUSTOMERS AND LOCAL COMMUNITIES

- ≡ Decentralization
- ≡ Digitization
- ≡ Services

- ≡ Being an efficient, responsible company leading low-carbon growth to address the global energy transition challenges