Électricité de France S.A.

Statutory Auditors’ Report on the financial statements

Year ended December 31, 2015
Électricité de France S.A.
22 - 30, avenue de Wagram - 75008 Paris
Électricité de France S.A.

Registered office: 22 - 30, avenue de Wagram - 75008 Paris

Statutory Auditors’ report on the financial statements

Year ended December 31, 2015

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended December 31, 2015, on:

- the audit of the accompanying financial statements of Électricité de France S.A. (the “Company”);
- the justification of our assessments;
- the specific verification and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

1. Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France; 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 involves
performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2015 and of the results of its operations for the year then ended in accordance with French accounting principles.

Without qualifying our opinion, we draw your attention to the valuation of long-term provisions relating to nuclear electricity production, which results from management’s best estimates and assumptions as described in notes 1.15 and 28 to the financial statements. This valuation is sensitive to the assumptions made concerning technical processes, costs, inflation rates, long-term discount rates, depreciation period of the nuclear power plants which is maintained at 40 years in France in the context described in note 1.2, and forecast cash outflows. Changes in these parameters could lead to a material revision of the level of provisioning.

2. Justification of our assessments

In accordance with the requirements of article L. 823-9 of the French Commercial Code (“Code de commerce”) relating to the justification of our assessments, we bring to your attention the following matters:

Accounting principles and policies

Notes 1.3, note 1.7 and note 1.16 to the financial statements describe the principles and policies used for the accounting and valuation of revenues related to energy delivered but not yet measured nor billed, the valuation of financial investments and the determination of provisions for employee benefits.

As part of our assessment of the Company’s accounting principles and methods, we have verified the appropriateness of the accounting methods used by the Company and the information disclosed in the notes to the financial statements, as well as the accuracy of the implementation of these accounting methods.
Management judgments and estimates

Note 1.2 to the consolidated financial statements describes the main sensitive accounting policies for which management exercises judgment and makes estimates, based on macro-economic assumptions appropriate to the very long-term cycle of Company assets. It may be possible that future results could differ from those estimates which were made in a context of significant market decline, thus resulting in difficulties to assess the economic outlook in the medium term.

Particularly, the Company describes in the notes to the financial statements the information related to:

- the valuation of investments (notes 1.7.1 and 18);
- the provisions for employee benefits (notes 1.16 and 30), other provisions and contingent liabilities (notes 1.15, 27 and 37);
- the methods used to account for the shortfall in the compensation for the Contribution to the Electricity Public Service Costs (Contribution au Service Public de l’Electricité) in accordance with the agreement announced on January 14, 2013 between EDF SA and the French State, as revised by a ministerial letter on January 26, 2016 (notes 3.2 and 18.6).

Our procedures consisted in assessing these estimates, the data and assumptions, and as applicable, the legal opinions on which they are based, reviewing, on a test basis, the technical data and calculations performed by the Company, comparing accounting estimates of prior periods with corresponding actual amounts, reviewing the procedures for approving these estimates by management and finally verifying that the notes to the financial statements provide appropriate disclosures.

These assessments were made as part of our audit of the financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

3. Specific procedures and disclosures

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors, and in the documents addressed to shareholders with respect to the financial position and the financial statements.
Concerning the information given in accordance with the requirements of article L.225-102-1 of the French Commercial Code relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlling your Company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Paris La Défense and Neuilly-sur-Seine, February 15, 2016

The Statutory Auditors

KPMG Audit

Department of KPMG S.A.

Deloitte & Associés

Jacques-François Lethu

Patrick E. Suissa