



EDF

9 months 2020

Sales and Highlights

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SALES AND HIGHLIGHTS 9 MONTHS 2020

Xavier Girre

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Good morning, everybody. I'm very pleased to welcome you to this conference call.

I will present you the end of September 2020 sales, starting with the key figures and the main highlights over the period.

As usual, I will leave as much time as possible for the Q&A session, and this call is expected to end at 9:45.

KEY FIGURES AT 30 SEPTEMBER 2020

Sales amounted to 48.8 billion euros at the end of September 2020. This represents an organic decrease of -4% compared to the same period of 2019.

Excluding Covid-19 impact, estimated at circa -2 billion euros, sales remained roughly stable. Negative gas price effects and lower nuclear generation were offset by favourable power prices effects.

When comparing the evolution of sales quarter by quarter, 2020 versus 2019, you can see that Q3 2020 experienced a more consistent outcome than Q2 2020.

COVID-19 HEALTH CRISIS IMPACTS AT END-SEPTEMBER 2020

Let's first focus on the impacts of the Covid-19 on Group sales at end of September. It has been estimated at circa 2 billion euros.

Nuclear activities in France have been impacted by an estimated -0.7 billion euros. Additional modulation and extended outages related to the sanitary restrictions led to reduced nuclear output estimated at circa 29 TWh.

Customers and services activities were impacted by consumption decrease and by the postponement during the lockdown of both on-site construction works and services. And the impact on sales mainly concentrated in Q2 has been estimated at around -0.9 billion euros.

Enedis and regulated activities in France were impacted by circa 0.2 billion euros, mainly due to a decrease in distributed volumes and in the number of grid connections.

The activity was well sustained since the end of the lockdown partly due to compensation, which is the reason why you can see a positive impact for Q3.

HIGHLIGHTS AND DEPLOYMENT OF CAP 2030 (1/4)

Let me now update you on the deployment of our strategic plan CAP 2030.

EDF pursues its development in all renewable activities.

In solar, EDF Renewables has been awarded three large projects for a total of 1350 MW in India. EDF Renewables acquired the pipeline of Geenex in the USA, comprising of 20 projects for a total of 4.5 MW. And in France, following the last tender of the CRE, EDF has been awarded 12 solar projects representing more than 100 MW.

In wind, the construction of the Dumat al Jandal wind farm in Saudi Arabia, a 400 MW project in partnership with Masdar has been launched. The construction of the first phase of the Taza wind farm has also started in Morocco.

As for the storage, the group installed a 50 MW - 4 hours battery system in California coupled with a 100 MW solar project.

Last, the Romanche-Gavet hydroelectric plant has been commissioned in October. This 10-year, 400 million-euros construction work will allow the output of the plant to increase by 40%.

HIGHLIGHTS AND DEPLOYMENT OF CAP 2030 (2/4)

Let's now move to nuclear.

First, let me remind you that the 2020 nuclear output assumption for France has been upgraded mid-October to a range of 325 to 335 TWh.

The estimated cost of the Grand Carénage programme for the period 2014 to 2025 has been revised to 49.4 billion in current euros to be compared to the previous estimate of 48.2 billion euros. This adjustment was due to, mainly, the first findings on the works to be conducted related to the periodic safety review on the 900 MW reactors. Second, the expected lengthening of planned maintenance outages based on the feedback from previous years, and to a lesser extent, the impact of the current health crisis on years 2020 to 2022.

An update on the “excel” plan was made mid-October, with successful achievements of the commitments made last December. The second phase of the plan has been launched, focusing on five cornerstones.

HIGHLIGHTS AND DEPLOYMENT OF CAP 2030 (3/4)

Let's move to customer and services activities.

Commercial performance has been sustained in France. The number of customers' losses has slowed down compared to the same period of last year. The portfolio of residential electricity customers under market-based offers has increased by 59% versus the end of 2019. It now represents 875,000 customers.

As for electricity mobility, Izivia signed a significant contract with carmaker PSA. It will equip 31 of its sites across Europe with charging stations for electric vehicles. This represents a potential total of 750 charging stations. Pod Point installed around 30,000 charging points for residential customers since the beginning of the year.

e2m has released a new aggregation offer to increase the flexibility of decentralised resources.

