



# Investors Presentation 2015

September 2015  
Roadshows

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Detailed information regarding these uncertainties and potential risks are available in the reference document (Document de référence) of EDF filed with the Autorité des marchés financiers on 8 April 2014, which is available on the AMF's website at [www.amf-france.org](http://www.amf-france.org) and on EDF's website at [www.edf.com](http://www.edf.com).

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# Content

- **EDF: overview, financial highlights, and strategic partnership agreement between EDF and Areva**
- Performance over the last 4 years
- 2015 targets and 2018 positive cash flow ambition
- Strong financial profile and liquidity position

# EDF group key figures

## 2014 Operational figures

- ~38.5 million customers accounts worldwide
- 136.2GW<sup>(1)</sup> worldwide installed capacity, of which
  - 72.9GW nuclear
  - 35.0GW thermoelectric
  - 28.3GW hydro and other new renewables
- 623.5TWh<sup>(2)</sup> generated worldwide, of which
  - ~77% nuclear
  - ~7% thermal excluding gas
  - ~6% CCGT
  - ~10% hydro and other new renewables
- ~158,000 employees, o/w ~39,000 in French distribution, ~41,500 in French generation and engineering and ~14,700 in EDF Energy

## 2014 Financials

- Sales: €72.9bn
- EBITDA: €17.3bn
- Net income excluding non-recurring items: €4.9bn
- Net financial debt: €34.2bn
- Ratings<sup>(3)</sup>: A+ negative (S&P) / A1 negative (Moody's) / A+ negative (Fitch) / AA+ stable (JCR)

## Extra-financial ratings

- Vigeo: overall score of 58/100 (vs. 55/100 in 2013)
- Robeco Sam: overall score of 79/100 (vs. 66/100 in 2013)
- Carbon Disclosure Project: score of 98/100 – B (vs. 95/100 – B in 2013)

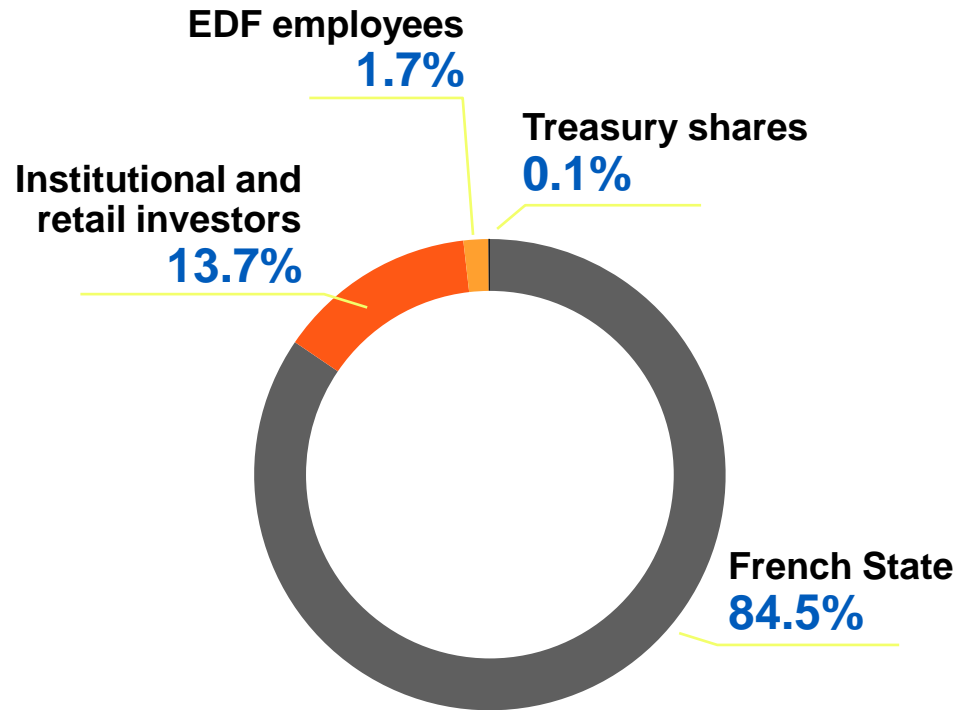
(1) Net capacity: Group's generation capacity on the basis of the consolidation accounting rules

(2) Consolidated data in accordance with IFRS accounting rules in effect in 2014 (CENG, SLOE Centrale and ESTAG are treated as joint ventures and therefore consolidated through the equity method from 1 January 2014)

(3) Last information on 07/05/2015

# EDF: a listed company with the French State as major shareholder

## Shareholders as of 31 December 2014



**By law, the French State must hold at least 70% of EDF's share capital**

## Share information as of 31/12/2014

	Shares
Number of shares	1,860,008,468
Number of shares outstanding	1,858,326,287
Number of treasure shares	1,682,181
French security identification no. (ISIN Code)	FR0010242511
Main index	CAC 40, Euro Stoxx Utilities, Dow Jones Euro Stoxx 50, Euronext 100, FTSE Eurofirst
Listing	Paris (Reuters: EDF.PA, Bloomberg: EDF FP)

- Pursuant to article L 225-123 of the French Commercial Code, as amended by the Act no. 2014-384 of 29/03/2014, the so-called "**Loi Florange**", all fully paid-up shares that have been held in registered form for at least two years in the name of the same shareholder will automatically entitle their holder to double voting right
- These provisions will take effect on 3 April 2016. Until 2 April 2016, each shareholder is granted a number of voting rights equivalent to the number of shares that he owns, following the principle 1 share = 1 voting right
- EDF's Board of Directors decided not to propose to the General Meeting to amend the Company's articles of association so as to prevent the implementation of such double voting right in accordance with article L. 225-123 of the French Commercial Code

# EDF global footprint

EDF's key regions:	% of 2014 Group EBITDA
France	71%
United Kingdom	11%
Italy	5%
Other international segment o/w Benelux, Poland are key countries	4%
EDF's Global businesses:	Other activities % of 2014 Group EBITDA
EDF Energies Nouvelles	9%
EDF Trading	
Energy Services	

- Strategic partnership agreement  
between EDF and Areva



# Memorandum of understanding signed between EDF and Areva

- 30 July 2015: EDF and Areva signed a MoU that formalised the status of the progress of discussions concerning their projected partnership, with 3 sections:
  - Entering into a comprehensive strategic and industrial agreement, in order to improve and develop the efficiency of their cooperation in different areas
  - Contemplated acquisition by EDF of an exclusive control of AREVA NP, the company in charge of equipment & fuel manufacturing as well as services for reactors
    - EDF: exclusive majority control (at least 51%)
    - Areva: maximum stake of 25% as part of a strategic partnership
    - Other potential minority partners
  - Set-up of a dedicated company aiming at optimising the design and management of new reactors projects
    - 80% owned by EDF
    - 20% owned by AREVA NP



# A more effective and already proven integrated model – 1/2

Secure the “Grand Carénage” programme

- Better secure the most critical activities of the major overhaul for the existing nuclear fleet in France, so called “Grand Carénage”
- Improve the efficiency of engineering services, of project management, and of some manufacturing through the experience feedback of EDF

Better control the new reactors’ major projects

- Integrating design and management teams for major projects will enable:
  - More effective management of technical interfaces
  - The process simplification relating to partners and service providers control and follow-up
  - Better leveraging of experience feedback from current and future EPR worksites and projects, in particular Flamanville, Taishan and Hinkley Point C

# A more effective and already proven integrated model – 2/2

Improve the export offering of the French industry

- Upstream coordination of projects for a better identification of export opportunities
- Development of more competitive offers adapted to client needs
- Harmonisation and expansion of the range of reactors
- Continuation of partnerships with large industrial groups in Japan and China
- A proven integrated producer/supplier model: CGN, CNNC, Rosatom, Kepco

Strengthening of the nuclear reactor activity through the strategic integration of EDF and AREVA NP

# Memorandum of understanding: key data

## Valuation

- Indicative price for 100% of AREVA NP's equity value<sup>(1)</sup>
- 2015 EBITDA multiple

€2.7bn<sup>(2)</sup>

8x<sup>(3)</sup>

## Olkiluoto 3

- Full immunisation of EDF, AREVA NP and their subsidiaries against any risks related to the OL3 project

## Shareholder structure

- EDF stake

from 51% to 75%

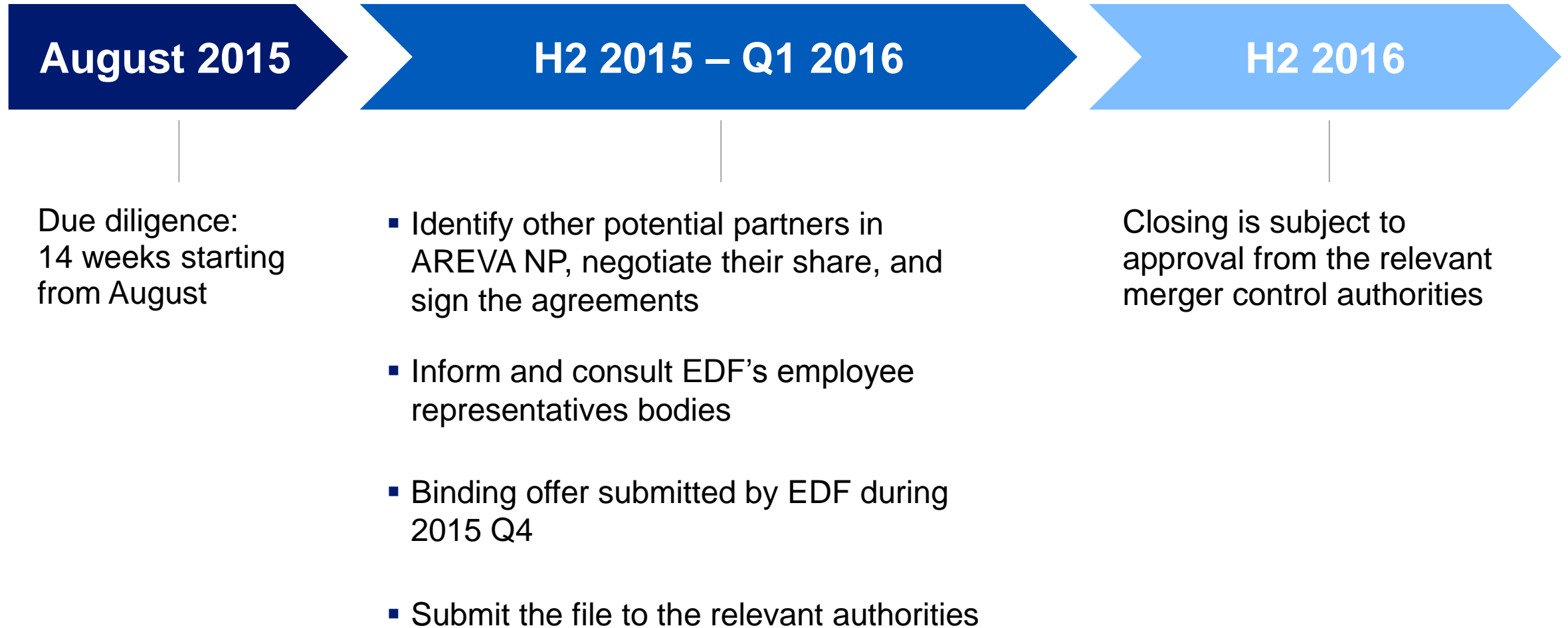
Neutral impact on 2018 cash flow

(1) Scope of the transaction, after excluding operations not acquired

(2) "Non-binding" figure with no transfer of liability related to Olkiluoto 3 nor financial debt at the closing date. The figure may be subject to adjustment after due diligence. EDF and Areva agreed that the treatment of cash for the transition period between 1 January 2015 and the closing date would be dealt with in a subsequent agreement, taking into account the measures taken and the forecasts presented by the new AREVA NP management

(3) Normalised EBITDA pro forma of the acquired scope, excluding large projects

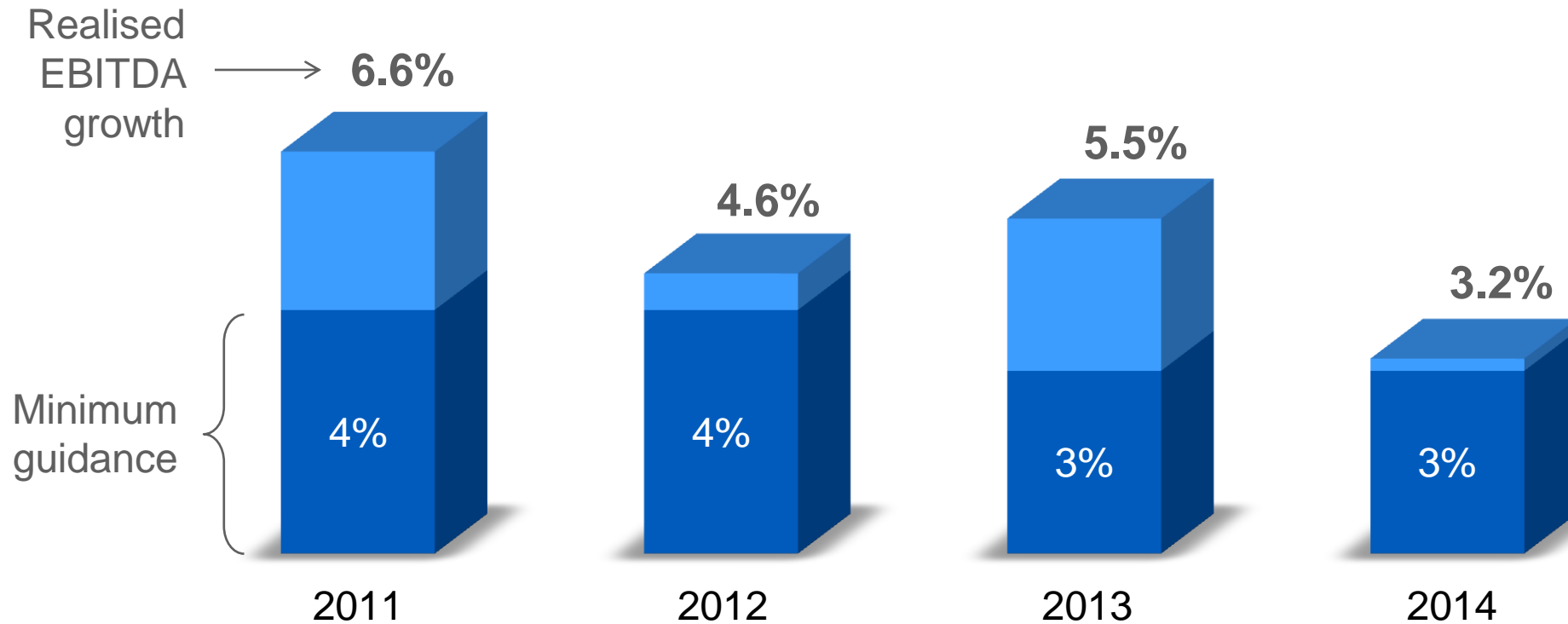
# Next steps (for informational purposes)



# Content

- EDF: overview, financial highlights, and strategic partnership agreement between EDF and Areva
- **Performance over the last 4 years**
- 2015 targets and 2018 positive cash flow ambition
- Strong financial profile and liquidity position