And Dalkia reached several commercial achievements, including the signature with the museum of Le Louvre of a five-year multi-technical contract.

Enedis launched a 2020-2025 human and industrial corporate vision focused on performance, customer proximity and innovation.

Regarding Linky, 80% of the installation programme has been met, with 28.5 million smart metres already installed at end of October.

There was a strong mobilisation of Enedis teams to restore service for all customers following the damages caused by the Alex storm in October.

As for tariffs, the French regulator has launched a public consultation on the next TURPE 6, the tariff regulating the public electricity transmission and distribution networks. It is expected to come into force on the 1st of August 2021.

HIGHLIGHTS AND DEPLOYMENT OF CAP 2030 (4/4)

Moving to international.

Hynamics is involved in the construction of a 30 MW electrolyser to produce hydrogen from offshore wind energy in Germany.

The construction of the hydraulic dam of Nachtigal in Cameroon is well underway. Nearly one third of the civil engineering work has now been carried out.

As regards financing, the Group issued a green convertible bond in September for a nominal amount of 2.4 billion euros, and a negative annual gross yield-to-maturity of -1.68%. This landmark issuance was the largest green convertible bond ever issued. Its proceeds will finance eligible projects as defined in EDF's Green Bond framework.

EDF issued also two new hybrid notes in September in order to strengthen its balance sheet, for a total nominal amount of 2.1 billion euros. It also signed a 200 million-euros revolving credit facility indexed to ESG criteria. These types of revolving credit facilities indexed to environmental, social and corporate governance criteria amount now to more than 5.5 billion euros, representing approximately 52% of the group's credit lines.

FRENCH GOVERNMENT STIMULUS PACKAGE

The French government presented at the beginning of September a stimulus package called "*France Relance*", of 100 billion euros.

Its purpose is to help the French economy recover in the context of the Covid crisis. Large amounts of this plan are allocated to areas of activities such as energy renovation of buildings for 6.5 billion euros, industry decarbonisation for 1.2 billion euros, nuclear for 470 million euros, hydrogen for 7 billion euros, electric mobility for 1.9 billion euros.

EDF and its entities are well positioned to benefit from this plan, like Dalkia, for example, for energy renovation or energy efficiency, Framatome for nuclear, Hynamics for hydrogen, or Enedis and Izivia for electric mobility.

9M 2020 GROUP SALES

Coming now to the figures. This slide shows the evolution of the Group sales by segment.

As you can see, the main decline is related to Dalkia and Italy, where sales were impacted by a decrease in gas prices. United Kingdom, on the opposite, benefitted from significant positive prices effects.

FRANCE NUCLEAR OUTPUT

Nuclear output in France came to 241.1 TWh at end of September 2020, down -47.1 TWh compared to 2019.

First, the Covid impact has been estimated at approximately 29 TWh, as a consequence of two elements. Around 40% of this decrease can be attributed to extensive modulation, in order to adapt to the drop in power consumption. Around 60% was related to extended outages caused by sanitary restrictions on sites, which are still implemented.

Second, the extended outages of Flamanville 1 and 2 and Paluel 2 contributed to the decrease in nuclear output by an estimated amount of 23 TWh. These reactors have been offline over the first nine months of 2020.

Beyond those impacts, the closure of the two reactors of Fessenheim is the third building block, representing a loss of around 6 TWh.

Finally, planning optimisation performed across the fleet helped mitigate those effects by around 7 TWh. This outages rescheduling was implemented to preserve security of supply during winter.

FRANCE HYDRO OUTPUT

French hydro output was up by 24%. This was made possible thanks to a high level of storage at the end of 2019, and to slightly better than normal hydro conditions for the first half of 2020 versus H1 2019. As a reminder, in 2019 hydro conditions were below average.

Hydro conditions were very strong in October, much higher than last 10-year average. It's worth noting that the level of "Lake France" is currently close to record highs, up 18% compared to historical average.

FRANCE - GENERATION AND SUPPLY ACTIVITIES SALES

The sales of France generation supply activities are nearly stable at 20 billion euros, down by 0.5%. Retreated from the Covid-19 effect, the increase would have reached +4.4%.