# Financial targets delivered or exceeded for the fourth year in a row

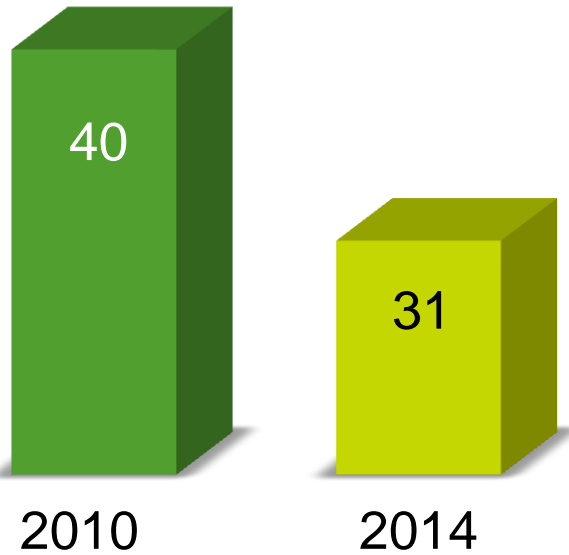


Targets delivered irrespective of the economic, weather or regulatory conditions  
→ Resilience of the EDF business model

# Results supported by continuous improvement in operational performance

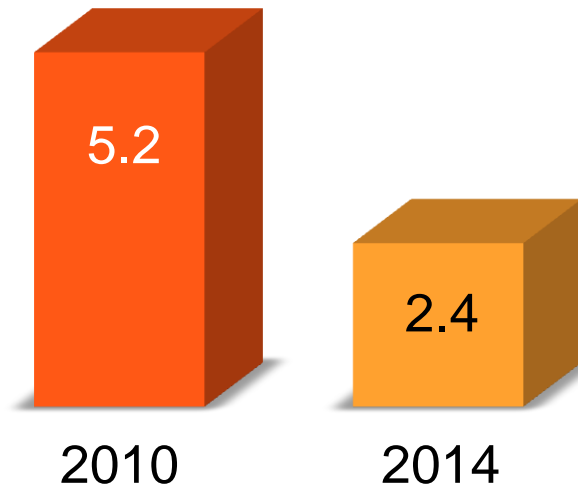
Nuclear safety in France:  
quality and rigorous operations

Number of automatic reactor  
stoppages



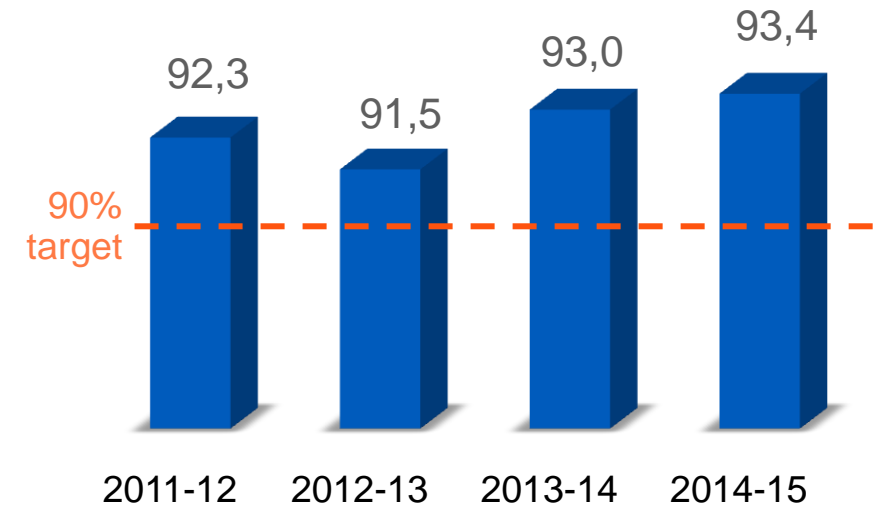
Good management  
of unplanned outages  
in the French nuclear fleet

Unplanned unavailability  
coefficient (%)



French nuclear fleet available  
at peak consumption periods

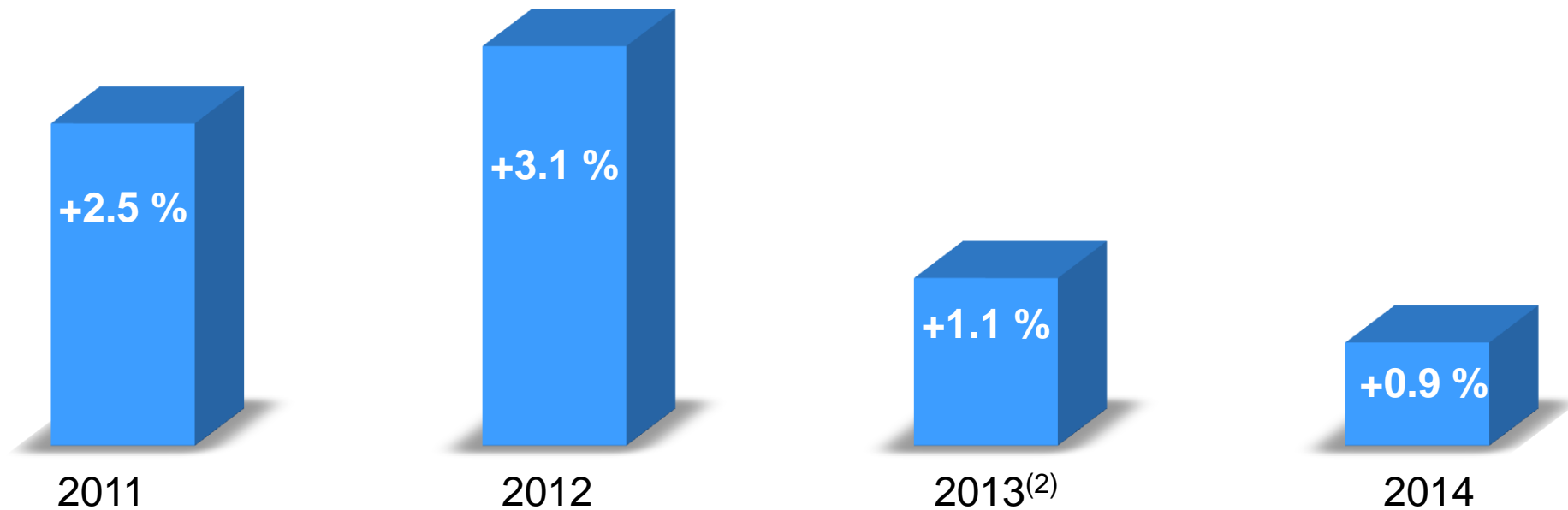
Winter availability factor (%)





# ... by ongoing efforts to control Opex

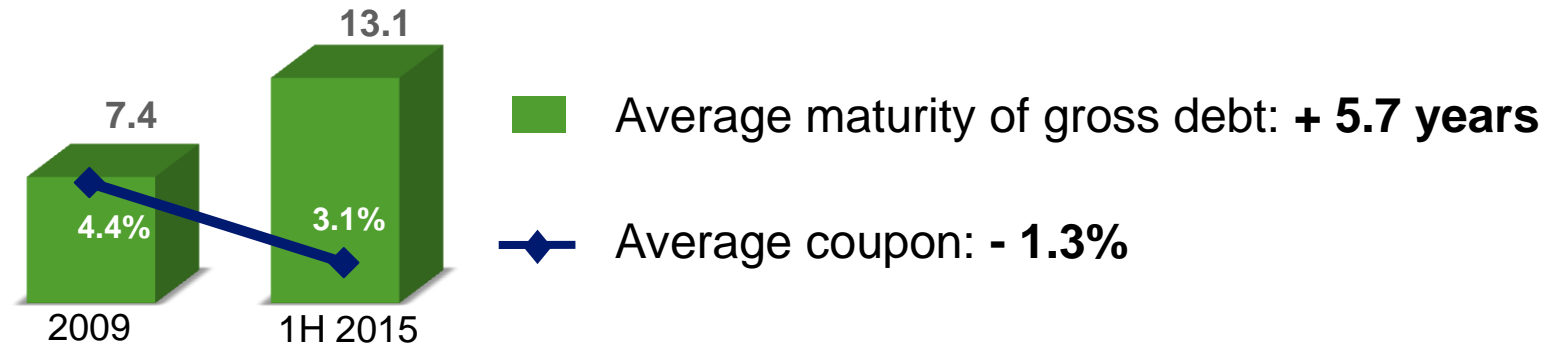
Group Opex organic growth<sup>(1)</sup> since 2011



Growth in Opex slowing down despite the important recruitment efforts supporting our industrial projects

# ... and by a strengthened balance sheet

Extending the debt's average maturity while keeping financial expenses under control



Strengthening the capital structure along the investment cycle

- **Growth projects** under construction or development not yet contributing positively to cash flow:  $\approx$  €12bn at end 2014
- **Hybrid emissions** issued in 2013 and 2014 for a total of  $\approx$  €10bn

Growing our energy transition businesses without over-burdening the balance sheet

- **Partnership with Amundi:** a 50/50 asset management company dedicated to the **financing energy transition projects** developed, implemented and operated by EDF
- **Fund raising goal of €1.5bn**, over 3 main thematic funds: Energy Efficiency, Renewable Energy and Small Hydro

# Financing tools tailored to profile of EDF investments

## Hybrid issues: effective ALM tool

- Adequate solution for meeting capital needs of growth projects that do not yet contribute to EBITDA
- €10.2bn<sup>(1)</sup> raised in total in January 2013 and January 2014

## Green Bond: innovation and diversification

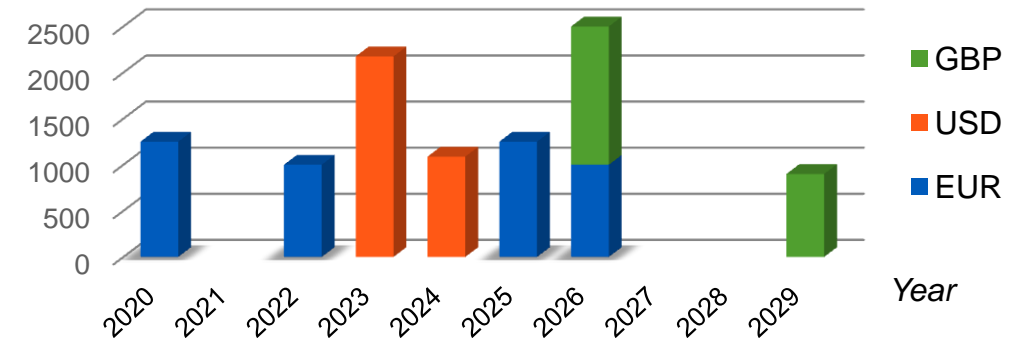
- Issuance in November 2013 of the first Green Bond to finance EDF EN's renewable projects
- Benchmark for the Green bond market
- Promotion of EDF's renewables strategy

## 100 year bonds

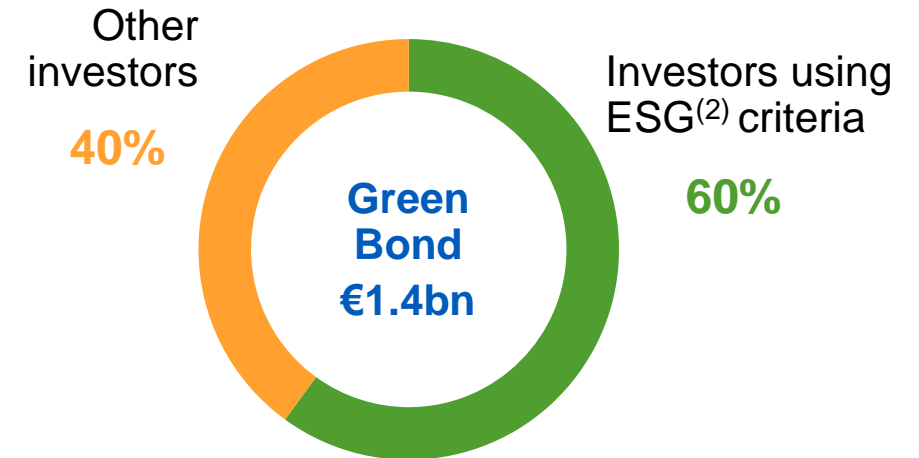
- US\$700m raised in Jan. 2014, largest century bond in US dollar by a European corporate
- £1.35bn raised in January 2014, first ever century bond in sterling

## Development of a hybrid issues curve

Nominal in millions of euros <sup>(1)</sup>

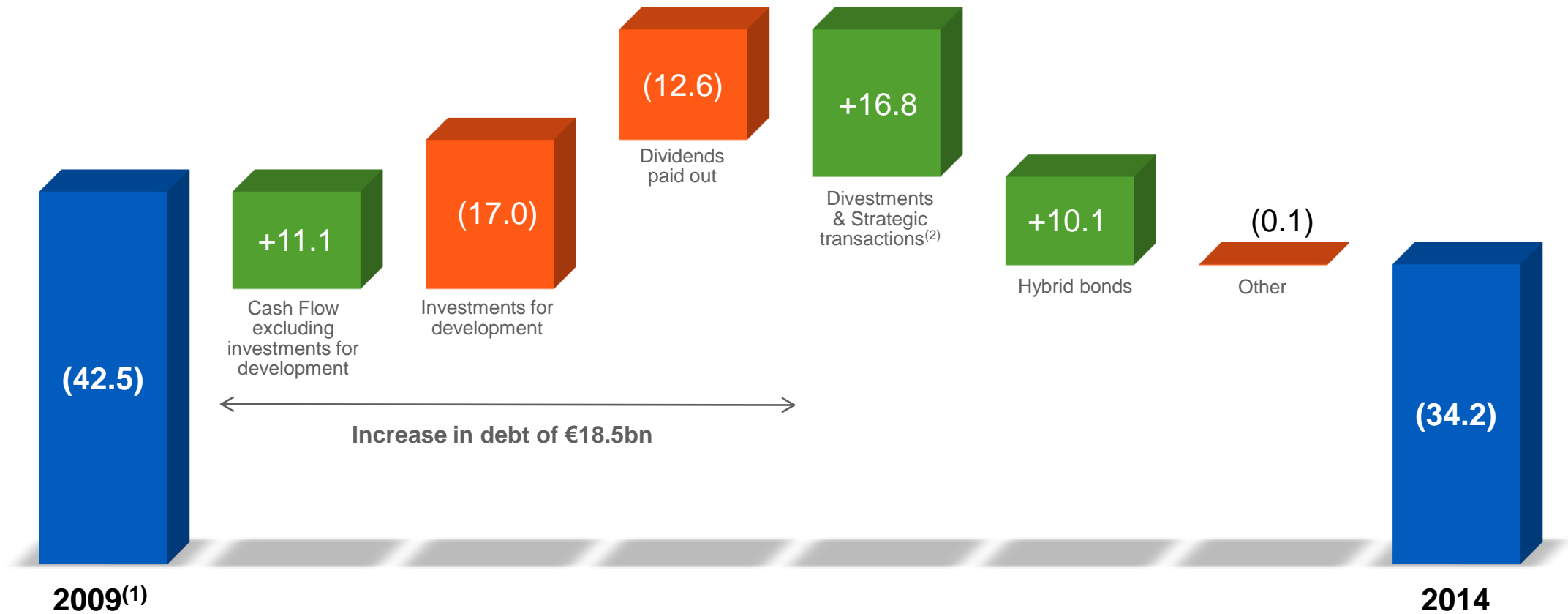


## Diversification of the investor base



# Net financial debt: change over 2009-2014

*In billions of euros*



# Content

- EDF: overview, financial highlights, and strategic partnership agreement between EDF and Areva
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# 2015 guidance and 2018 roadmap confirmed

2015

- EBITDA growth<sup>(1)</sup>
- Net financial debt/EBITDA
- Payout ratio of Net income excluding non-recurring items<sup>(2)</sup>

0 to 3%

between 2x and 2.5x

55% to 65%

2018  
roadmap

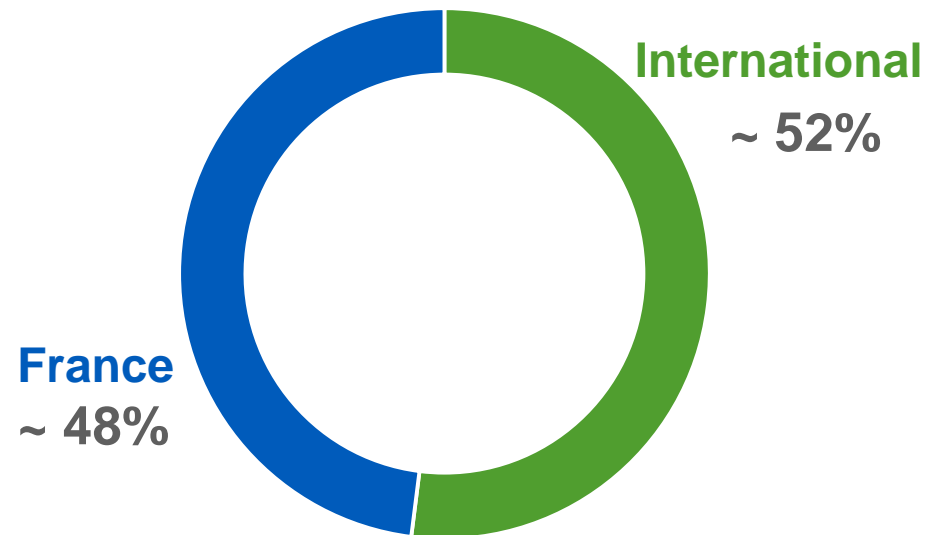
- Cash flow after dividends<sup>(3)</sup>

Positive in 2018

# 2018 ambition: WCR improvement plan

- Setting the 2018 target in assuming a like-for-like environment<sup>(1)</sup>
- Implementing of aggressive management actions

## A contribution from all Group business lines



## Examples of action plans implemented

- Receivables
  - Optimisation of the billing and collection processes
- Inventories
  - Centralised management, particularly of spare parts inventories
  - Group optimisation of purchases and inventories of nuclear fuel

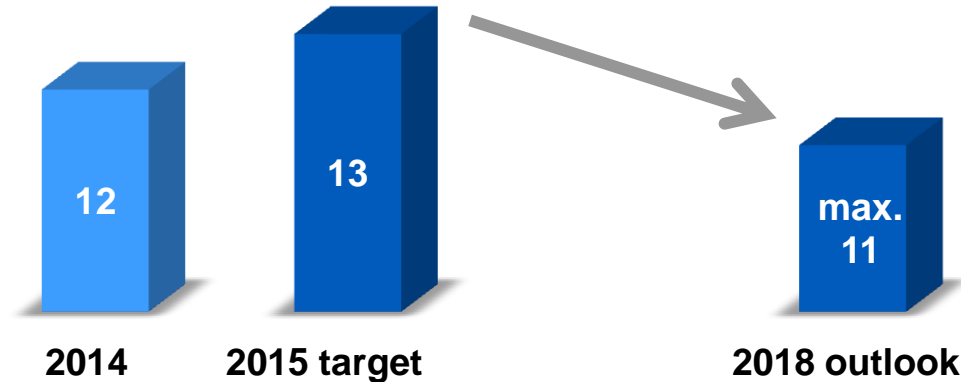
Objective: €1.8bn in cash flow optimisation over 2015-2018



# 2018 ambition: control over net investments<sup>(1)</sup>

## Existing projects: net maintenance and development investments

*In billions of Euros*



## Developments: main capital allocation principles

- Identifying non-strategic assets and maximisation of their value
- New developments exclusively financed through divestments, in accordance with Cap 2030 project
- Roll-out of the EDF-Amundi fund (renewables, energy services, etc.)

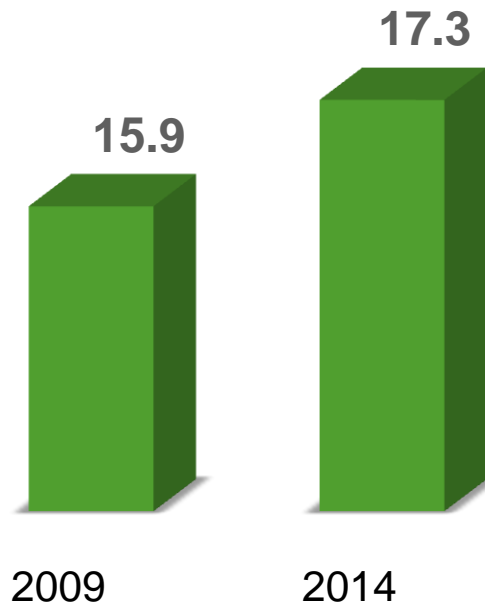
# Content

- EDF: overview, financial highlights, and strategic partnership agreement between EDF and Areva
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- 2015 targets and 2018 positive cash flow ambition
- **Strong financial profile and liquidity position**

# 2010-2014: strengthening of financial performance and balance sheet

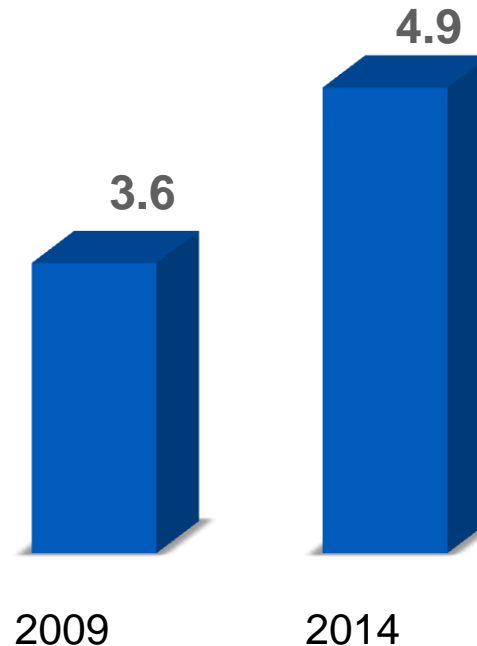
EBITDA:  
Growth of c.€1.4bn

In €bn



Net income excluding non-recurring items: +6,6% CAGR

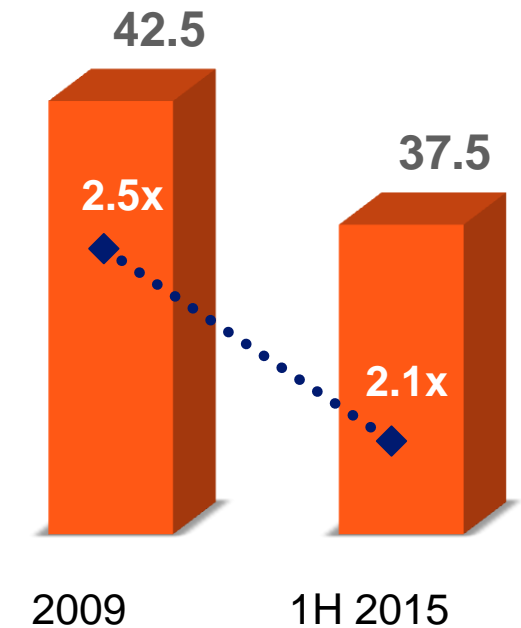
In €bn



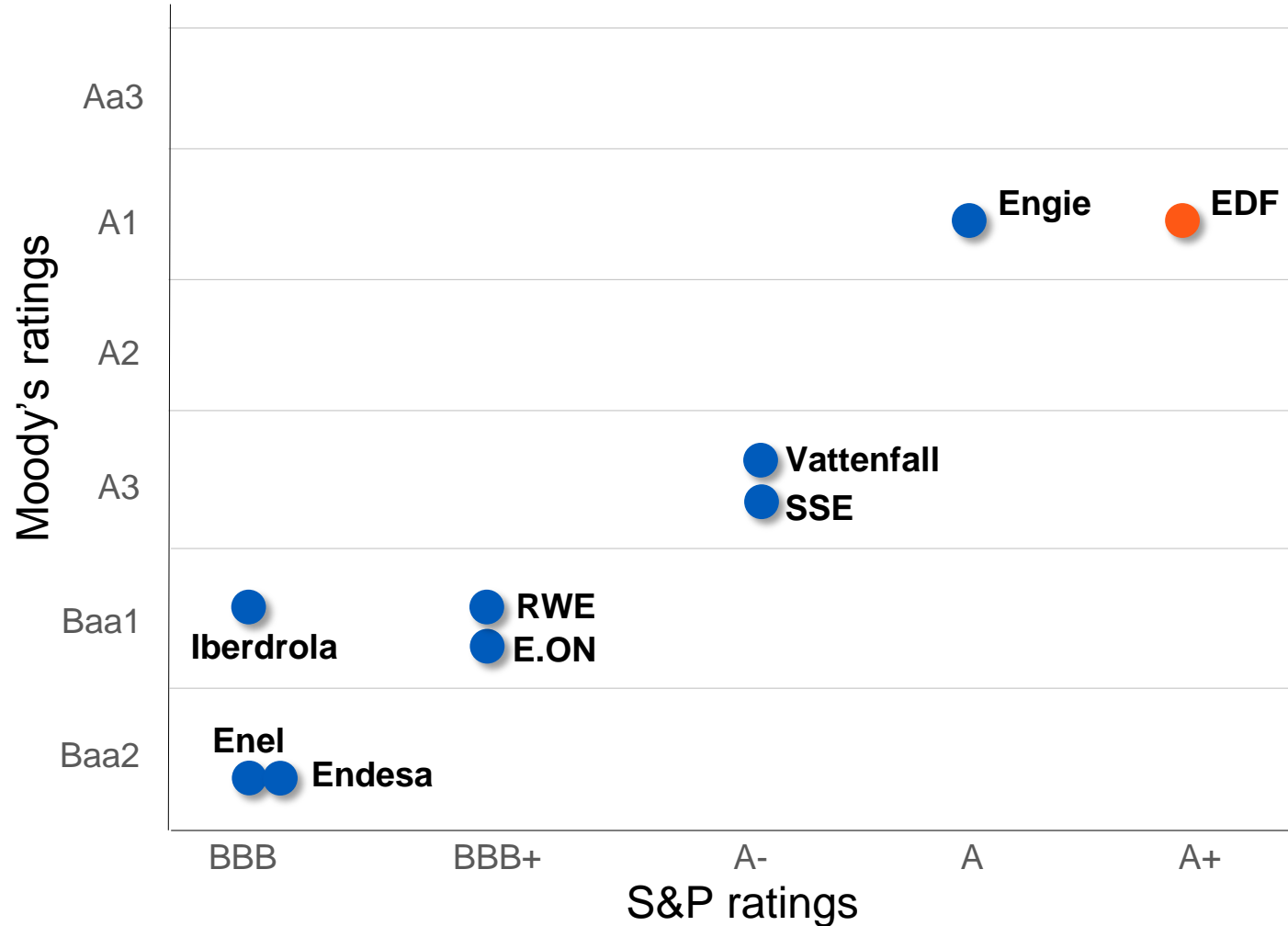
Net debt reduced by €5bn

NFD  
(In €bn)

...◆... NFD/EBITDA



# EDF's strengths translate into above average ratings



	S&P Ratings	Moody's Ratings	Fitch Ratings
EDF	A+ negative <sup>(1)</sup>	A1 negative <sup>(2)</sup>	A+ negative
Engie	A stable	A1 negative	n/a
E.ON	BBB+ stable	Baa1 stable	A- watch negative
Enel	BBB positive	Baa2 stable	BBB+ stable
Iberdrola	BBB positive	Baa1 stable	BBB+ stable
SSE	A- stable	A3 negative	A- negative
RWE	BBB+ negative	Baa1 stable	BBB+ stable
Endesa	BBB positif	n/a	BBB+ stable
Vattenfall	A- stable	A3 stable	A- negative

n/a: not available

Sources: rating agencies as of 19 June 2015

(1) Update of the rating and outlook of EDF Group by S&P on 7 May 2015

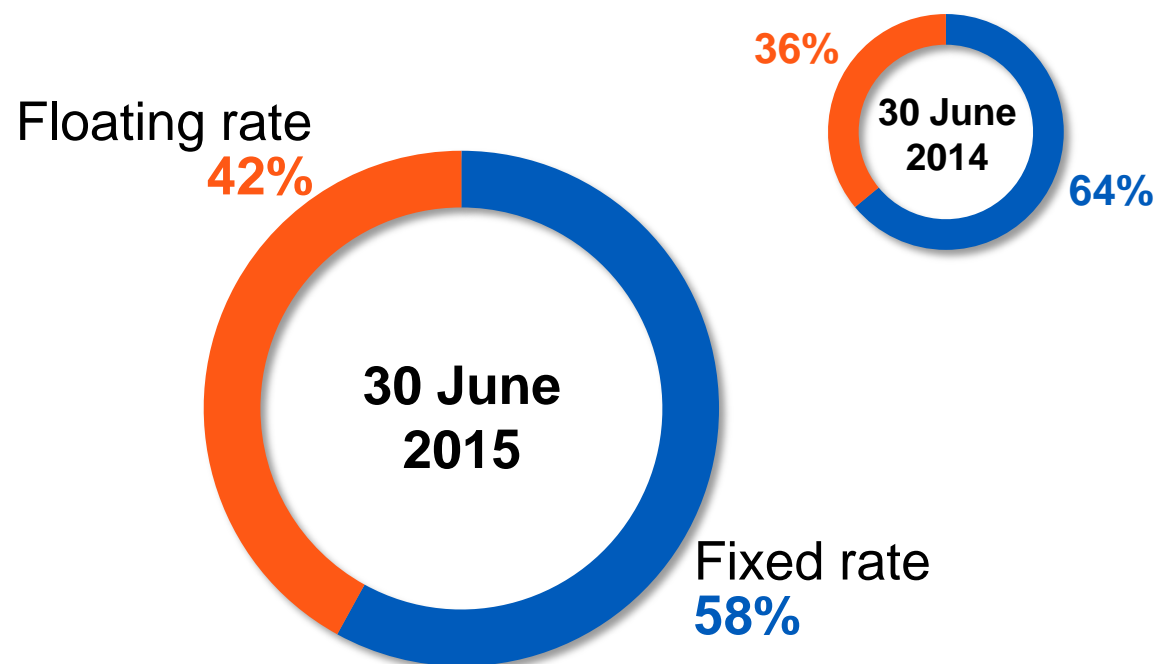
(2) Update of the rating and outlook of EDF Group by Moody's on 16 April 2015