The negative impact of the Covid-19 was estimated at circa -1 billion euros. It's linked to a decrease in electricity consumption and to a loss of circa 29 TWh of nuclear output, as already explained before. By convention, the estimated Covid-19 impact does not include any price effect.

Nuclear output was also down by an estimated 25 TWh due to other non-Covid factors, partly counterbalanced by planning outages optimisation worth 7 TWh. Hydro output was up by 6.6 TWh. The overall energy volume effect represents a decrease of -865 million euros.

The most favourable driver is the increase in energy prices, representing a positive 1,152 million euros. Around half of this amount is linked to the successive increases in the regulated tariff in June 2019,

February 2020 and August 2020. The other half is linked to the decrease of the purchases on wholesale markets in the first part of 2020, in the context of lower prices.

Sales to final customers recorded a 491 million euros increase thanks to higher energy saving certificates selling prices, which are passthrough and to the increase in capacity price. Customer losses represented a decrease of -9.4 TWh.

The “other” box includes a positive volume effect linked to the sale of capacity on wholesale market, while the resale of purchase obligations had a negative impact because of lower spot prices in H1 2020 compared to H1 2019.

FRANCE - REGULATED ACTIVITIES ⁽¹⁾ SALES

Regulated activities sales reached 11.3 billion euros, a decrease of -1.1%. It reflects a contrasted evolution throughout the year: Q1 was a positive 1.6%, Q2 has been hit hard by the sanitary crisis with a negative -7.6%, while Q3 showed a recovery with a +1.3% growth compared to the same period of 2019.

The Covid-19 impact was estimated at circa -0.2 billion euros. It was mainly attributable to a slowdown in new grid connections and to lower distributed volumes. This negative will nevertheless be compensated over the next years through the regulatory catchup mechanism.

The price effect of 238 million euros is a consequence of the revisions of the TURPE tariff in August 2019 and August 2020.

The mild weather in 2020 while 2019 was a normal year, led to reduced distributed volumes of -7 TWh, representing a negative impact estimated at -226 million euros.

RENEWABLE ENERGIES

EDF Renewables sales increased by 6.1% in organic terms to 1.2 billion euros.

Covid-19 impacts are non-material on sales, as revenues of broadly all projects are secured by long-term contracts.

Electricity output was up by 6.2% at 11.2 TWh. This is a consequence of new facilities commissioned at the end of 2019 and to good wind and solar conditions in 2020.

At end of September 2020, EDF Renewables had a record level of 6.7 gross GW of projects under construction.

Moving to renewable activities across the Group, sales were up by 2.7% to 3 billion euros.

Wind and Solar contributed positively.

Hydro had a slightly negative impact, as a strong increase in hydro generation was offset by a negative effect of power spot prices. Indeed, I highlight this point as per the convention used, hydro output was valued at spot market prices and not at hedged prices.

ENERGY SERVICES

Let's now move to energy services.

Dalkia sales decreased by 10.6% in organic terms to 2.8 billion euros.

The impact of Covid was estimated at circa -0.2 billion euros, due to less energy and services sold. Most construction works at customer sites were also postponed during the lockdown.

The other significant impact on sales was related to the drop in gas prices, with limited impact on margin, and to mild weather in Q1 2020.

Focusing now on Q3, sales were stable in organic terms as Covid particularly impacted Q2.

At Group level, sales in services activities were down by 7.8% in organic terms to 3.7 billion euros, mainly as a consequence of the sanitary restrictions and the decrease in gas prices.

FRAMATOME

As regards Framatome, sales were down by 6.3% in organic terms, to 2.2 billion euros.

The impact of Covid was estimated at circa -0.1 billion euros. It mainly affected the installed base on the project in component manufacturing businesses, while some industrial facilities had to close during the lockdown. Sales of the fuel assembly business were down to due to unfavourable temporary effects.

UNITED KINGDOM

In the United Kingdom, sales amounted to 6.7 billion euros, up 7.8% in organic terms.

Covid impact was estimated at circa -0.4 billion euros, mainly driven by lower B2B consumption.

Generation benefited from higher realised prices for nuclear power, and from the reinstatement of the capacity market, which was suspended during the first nine months of 2019. Nuclear power output decreased by 4.2 TWh to 32.6 TWh. This was due to Hinkley Point B graphite inspection outages and Heysham 2 maintenance schedules. Generation remained hit by the outages of Dungeness B, and by Hunterston B which came back online in September.

As for supply, residential customers portfolio decreased by 0.7% in a highly competitive environment.

ITALY

In Italy, sales registered a decline of -26.2% down to 4.2 billion euros.

The impact of Covid was limited and estimated at circa -0.1 billion euros.

The most significant reduction was attributable to the strong decrease in gas prices, as gas is sold as a passthrough to end customers, it had ultimately a limited impact of margin. To a lesser extent, mild weather in Q1 2020 had also a negative volume effect.

Electricity business sales were impacted negatively by a decrease in electricity prices, however with limited impact on margin.

OTHER INTERNATIONAL

As regards the "Other international" segment, sales were down organically by -5.2%.

Belgium had a Covid impact estimated at circa -0.1 billion euros, related to a decrease in energy consumption, more sale of energy on the wholesale market at lower prices and a decrease in energy services activities. Lower market prices and unfavourable volume effect in electricity and gas impacted both the B2C and the B2B segments. As for the renewables, Luminus registered a strong performance thanks to increased installed capacity and favourable wind conditions.

In Brazil, sales were up by 5% in organic terms.

OTHER ACTIVITIES

The sales of “Other activities” were down by -25.3% to 1.6 billion euros.

As already mentioned, gas prices were down in 2020 compared to 2019. This segment focuses on midstream gas. This price drop, combined with a negative volume effect, had also a negative EBTIDA impact.

EDF trading registered a sustained performance. The decrease in revenue by 16.2% compares to 2019, which was an exceptional year. The impact of Covid was estimated at -21 million euros.

GROUP SALES - SYNTHESIS

To conclude, we can summarise the main variations I have just presented as follows.

First, three negative impacts which were not anticipated at the beginning of the year: the impact of Covid, estimated at circa -2 billion euros, the lower generation in France for around -0.9 billion euros, mainly due to extended outages, and third, a negative gas price effect of around -1.4 billion euros in a context of depressed gas market.

On the other hand, two positive effects which were mostly expected. Favourable energy price effects in France and in the UK, and favourable effects related to downstream customers in France worth circa +0.5 billion euros.

The so-called “other elements” were many attributable to weather effects in regulated activities.

2020 GUIDANCE AND MEDIUM-TERM OUTLOOK

Let's move to slide 23. We confirm the financial guidance and medium-term outlook for the Group, excluding additional reinforced sanitary restrictions.

EBITDA target for 2020 is in the range of 15.2 to 15.7 billion euros. This guidance takes into account both the upgraded nuclear estimates in the range of 325 to 335 TWh for 2020, and negative impact related to gas activities. I am very comfortable with this target and I hope we will reach the high end of the range.

Medium-term target of: reducing operating expenses of 500 million euros in constant euros in 2022 compared to 2019; disposal plan of approximately 3 billion euros over the period 2020 to 2022; a net financial debt to EBITDA ratio of less than 3x for 2020, which is an improvement compared to our latest guidance, and of approximately 3x for 2021 and 2022.

This ends my presentation for nine months 2020 sales and highlights. I now open the floor to your questions.

QUESTIONS AND ANSWERS

Rob Pulleyn (Morgan Stanley): Hi, good morning. Thank you. Two questions, if I may. So, the first one: may we ask, following the Ecology Minister's testimony to the National Assembly, what do you see as the main issue remaining for the resolution of this nuclear reform to be approved by the EU? It sounded quite encouraging from the minister and is before year end still the expectation? But that's the first question on the big topic. And then I have a follow up, if that's okay. Thank you.

Xavier Girre (EDF): Thank you for your question. In fact, as you know, the company is not part of these discussions between the French state and the European Commission, so I will not comment that.

Rob Pulleyn (Morgan Stanley): Okay, that's very understandable. In which case, could I ask a different question and that is regarding there was a media article last week in Context, regarding the potential for new EPRs in France. I was interested in EDF's perspective on the suggestion of the structure, where the state would take a direct stake in said projects and also the implied free cash flow and net debt profile for EDF that was mentioned.

Xavier Girre (EDF): Yes, thank you for this question. As you know, we are preparing a dossier for the government that has to be submitted mid-2021 and we have been asked to do that. We are still working on that, and in fact any intermediate document doesn't call for any specific comment.