# Debt and liquidity

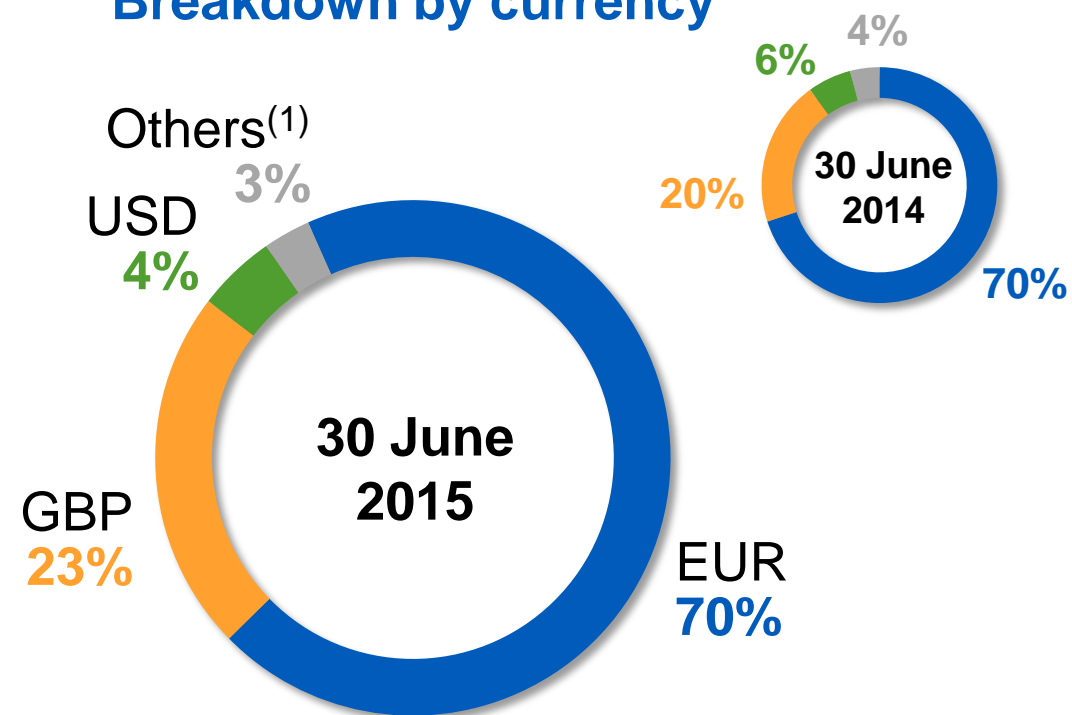
<i>In billions of Euros</i>	30/06/2014 restated	31/12/2014	30/06/2015
<b>Net financial debt</b>	<b>30.6</b>	<b>34.2</b>	<b>37.5</b>
Net financial debt/EBITDA	2.0x	2.0x	2.1x
<b>Debt</b>			
▪ Bonds	45.3	43.6	42.9
▪ Average maturity of gross debt (in years)	12.4	13.2	13.1
▪ Average coupon	3.50%	3.29%	3.09%
<b>Liquidity</b>			
▪ Gross liquidity	34.6	28.4	26.9
▪ Net liquidity	21.2	19.3	16.9

# Gross financial debt after swaps

## Breakdown by type of rate



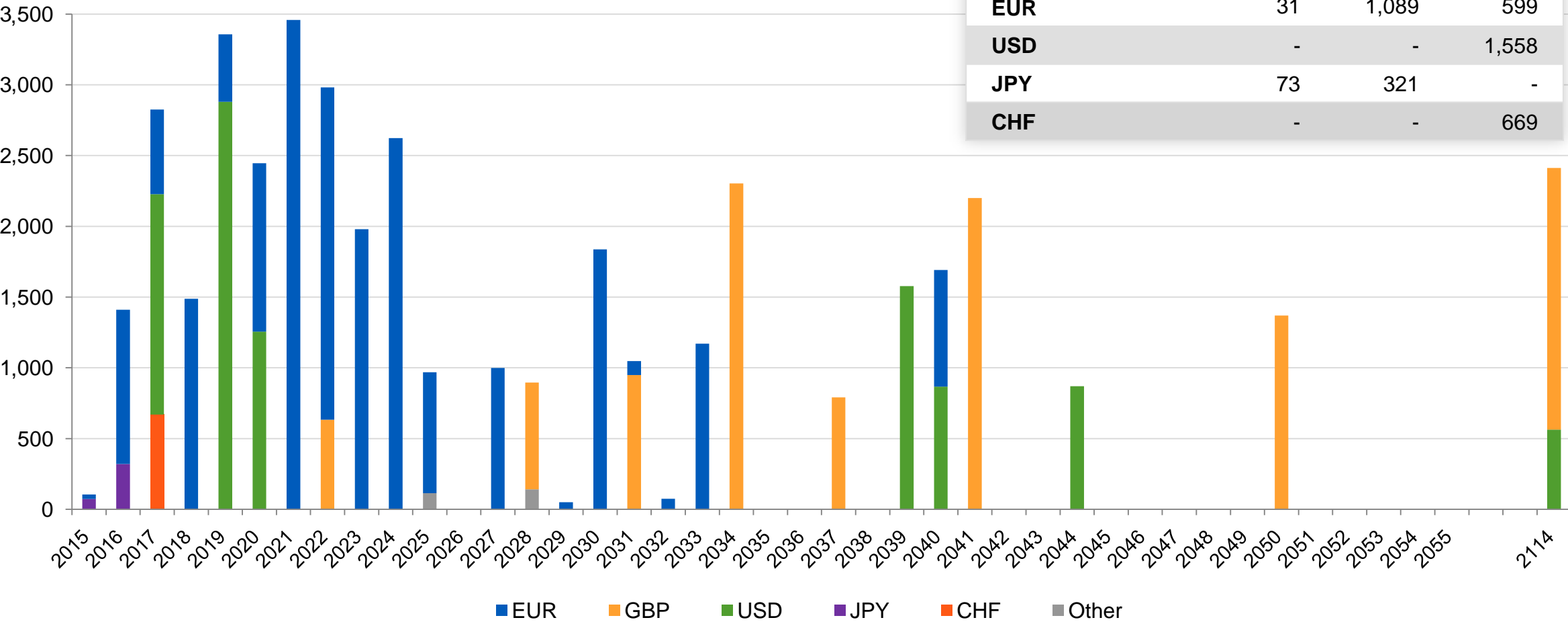
## Breakdown by currency



(1) Mainly HUF, CHF, PLN, BRL, CAD and JPY

# Breakdown of bond debts by currency

In millions of Euros, before swaps

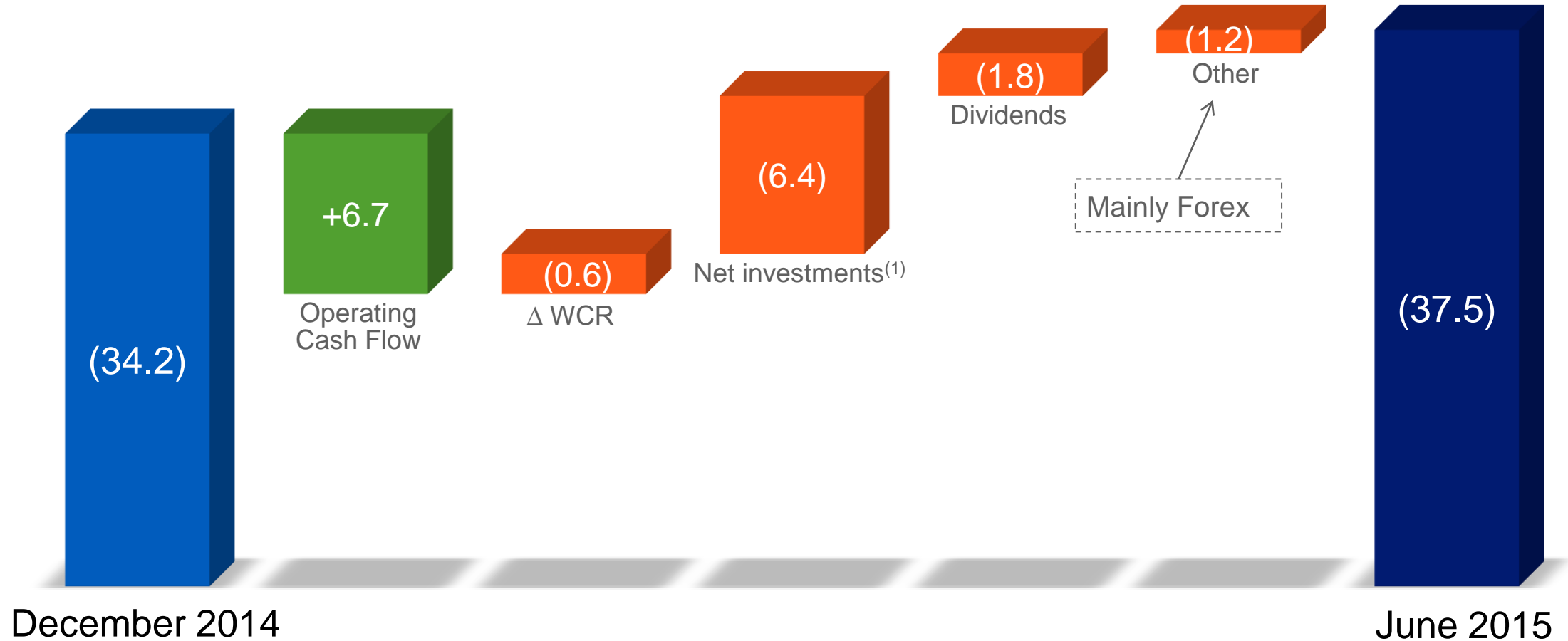


Of which (in €m eq.)	H2 2015	2016	2017
EUR	31	1,089	599
USD	-	-	1,558
JPY	73	321	-
CHF	-	-	669



# Change in net financial debt

*In billions of €*

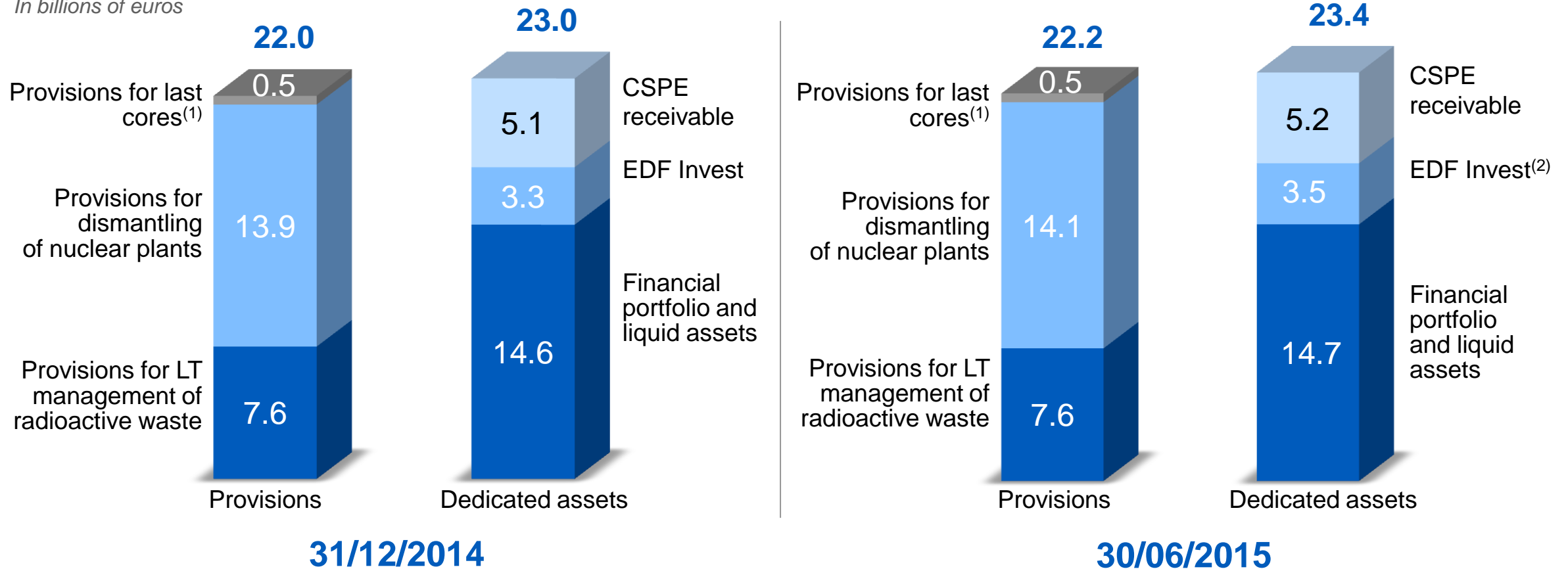


# France nuclear provisions: €34.2bn

<i>In millions of Euros</i>	31/12/2014 restated	Net Allowances	Discounting	Other changes	30/06/2015
<b>Total provisions for back-end nuclear cycle</b>	<b>17,781</b>	<b>(503)</b>	<b>402</b>	<b>(63)</b>	<b>17,617</b>
Provisions for management of spent fuel	10,105	(295)	230	(59)	9,981
Provisions for long-term management of radioactive waste	7,676	(208)	172	(4)	7,636
<b>Total provisions for nuclear dismantling and last cores</b>	<b>16,279</b>	<b>(77)</b>	<b>374</b>	<b>46</b>	<b>16,622</b>
Provisions for dismantling power stations	13,866	(77)	319	-	14,108
Provisions for last cores	2,413	-	55	46	2,514
<b>TOTAL NUCLEAR PROVISIONS</b>	<b>34,060</b>	<b>(580)</b>	<b>776</b>	<b>(17)</b>	<b>34,239</b>

# Dedicated assets

*In billions of euros*



The coverage ratio of EDF nuclear liabilities eligible for dedicated assets is 105.4%<sup>(2)</sup> as of 30 June 2015



(1) Share pertaining to future costs of the long-term management of radioactive waste

(2) By limiting the value of certain investments in compliance with article 16 of decree 2007-243 concerning the calculation of the regulatory realisable value of dedicated assets which must be equal to or greater than long-term nuclear provisions, the amount of this regulatory realisable value has been reduced at 30 June 2015 to €3,447 million for EDF Invest assets and a total €23,324 million for all dedicated assets, which corresponds to a coverage ratio of 105.0%