Olivier Van Doosselaere (Exane BNP Paribas): Good morning and thank you very much for taking our questions. I had three, if I may. First one is on capacity payments. So, we have seen some clearing prices on auctions in France at a quite high level this year for capacity payments for next year and the year after. I was hoping if you could help us to understand better what the impact of that might be and if those incremental revenues would be taken on the year of delivery, or actually, on the year that the auction is actually carried out, which would be this year?

Second one is you mentioned the 2.4 billion convertible which you've issued in September. I think we've now surpassed the conversion price of, I think it's 10.9 euros per share, so I was hoping you could help us understand better how and when a conversion of that bond into equity could occur.

And then finally I have heard what you just said on the regulatory reform so obviously what you can say, but I was wondering if on the details, are you still favourable of a corridor being built in the new regulation? Or actually would you prefer it to be a fixed price, a fixed CFD and do you have an indication in terms of how discussions are going and what we might get as a final model? Thank you.

Xavier Girre (EDF): Thank you very much for these questions. So, as regards the regulation. What's very important to us is define that the nuclear assets be remunerated at the proper level. Then being a corridor or price is a second question, but what's very important is the level of this remuneration in order to cover all the costs and to give a proper remuneration. And once more, I will not comment more about the current discussions because we are not part directly to them.

As regards your second question, concerning the convertible bonds. To think about that, of course, you have noted that the current price of our share is higher than the conversion rate, which is 10.93 euro. You've noticed also that this convertible can be converted from the 14th of December 2020, and

you have also certainly noted that yesterday, the green convertible bond itself was trading at 14.34 euros yesterday night. As you know, it's a listed product, a listed bond, which was trading at 14.34 euros.

As regards your first question concerning capacity, June auction cleared at high prices, you're absolutely right, at 47.4 euros for delivery in 2021, whereas the previous auction was at 19.2. And this was due because of tensions in the system due to lower nuclear output assumptions. Following the upgrade in the nuclear output assumptions, prices normalised in September and October at 29.5 euros and 32.7 euros respectively for deliveries in 2021. Market reference price for 2020 stood at around 20 euros per kilowatt and current calculation of market price for 2021 is around 30 euros per kilowatt. Knowing that there is still one auction to be held in 2020 for 2021. The price levels would represent a significant upside for EDF, all other things being equal.

Just bear in mind that the implied increase doesn't translate directly into 2021 EBITDA. And I'd like to develop two points. First, as regards 2020, the positive impact of the increased capacity prices is mostly offset by the cost of capacity shortage, as the availability of the nuclear fleet will be lower than what was anticipated at the beginning of the year. And second, regarding 2021, as already said there is still one auction to be held which could clear at a lower level than the current reference price. And a large portion of the EBITDA impact will be recognised only at the time of the energy delivery to the end customers. This means that the potential upsides associated with recent price levels would be spread over two years.

Emmanuel Turpin (Société Générale): Good morning, my first question is about the Covid impact. You gave us an impact on revenues at 2 billion up from 1.3 billion in H1. At the H1 level, the H1 stage you have given us an impact on EBITDA directly. Would you mind giving us the EBITDA impact for nine months, even though we understand that you typically communicate only on revenues for this quarter?

And second question would be on the plan by the French authorities to cut solar tariffs for contracts pre-dating 2011. This was now put in the finance law for next year, although we don't have all the details. Would you mind giving us your view about how much capacity you currently own in France, for which PPAs were signed or contracts were signed before 2011, i.e. contracts which are potentially at risk. And maybe an idea of how much EBITDA you currently derive from those assets.

And lastly, still on renewables, you mentioned 6.7 GW of gross capacity under construction. Would you have, as it stands, your group share of those 6.7 GW? And those projects under construction are widespread, geographically speaking. I guess I would have loved to hear your view about how you see risk on average cost of capital differentials between, let's say a low-risk geography like France, and a higher-risk geography like India. I know short of giving us your absolute work, how much more risky do you think India is versus France, for instance? Thank you very much.

Xavier Girre (EDF): Thank you, Emmanuel. So, as regards your first question: sorry, but I will not give the impact on the EBITDA on nine months. I will comment on that, of course, at the end of the year.

Second, as regards your question about the photovoltaic tariffs, yes, you're right, the government confirmed its plan to dispute the conditions granted to some solar farms commissioned between 2006 and 2010. An amendment to the draft budget law has been presented a week ago. However, the details of the revision are not known yet, and they will probably not be disclosed maybe before January next year, we will see that.

As regards EDF, EDF Renewables owns assets that are targeted by this potential revision. Its potential exposure amounts to 150 MW net. However, we do not consider that we enjoyed any excessive remuneration and we intend to defend our case with the French authorities when the detailed parameters are known.

As regards your question about the renewables. We have currently under construction 6.7 GW growth capacity, which is a very significant increase in comparison with December 2019, at which date we had only 5 GW growth capacity under construction. This is spread between North America for 2.9 GW, Europe including Israel 2 GW, and the other part of the world for 1.7 GW. And as regards the different technologies, it's 3.5 GW wind onshore, 1.6 GW wind offshore 1.3 GW solar, 0.2 GW storage.

Emmanuel Turpin (Société Générale): And your view about relative risk between, let's say India and France? Maybe how do you, as a CFO working on FID, how do you look at risk differential?

Xavier Girre (EDF): Well, you know, India is really a very quick growing country in this business, as for many other, and definitely we consider it's a very significant country in which we intend to develop our business for the renewables in particular. Of course, we do not shoot for the same return capital in India as compared with France, and we do that for all the countries we invest in. Of course, we adapt our demands as regards our return on capital.

Peter Bisztyga (B of A Securities): Yeah, thank you. Good morning. So, my first question is when can we expect to hear an update on Hinkley Point C and Flamanville 3 because you indicated sort of several months ago that you could experience some further delays as a result of the coronavirus pandemic.

And then my second question is just on your net debt guidance. You expect net debt below 3x this year and then around 3x next year, so I'm a little confused how leverage could be higher next year, unless you either don't expect any sort of EBITDA recovery in 2021, or you expect very significant negative cash outflows. So, I was just hoping you could shed some light on the matter at least, please.

Xavier Girre (EDF): Thank you for these questions. As regards the net debt to EBITDA ratio, our point is that we have updated it for 2020 and we have improved it on the basis of our last forecasts. As regards 2021 and 2022, our mid-term plan is under preparation and therefore, for the time being there is no specific update, so that's why we have confirmed what we have already announced to the market for 2021 and 2022 as regards net debt to EBITDA ratio. And the key point here is only that we consider that it is a key point to maintain the sustainability of our balance sheet and on our rating and this is something we are very focused on. Of course, we'll update that in February.

As regards HPC, yeah, as you know, strict measures were implemented on site, which enabled in fact to keep the site constantly working even if workforce had been reduced by half during the lockdown. The review on schedule and cost, taking into account the Covid-19 impact is still ongoing, and it is expected to be finalised in December. I will be in a position to comment about that in December.

Sam Arie (UBS): Thank you very much. Good morning everybody. Thank you, Xavier, for the presentation. I just have one question which is a follow up to the answer you gave to Olivier about your view on the potential nuclear regime that might be introduced in France, and you said, I think, you are more focused on the level of remuneration than the model. So, can you comment, please, what's your latest view on the level of remuneration that's needed for the nuclear fleet when you

factor in the new numbers on the Grand Carénage and the fair remuneration that you expect to receive? Thank you.

Xavier Girre (EDF): Yeah, thank you for your question. In fact, I will not give any specific figure. Once more, I think what's important to keep in mind is the gist of our case, which is that the nuclear assets are specific assets. There are very long-term assets. They have significant fixed costs. And it's very important that they get a proper regulation, a proper remuneration, which is not the case today, because as you know, their remuneration is capped by the ARENH mechanism, and the ARENH mechanism, having no floor, they have no protection against a downward volatility of the prices.

Having said that, I will not comment more, because as you know discussions are going, and once more we are not direct part of these discussions.

Sam Arie (UBS): May I ask a short follow-up question. But I understand you might not have a specific answer to my question about prices [inaudible] give some kind of range and I think what I'm looking for is an EDF view, not any feedback from the government conversations. But I suppose that the EU is going to come out at some point with a view on what they approve. That includes some kind of comment on the level of pricing which will be built in.