# Investors Presentation

# 2015

## Appendices

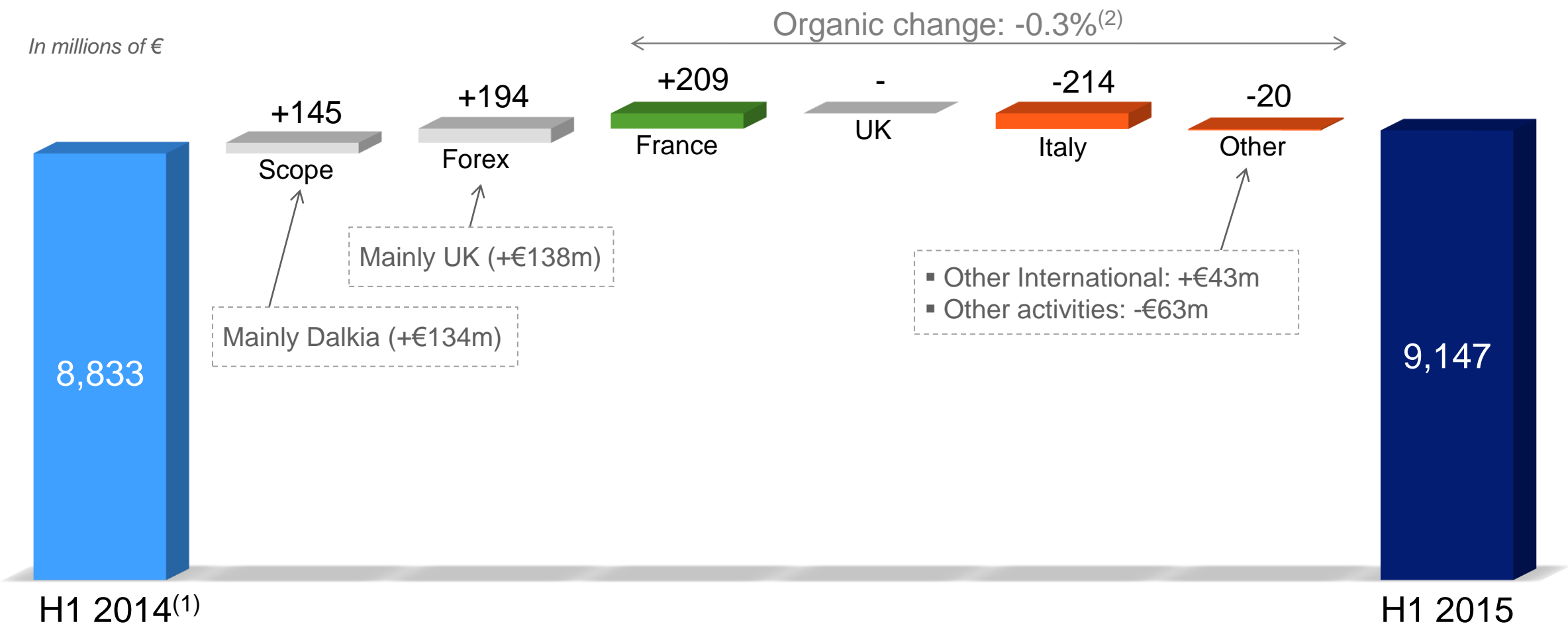
# Table of contents

- Half-year consolidated financial statements
- Financing and cash management
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- EDF Énergies Nouvelles
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# Key figures H1 2015

<i>In millions of €</i>	H1 2014 <sup>(1)</sup>	H1 2015	Δ%	Δ% Org. <sup>(2)</sup>
<b>Sales</b>	36,125	38,396	+6.3%	
<b>EBITDA</b>	8,833	9,147	+3.6%	-0.3%
<b>Net income – Group share</b>	2,518	2,514	-0.2%	
<b>Net income excluding non-recurring items</b>	2,554	2,928	+14.6%	
	31/12/2014	30/06/2015		
<b>Net financial debt in €bn</b>	34.2	37.5		
<b>Net financial debt/EBITDA</b>	2.0	2.1		

# Group EBITDA: stable organic change

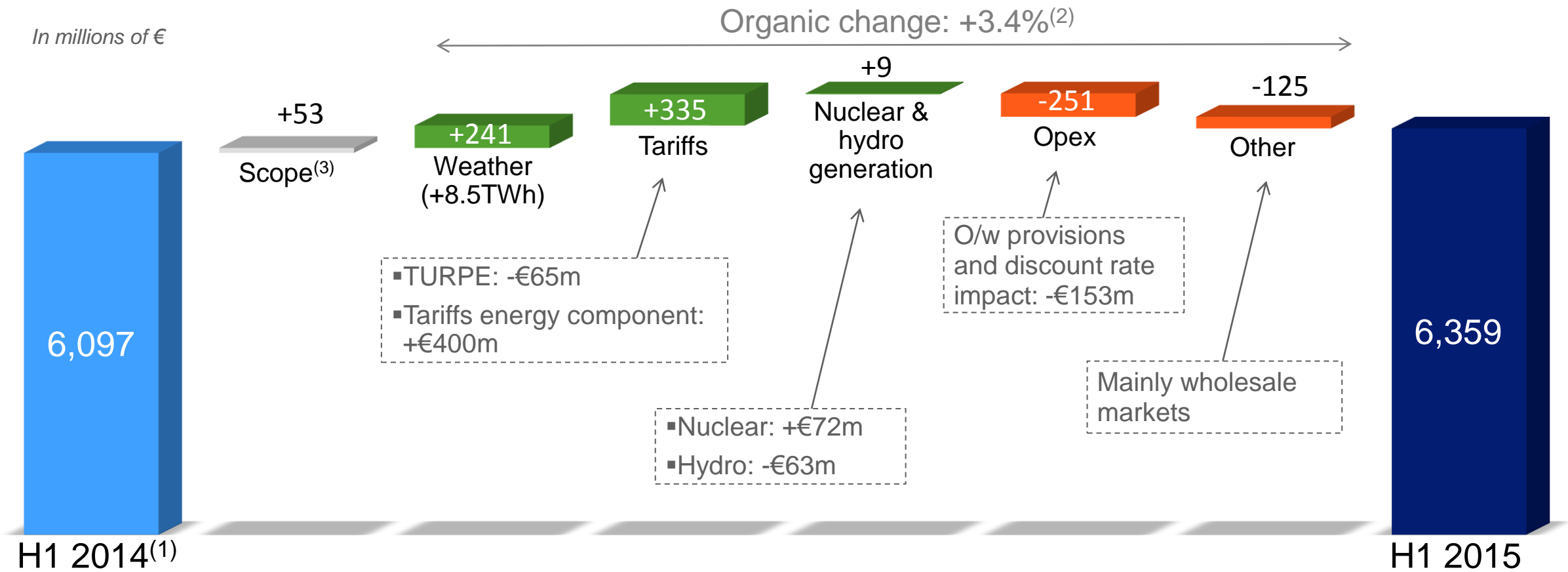




# Group net income stability thanks to improving financial result and lower income tax

<i>In millions of €</i>	H1 2014 <sup>(1)</sup>	H1 2015	Δ%
<b>EBIT</b>	<b>5,100</b>	<b>4,536</b>	<b>-11.1%</b>
Financial result	(1,287)	(1,148)	-10.8%
Income tax	(1,274)	(985)	-22.7%
Share in net income of associates and joint ventures	103	201	+95.1%
Net income from minority interests	124	90	-27,4 %
<b>Net income – Group share</b>	<b>2,518</b>	<b>2,514</b>	<b>-0.2%</b>
Non-recurring items	(36)	(414)	
<b>Net income excluding non-recurring items</b>	<b>2,554</b>	<b>2,928</b>	<b>+14.6%</b>

# France EBITDA driven by colder weather than in H1 2014



# United Kingdom: good operational performance in challenging market conditions

<i>In millions of €</i>	H1 2014	H1 2015	Δ%	Δ% Org. <sup>(1)</sup>
<b>Sales</b>	5,167	5,553	+7.5%	-4.3%
<b>EBITDA</b>	1,174	1,312	+11.8%	0.0%

- Good underlying nuclear performance helping to offset reduced load at Heysham 1 and Hartlepool, and lower realised power prices. Overall nuclear output at 30.3TWh (-0.5TWh, i.e. -1.6%)
- Increase in B2C driven by positive weather effect on gas volumes (+6%), partly offset by lower electricity and gas product accounts (-266K, -4.7%)
- Lower Opex across all business units

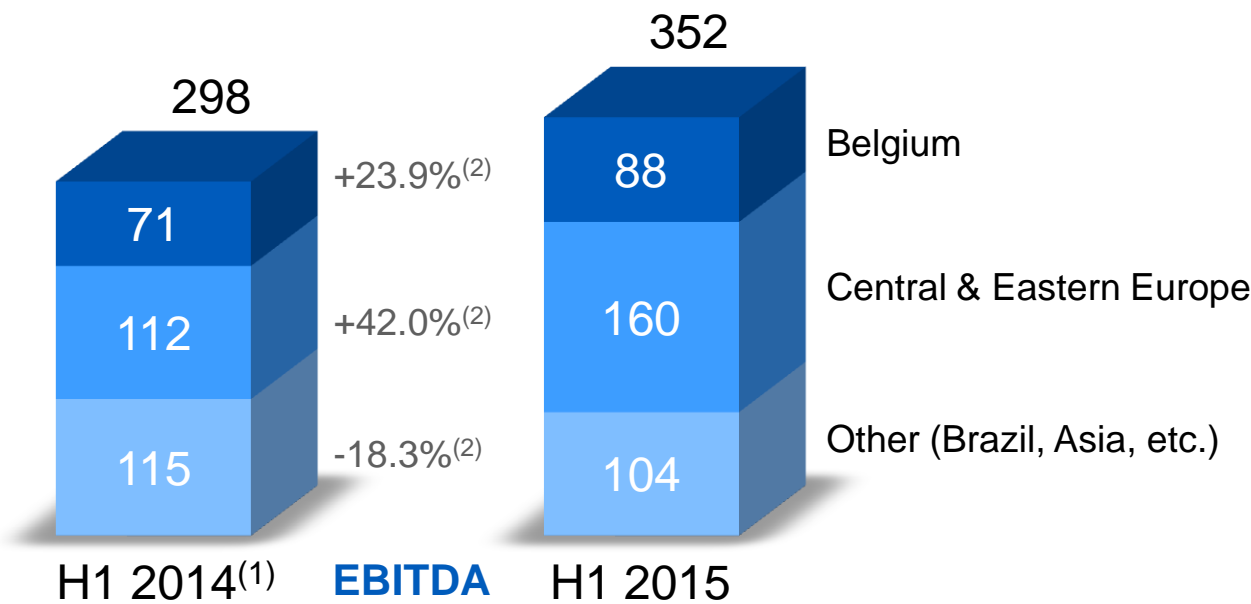
# Italy: unfavourable commodity environment

<i>In millions of €</i>	H1 2014	H1 2015	Δ%	Δ% Org. <sup>(1)</sup>
<b>Sales</b>	6,292	5,811	-7.6%	-7.7%
<b>EBITDA</b>	456	246	-46.1%	-46.9%

- Electricity activity:
  - Decline in hydro contribution on the back of exceptional weather conditions in H1 2014 and negative trends in power sales prices
  - Reduced margins in thermal generation
- Hydrocarbons activity: negative impact of brent decrease
- Arbitration on the Libyan gas contract expected in the second half of 2015

# Other International: normalised weather conditions in Europe compensating outages in Belgium and Poland

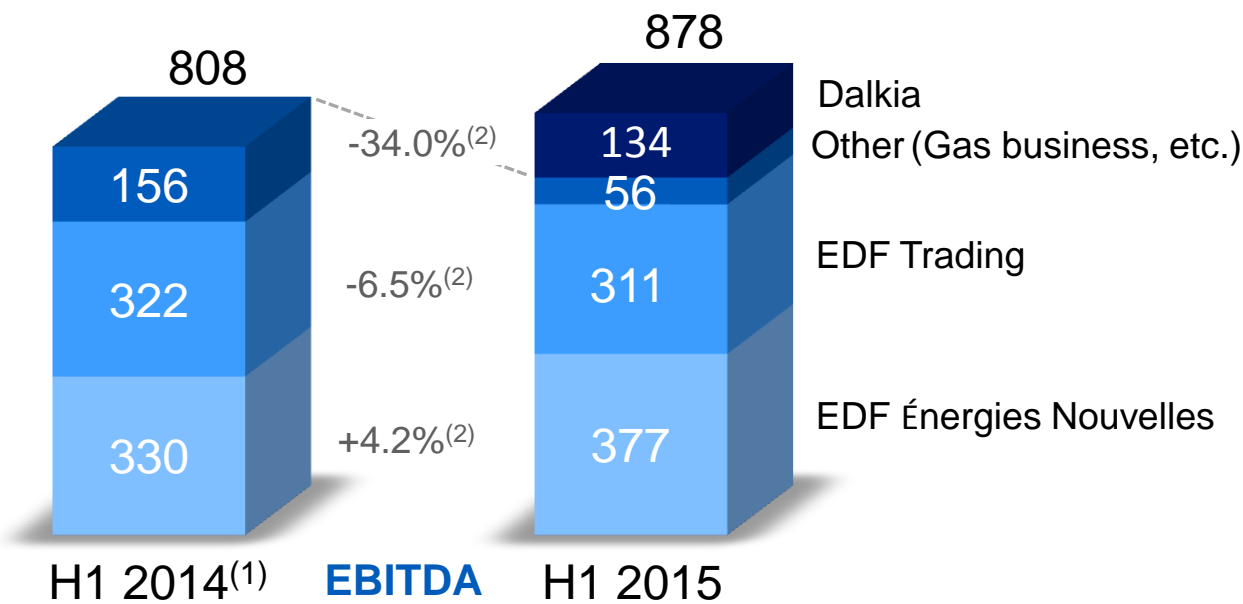
<i>In millions of €</i>	H1 2014 <sup>(1)</sup>	H1 2015	Δ%	Δ% Org. <sup>(2)</sup>
Sales	2,863	2,923	+2.1%	+0.9%
EBITDA	298	352	+18.1%	+14.4%



- EDF Luminus
  - Extended outages of Doel 3 and Tihange 2 nuclear plants, partly offset by increasing installed capacity in wind (+39%)
  - Favourable weather effect on gas volumes sold
  - Positive evolution in ancillary services
- EDF Polska
  - Higher realised power prices and heat tariffs, partly offset by a lower electricity output
- Other
  - Brazil: heavier maintenance program than in H1 2014

# Other activities: adverse gas market conditions, more than offsetting renewables' growth

<i>In millions of €</i>	H1 2014 <sup>(1)</sup>	H1 2015	Δ%	Δ% Org. <sup>(2)</sup>
Sales	1,451	3,318	+128.7%	+6.3%
EBITDA	808	878	+8.7%	-7.8%