And I suppose what we'd have to be able to do is compare that to what you believe you need in order to cover the cost of the Grand Carénage and a fair return. And I don't know, maybe if you thought prices were in the 45 to 50 range, you'd be happy. Maybe they need to be 55 to 60? Would be super helpful just to have the EDF company view of what would be the level of remuneration that meets the priorities you gave an answer to Olivier's question earlier. Thank you.

Xavier Girre (EDF): Yeah, thank you. Thank you for your questions. Well, I will not give a figure. It's very important that discussions are going on and I will not give a figure from EDF's point of view. Two points to be corrected in the current regulation. One, the level, 42 euros per MWh is vastly too low and second point there is no floor. So, these two points we consider have to be corrected in order, once more, to give a proper, reasonable, consistent regulation to these key assets.

Ahmed Farman (Jefferies): Yes, just a couple of quick questions from my side. I was just hoping to see if you would share with us the overall Covid impact assumed in your EBITDA guidance for the full year, so we have a sense of, or can understand how first half compared with the second half.

And then secondly, I was just sort of interested in your thoughts and how, if you could share any thoughts into how the Q4 trends have been impacted as we have some additional lockdown measures in some of the markets you operate in, and if you are seeing any significant effects there. Thank you.

Xavier Girre (EDF): Yeah, thank you. As regards the EBITDA, I will not give figures, forecast figures and Covid-19 impact. I gave detailed analyses of our EBITDA impact on H1. Today I comment sales. Of course, we will give detailed analysis of our EBITDA impact for the full year. As regards Q4 and our guidance, we take into consideration in our guidance and also in my comments about this guidance, the current state of the decisions that have been taken by the government.

If there were very significant general constraints, new constraints to be implemented, of course, this may have an impact on our activity, but the current state of the decisions taken by the governments are embedded in our guidance.

Olivier Van Doosselaere (Exane BNP Paribas): Yes, thank you very much and so just a quick follow-up question. I was wondering if you would expect under the new regulation to still be allowed to receive the capacity payments.

Xavier Girre (EDF): All these questions, which are very relevant questions, are and have to be dealt with in more detail and so it's not the time to comment upon that. Once more, these days the discussions are going on between the state and European Commission and I will not comment on any point on these discussions we are not part of.

Vincent Ayrat (JP Morgan): Yes, good morning. I understand that it is difficult to comment on the Hercules project and discussions ongoing between the government and the Commission. However, I believe it may be possible to comment from an EDF point of view and the government have been asking for EDF to get prepared for the restructuring and implementation of this project once we have a green light, and I would be interested to know what is basically the timeline for you to get an approval from the Commission and agreements between the Commission and the government in order to be able to implement Hercules by early 2022, as is the current deadline you're having. So, would it be possible to give us a bit of visibility on how long can you still wait before putting things into work and get the EDF restructuring ultimately done and dusted ahead of the elections? Is it by the end of this year, the end of Q1 or the end of H1? Thank you very much.

Xavier Girre (EDF): Thank you, Vincent. What's key for us is to be in a position to invest in the long run in all the different dimensions of our strategy CAP 2030. Meaning low carbon generation, meaning services, meaning international business. And it's exactly what we are doing. We have quickly and appropriately reacted to the crisis by setting an action plan, cost-cutting, disposal, refinancing with hybrids, with convertible. And definitely we are focused on investing on our strategy and on maintaining our rating, which is a good one, an appropriate one in order to be in a good position to finance our strategy.

As regards the regulation, it's also a key point in order to give an appropriate visibility on our remuneration for our existing assets. There are of course other key points that we are dealing with and I just described some of them. But as regards the schedule of this regulation, I will not comment neither because of course it's dependent from the discussions that are currently going on and of which we are not part.

But clearly, we are very well focused on our energy implementation, very well focused on the implementation of our action plans. And as you've seen, we continue to grow in our key businesses, in particular in renewables. And definitely we are on track in order to implement CAP 2030. Thank you very much.

Emilio Zito (EDF): Perfect, so I think we can close the call. Thank you. Thank you very much, everybody.

Xavier Girre (EDF): Thank you very much. Have a nice day and see you soon.