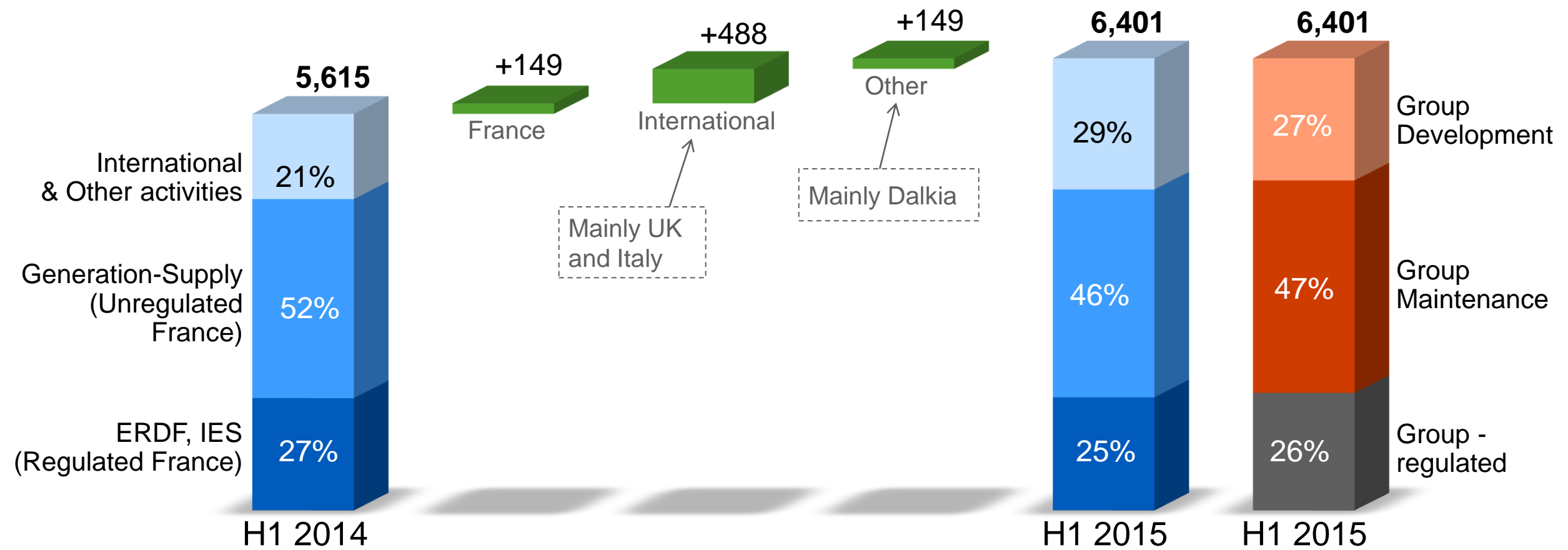
- Dalkia
  - Dalkia: successful integration in the Group, with a €134m contribution
- EDF Trading
  - Improved performance in Europe, offset by lower results in North America compared to an exceptional H1 2014
- EDF Énergies Nouvelles
  - Ongoing strong performance
- Other
  - Gas business: negative price environment

# Change in cash flow (1/2)

<i>In millions of €</i>	H1 2014 <sup>(1)</sup>	H1 2015	Δ%
<b>EBITDA</b>	<b>8,833</b>	<b>9,147</b>	<b>+3.6%</b>
Non-cash items and change in accrued trading income	(1,048)	(942)	
Net financial expenses disbursed	(859)	(911)	
Income tax paid	(1,264)	(781)	
Other items o/w dividends received from associates and joint-ventures	631 <sup>(2)</sup>	225	
<b>Operating cash flow</b>	<b>6,293</b>	<b>6,738</b>	<b>+7.1%</b>
Δ WCR	(54)	(588)	
Net investments excluding strategic operations <sup>(3)</sup>	(5,615)	(6,401)	
<b>Cash flow after net investments</b>	<b>624</b>	<b>(251)</b>	<b>na</b>

# Net investments<sup>(1)</sup> growth driven by the United Kingdom and Italy

In millions of €





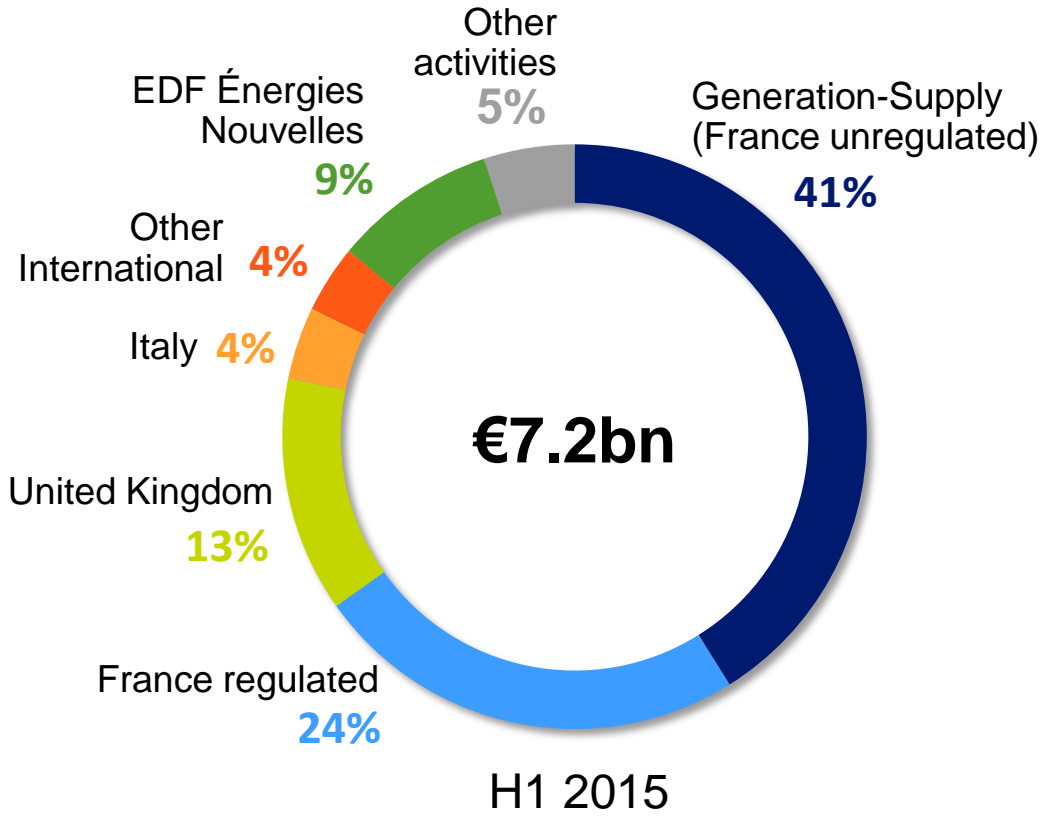
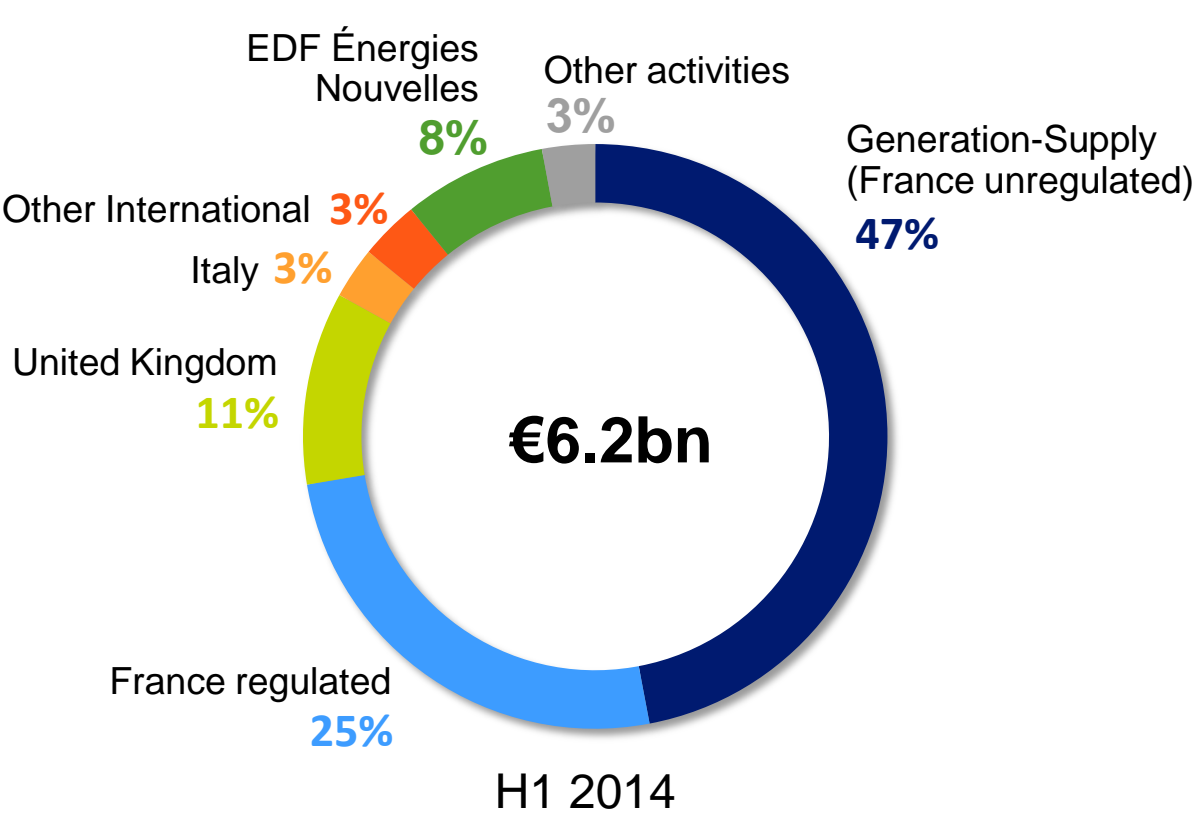
# Change in cash flow (2/2)

<i>In millions of €</i>	<b>H1 2014<sup>(1)</sup></b>	<b>H1 2015</b>
<b>Cash flow after net investments</b>	<b>624</b>	<b>(251)</b>
Net investments allocated to strategic operations <sup>(2)</sup>	(27)	(44)
Dedicated assets	110	213
<b>Cash flow before dividends</b>	<b>707</b>	<b>(82)</b>
Dividends paid in cash	(1,361)	(1,409)
Interest payments on hybrid issues	(223)	(397)
<b>Cash flow after dividends</b>	<b>(877)</b>	<b>(1,888)</b>

# Change in financial result

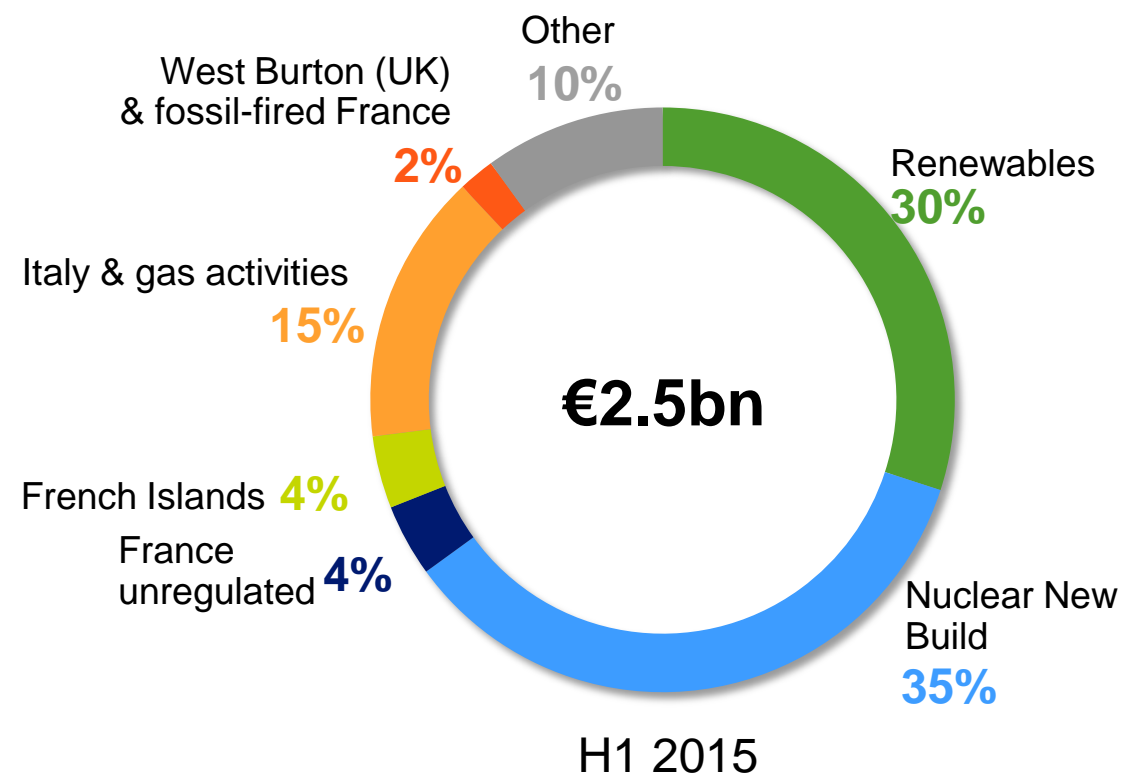
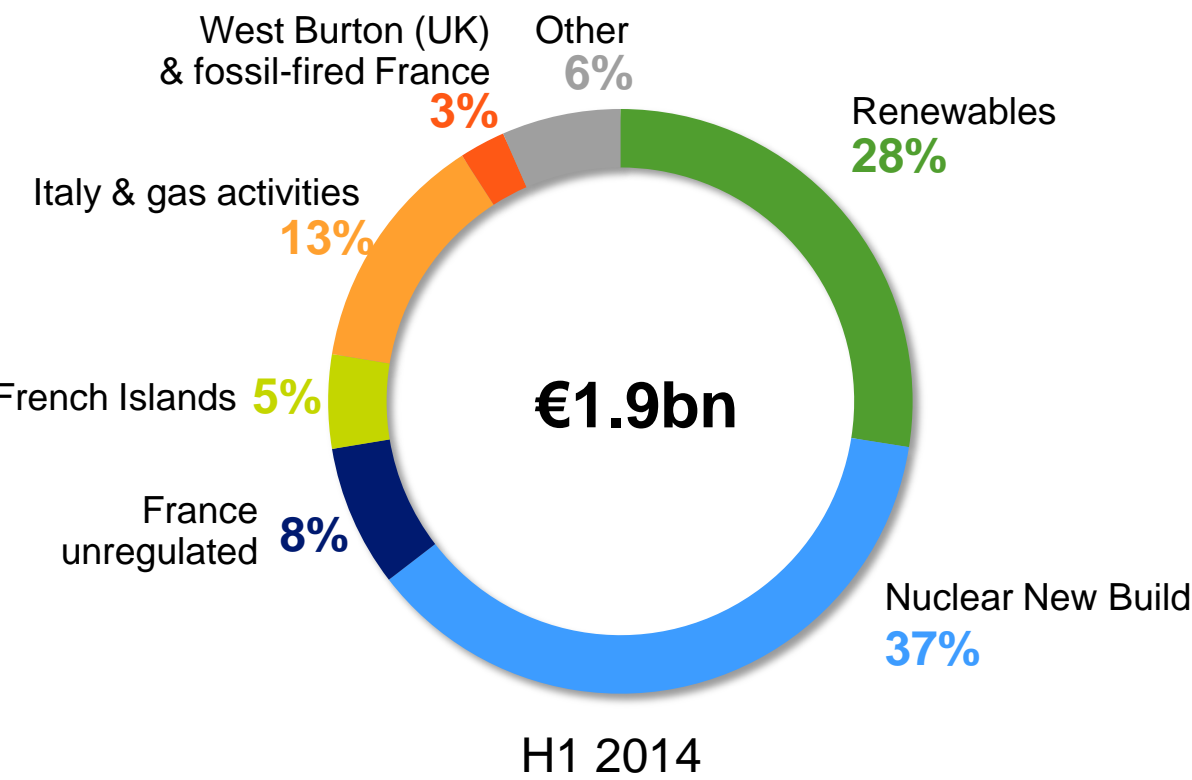
<i>In millions of Euros</i>	<b>H1 2014 restated</b>	<b>H1 2015</b>	<b>Δ</b>
Cost of gross financial debt	(1,173)	(1,086)	87
<i>o/w interest expenses on financing operations</i>	(1,165)	(1,003)	162
<i>o/w net foreign exchange gain on debt and other</i>	(8)	(83)	(75)
Discount expenses	(1,495)	(1,409)	86
Other financial income and expenses	1,381	1,347	(34)
<b>Financial result</b>	<b>(1,287)</b>	<b>(1,148)</b>	<b>139</b>

# Gross operating investments



Increasing gross operating investments with a growing share of EDF Énergies Nouvelles with 9%

# Gross operating investments for development



Increasing gross operating investments for development with a growing share of renewables with 30%

# Simplified balance sheets

<b>ASSETS</b> <i>(In millions of Euros)</i>	<b>31/12/2014 restated</b>	<b>30/06/2015</b>
Fixed assets	146,078	149,978
<i>O/w Goodwill</i>	9,694	10,510
Inventories and trade receivables	37,923	37,034
Other assets	65,567	64,437
Cash and equivalents and other liquid assets <sup>(1)</sup>	18,361	16,055
Assets held for sale (excluding cash and liquid assets)	18	-
<b>Total Assets</b>	<b>267,947</b>	<b>270,504</b>

<b>LIABILITIES</b> <i>(In millions of Euros)</i>	<b>31/12/2014 restated</b>	<b>30/06/2015</b>
Shareholders' equity (Group Share)	35,246	36,106
Net income attributable to non-controlling interests	5,419	5,652
Specific concession liabilities	44,346	44,738
Provisions	73,850	75,109
Financial liabilities <sup>(2)</sup>	52,569	53,557
Other liabilities	56,517	55,342
Liabilities linked to assets held for sale (excluding financial liabilities)	-	-
<b>Total Liabilities</b>	<b>267,947</b>	<b>270,504</b>

# Provisions

	31 December 2014 restated		
<i>In millions of Euros</i>	Current	Non Current	Total
Provisions for back-end nuclear cycle	1,632	19,455	<b>21,087</b>
Provisions for nuclear decommissioning and last cores	290	22,943	<b>23,233</b>
Provision for decommissioning excluding nuclear facilities	37	1,297	<b>1,334</b>
Provisions for employee benefits	1,058	23,060	<b>24,118</b>
Other provisions	2,237	1,841	<b>4,078</b>
<b>Total Provisions</b>	<b>5,254</b>	<b>68,596</b>	<b>73,850</b>

	30 June 2015		
	Current	Non Current	Total
	1,361	19,730	<b>21,091</b>
	279	24,021	<b>24,300</b>
	62	1,455	<b>1,517</b>
	1,128	23,071	<b>24,199</b>
	2,146	1,856	<b>4,002</b>
	<b>4,976</b>	<b>70,133</b>	<b>75,109</b>

# Net financial debt calculation

<i>In millions of Euros</i>	<b>30/06/2014</b>	<b>31/12/2014</b>	<b>30/06/2015</b>
Financial debt	55,959	55,652	56,791
Derivatives used to hedge debt	(605)	(3,083)	(3,234)
Cash and cash equivalents	(4,115)	(4,701)	(3,034)
Liquid financial assets available for sale	(19,936)	(12,990)	(12,333)
Loans to RTE	(688)	(670)	(688)
<b>Net financial debt</b>	<b>30,615</b>	<b>34,208</b>	<b>37,502</b>

# EDF Green Bond: €1.4bn allocated in 18 months to finance the building of 13 renewable projects

## End of November 2013

- **€1.4bn raised** through the issuance of EDF's inaugural green bond
- Under a commitment by EDF to finance **new renewable energy projects of EDF Énergies Nouvelles** and to fulfill specific requirements:
  - Projects to comply with specific environmental and social conditions vetted by Vigeo
  - Funds to be ring-fenced upon reception in treasury and tracked until allocation to selected projects
  - List of financed projects and fund allocation to be disclosed in EDF's Reference Document
  - Project eligibility as well as fund management to be subject to third party verification (assurance report in the Reference Document)

## End of May 2015

- **Funds allocated in full to 13 new renewable projects<sup>(1)</sup>**
  - 3 countries: Canada, France, USA
  - 3 technologies: onshore wind, PV, biogas
- Total capacity: **1.8GW**
- Potential annual output: about **7TWh**





# Revised coverage of nuclear provisions by Dedicated Assets

- Decree no. 2015-331 of 24 March 2015 modifying the decree no. 2007-243 of 23 February 2007 to secure financing of nuclear expenses was published in the *Journal Officiel* on 26 March 2015:
  - introduces an additional requirement regarding the coverage of nuclear provisions by Dedicated Assets
  - whilst making the possibility to withdraw assets more explicit
- **When liabilities do not change**, except for discounting effects and expenses covered by the provision
  - ➔ Any potential margin between 100% and 110% is meant to cover future risks on asset return and cannot be reduced through asset withdrawals
- **When liabilities increase** because of higher future expenses or new assumptions
  - ➔ An absolute increase in assets must match the absolute increase in liability, up to 110% of the new liability
- **When liabilities decrease** because of lower future expenses or new assumptions
  - ➔ Assets can be withdrawn in the same absolute amount, while still maintaining 100% of minimum coverage

# Installed capacity as of 30 June 2015

In GWe			Non-controlling interests		Associates and joint ventures	
Fuel mix			Fuel mix		Fuel mix	
Capacity	Gross					Net
Nuclear	77.7	51%	2.6	75.1	2.2	72.9
Coal	15.5	10%	3.9	11.6	1.1	10.5
Fuel oil	9.9	6%	-	9.9	-	9.9
Gas	16.0	11%	2.1	13.9	1.0	12.9
Hydro	25.6	17%	2.8	22.8	1.2	21.6
Other Ren.	7.0	5%	0.2	6.8	0.1	6.7
Total	151.7	100%	11.6	140.1	5.6	134.5

Total installed capacity<sup>(1)</sup> of assets in which EDF group has equity stakes

EDF generation capacity<sup>(1)</sup> including shares in associates and joint ventures

EDF group's net capacity

# Net electricity output

*In TWh*

**H1 2014<sup>(1)</sup>**

**H1 2015**

Nuclear

242.8

76%

243.3

76%

Coal/Fuel oil

23.9

8%

22.0

7%

CCGT

16.6

5%

19.9

6%

Hydro

28.9

9%

26.5

9%

Other Renewables

6.6

2%

7.0

2%

**Group**

**318.8**

**100%**

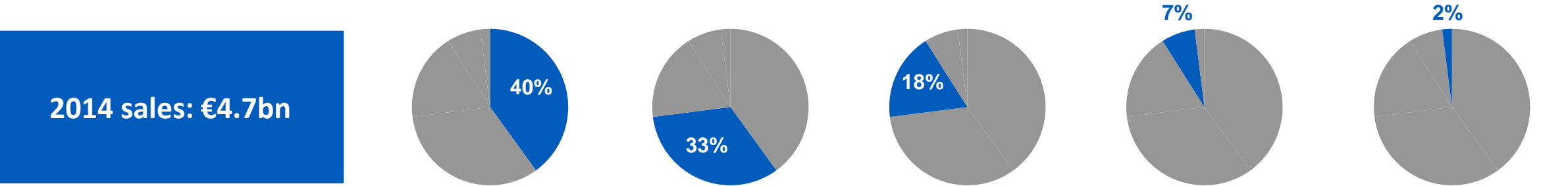
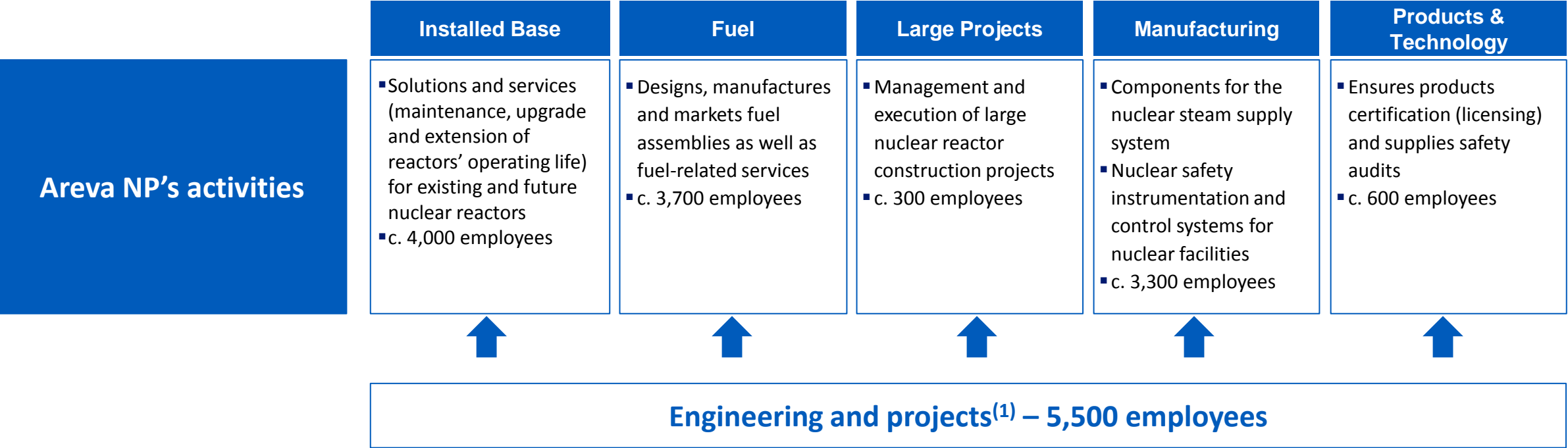
**318.7**

**100%**

## Net emissions by segment

In g/kWh	
H1 2014 <sup>(1)(2)</sup>	H1 2015
19	19
249	234
284	341
464	566
172	377
96	101

# Areva NP's organisation



# Cigéo, a project for reversible deep-storage of French radioactive nuclear waste

- Pursuant to article L.542-1 of the French Environment Code, EDF is technically and financially responsible for its radioactive waste. ANDRA (National Agency for Radioactive Waste Management) is in charge of this waste and is responsible for the design, construction and operation of storage sites
- Regarding long-lived high- and intermediate-level of activity waste, EDF works in close collaboration with ANDRA in order to implement a safe and cost effective storage solution. EDF is preparing the financing of Cigéo by establishing provisions secured by dedicated assets in order to ensure the funds will be available when needed. EDF also shares with ANDRA the benefits of its experience as a nuclear operator in the project design, as part of an agreement signed between ANDRA, EDF, AREVA, and the CEA
- A decree regarding the cost evaluation of the project is expected to be published by the Minister for Ecology, Sustainable Development and Energy in 2016 following the formal consultation from December 2014 to February 2015 of waste producers about the costing of the project as established by ANDRA
- The Macron bill<sup>(1)</sup> was adopted by the Parliament on 9 July 2015 and defines the concept of reversible geological storage. It states that the start of Cigéo operations will be subject to parliamentary debate once the industrial pilot phase terminates
- Planned timeframe:
  - 2017: authorisation request to build Cigéo submitted by ANDRA
  - 2020: beginning of construction works of Cigéo facilities
  - 2025: beginning of the industrial pilot phase
  - 2030: beginning of Cigéo operation after debate in the Parliament and subject to the approval of the Nuclear Safety Authority

(1) The bill for “growth, activity and equality of economic chances”

# CRE report of 15 July 2015 on regulated tariffs for electricity supply

## Difference between tariffs and EDF's costs to be subject to a tariff catch-up<sup>(1)</sup>

<i>In millions of Euros</i>	2012	2013	2014 <sup>(2)</sup>	Total
<b>Residential blue</b>	527	555	721	<b>1,803</b>
<b>Non-residential blue</b>	-104	-37	21	<b>-121</b>
<b>Yellow</b>	78	-10	59	<b>127</b>
<b>Green</b>	9	119	121	<b>249</b>
<b>Total</b>	<b>509</b>	<b>627</b>	<b>922</b>	<b>2,058</b>

Estimated amount of catch-ups effected by tariffs over the 1 November 2014 – 31 July 2015 period: **€205m**

➔ **€1,853m of tariff catch-up yet to be carried out**

## Calculation of cost stacking for 2015 before catch-up<sup>(1)</sup>

<b>Residential blue</b>	-0.9%
<b>Non-residential blue</b>	-1.6%
<b>Yellow</b>	-2.1%
<b>Green</b>	+0.6%

Those levels of stacking depend mostly on the following parameters for the energy part:

- ARENH price in 2015: €42/MWh
- Reference market price in 2015: €42.7/MWh for baseload and €55.4/MWh for peakload

# Regulated tariffs changes starting 1 August 2015

- On 15 July 2015, the government presented a bill before the *Conseil Supérieur de l'Energie*<sup>(1)</sup> setting the tariffs starting 1 August 2015. This bill would lead to the following average increases:

Residential Blue	+2.5%
Non-residential blue	0%
Yellow	+0.9%
Green	+4.0%
- These increases take into account part of the catch-up related to the gap between revenue and costs incurred in past tariff periods, as highlighted by the CRE report of 15 July 2015
- In its deliberation of 28 July 2015, the CRE gives a favourable opinion on the proposed evolutions of Blue tariffs and a negative opinion on Yellow and Green tariffs

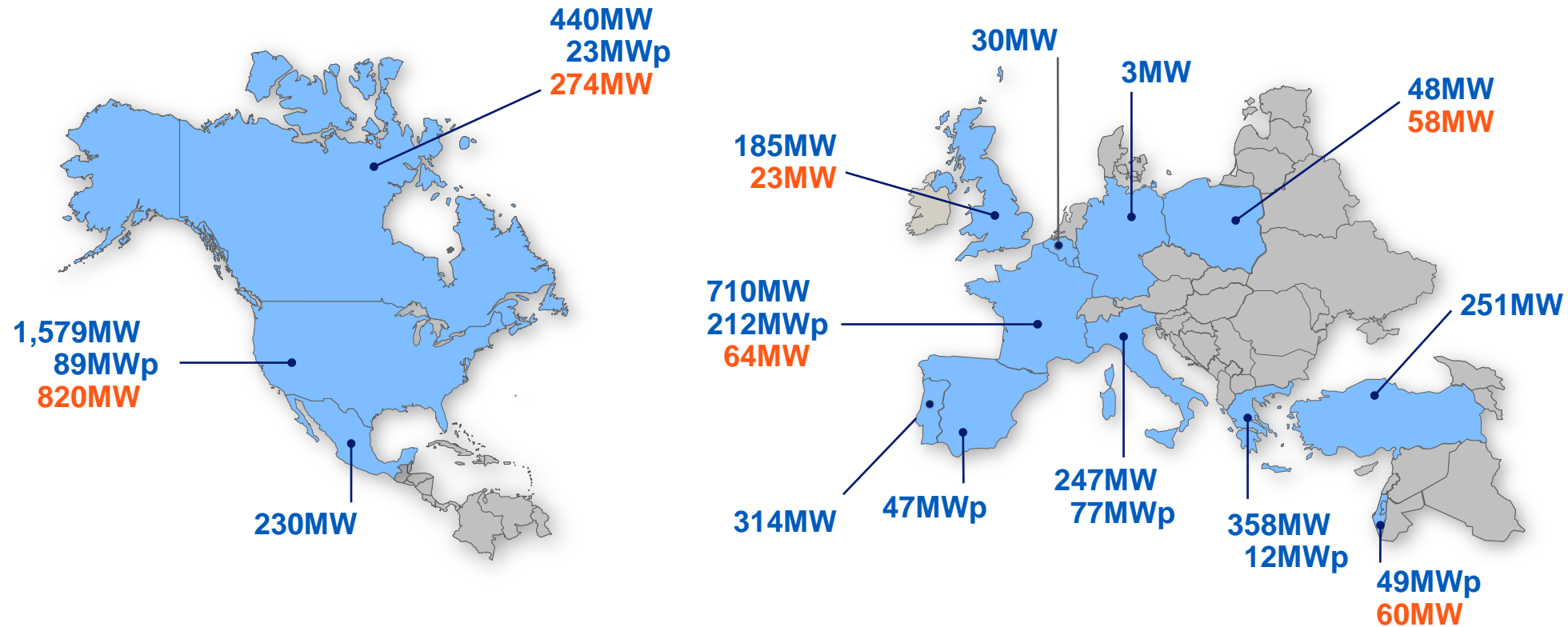
## Appeal on regulated tariffs

- On 7 January 2015, the ANODE's demand to suspend the decree of 30 October 2014 (with which the ministers in charge of energy and economy modified the regulated tariffs rate), was rejected by the Council of State's judge for urgent affairs (*juge des référés*). The "in-depth" decision is pending.
- Direct Energie has lodged an appeal against the decree of 28 October 2014 that instituted the cost stacking tariff method; the decision from the Council of the State is pending.

(1) Conseil Supérieur de l'Energie: Higher Energy Council



# EDF EN: net installed capacity as of 30 June 2015



Wind installed (MW)

Solar installed (MWp)

Wind and solar under construction (MW)

Installed capacity:  
Capacity under construction:  
**Total:**

**Gross**      **Net**

7,690MW      4,969MW<sup>(1)</sup>  
1,574MW      1,402MW<sup>(2)</sup>  
**9,264MW**      **6,371MW**

**Other technologies**

**Installed**      **190MW**

**Under construction**      **39MW**

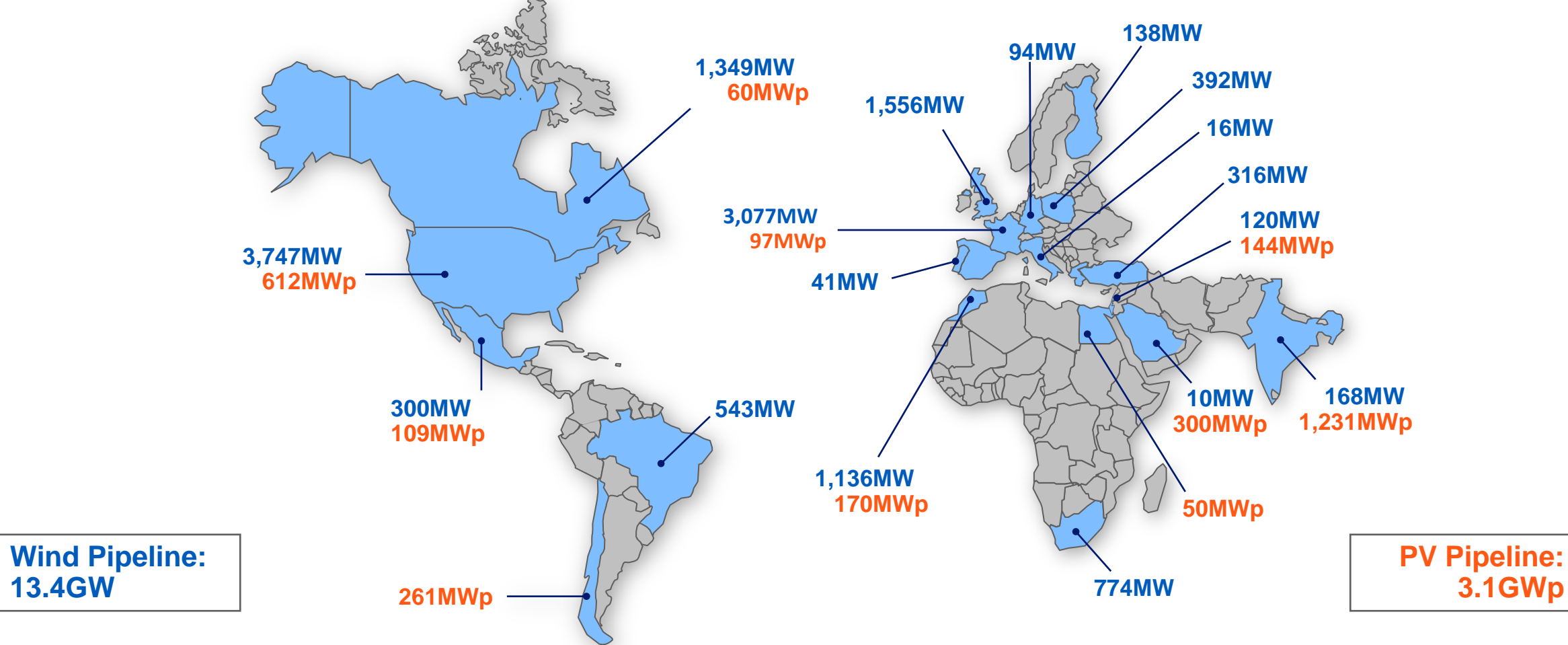
Source: EDF EN

(1) Includes 39MWp net in India and 29MW in South Africa

(2) Includes 21MW net in South Africa, 73MWp net in Chile, and 8MWp net in India

Note: MWp: Megawatt peak (measure of the power under laboratory lighting and temperature conditions)

# EDF EN: a significant portfolio of renewable projects



A wind and solar pipeline of about 16.5GW

# EDF EN: installed capacity and capacity under construction by technology, as of 30 June 2015

<i>In MW</i>	<b>Gross<sup>(1)</sup></b>		<b>Net<sup>(2)</sup></b>	
	as of 31/12/2014	as of 30/06/2015	as of 31/12/2014	as of 30/06/2015
Wind	6,554	6,842	4,388	4,422
Solar	727	848	516	547
Hydro	77	77	74	74
Biogas	78	51	73	51
Biomass	62	66	54	58
Cogeneration	19	19	7	7
<b>Total installed capacity:</b>	<b>7,517</b>	<b>7,903</b>	<b>5,112</b>	<b>5,159</b>
Wind under construction	1,735	1,306	1,635	1,260
Solar under construction	450	268	231	142
Other under construction	19	39	19	39
<b>Total capacity under construction</b>	<b>2,204</b>	<b>1,613</b>	<b>1,885</b>	<b>1,441</b>

# EDF EN: net capacity sold

<i>In MW</i>	H1 2014	H2 2014	H1 2015
France	(70)	-	-
Germany	-	-	-
United Kingdom	-	29	-
Italy	-	108	-
Turkey	38	-	-
United States	116	81	298
Canada	150	159	-
Mexico	-	-	-
<b>Total wind</b>	<b>234</b>	<b>377</b>	<b>298</b>
France + DOM <sup>(1)</sup>	-	-	-
Italy	19	-	-
Canada	-	-	-
United States	72	27	58
<b>Total solar</b>	<b>91</b>	<b>27</b>	<b>58</b>
France	-	-	22
<b>Total biogas</b>	<b>-</b>	<b>-</b>	<b>22</b>
<b>Total</b>	<b>325<sup>(2)</sup></b>	<b>404</b>	<b>378</b>

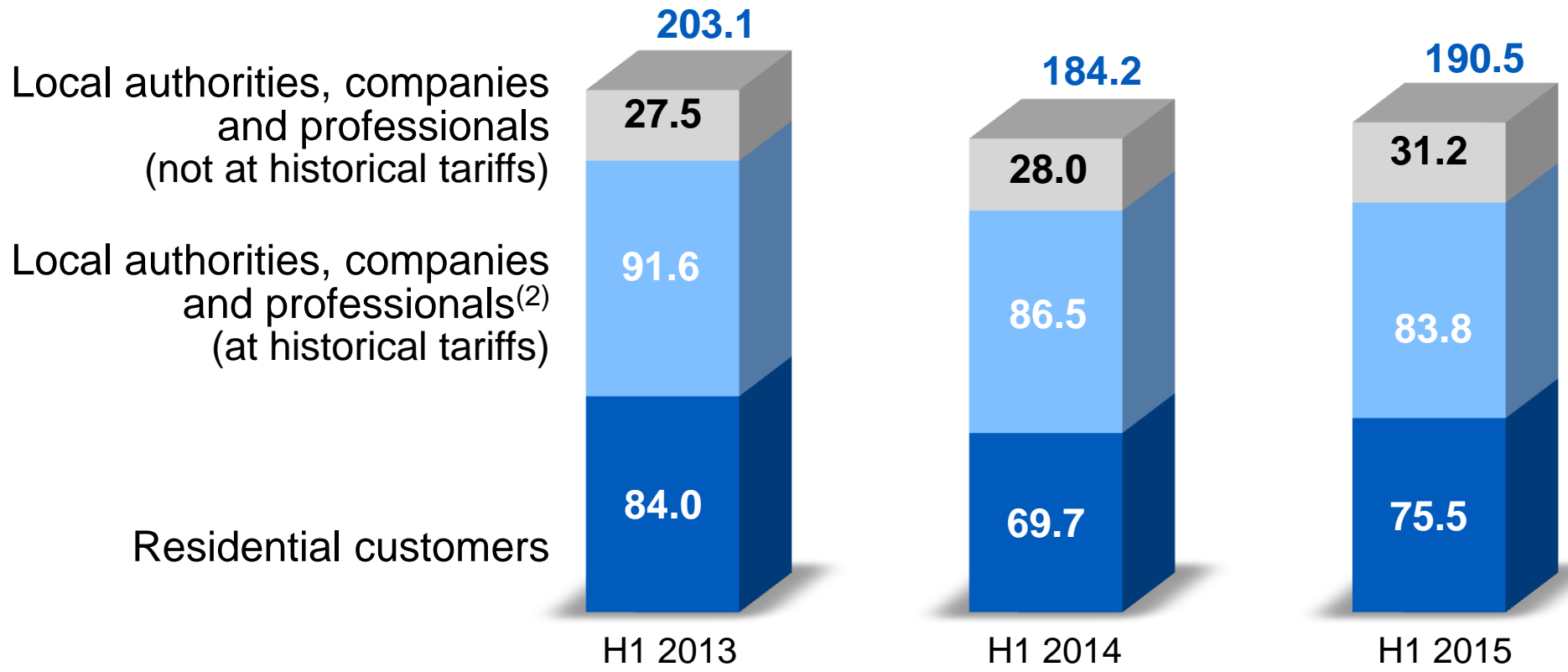
# EDF EN: Operation & Maintenance<sup>(1)</sup>

<i>In MW</i>	<b>31/12/2014</b>	<b>30/06/2015</b>	<b>Δ MW</b>	<b>Δ%</b>
United States	7,480	8,662	1,182	+16
Canada	1,807	1,854	47	+3
Mexico	68	68	-	-
<b>Total America</b>	<b>9,354</b>	<b>10,584</b>	<b>1,230</b>	<b>+13</b>
France	1,441	1,426	(15)	-1
United Kingdom	164	313	149	+91
Greece	150	170	20	+13
Italy	599	599	-	-
Germany	-	400	400	n/a
Poland	48	106	58	+121
Belgium	-	21	21	n/a
<b>Total Europe</b>	<b>2,402</b>	<b>3,035</b>	<b>633</b>	<b>+26</b>
<b>Total O&amp;M</b>	<b>11,756</b>	<b>13,619</b>	<b>1,863</b>	<b>+16</b>

# EDF in France: electricity business (1/2)

In TWh

Sales to end-customers<sup>(1)</sup>



Rise in H1 2015 volumes mainly due to weather effect

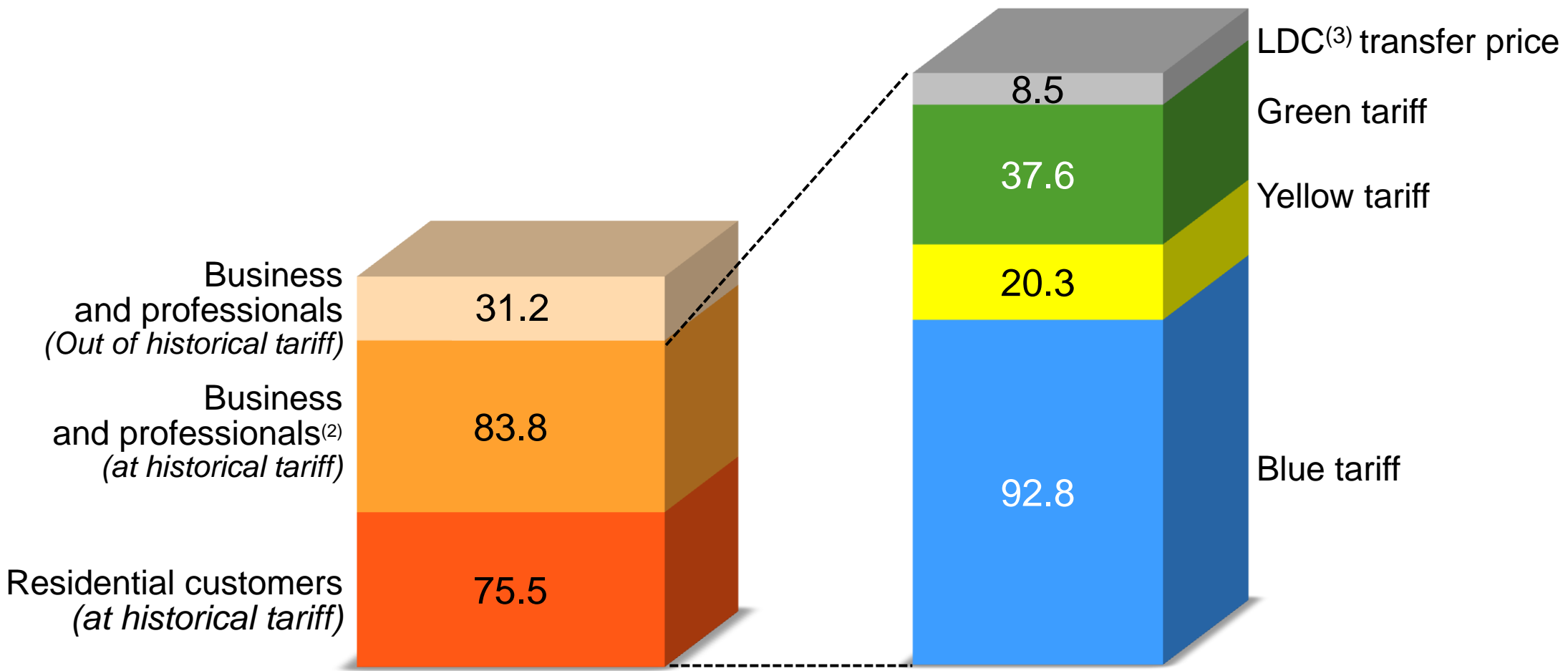


(1) Rounded to the nearest tenth  
(2) Including EDF's own consumption

# EDF in France: electricity business (2/2)

In TWh

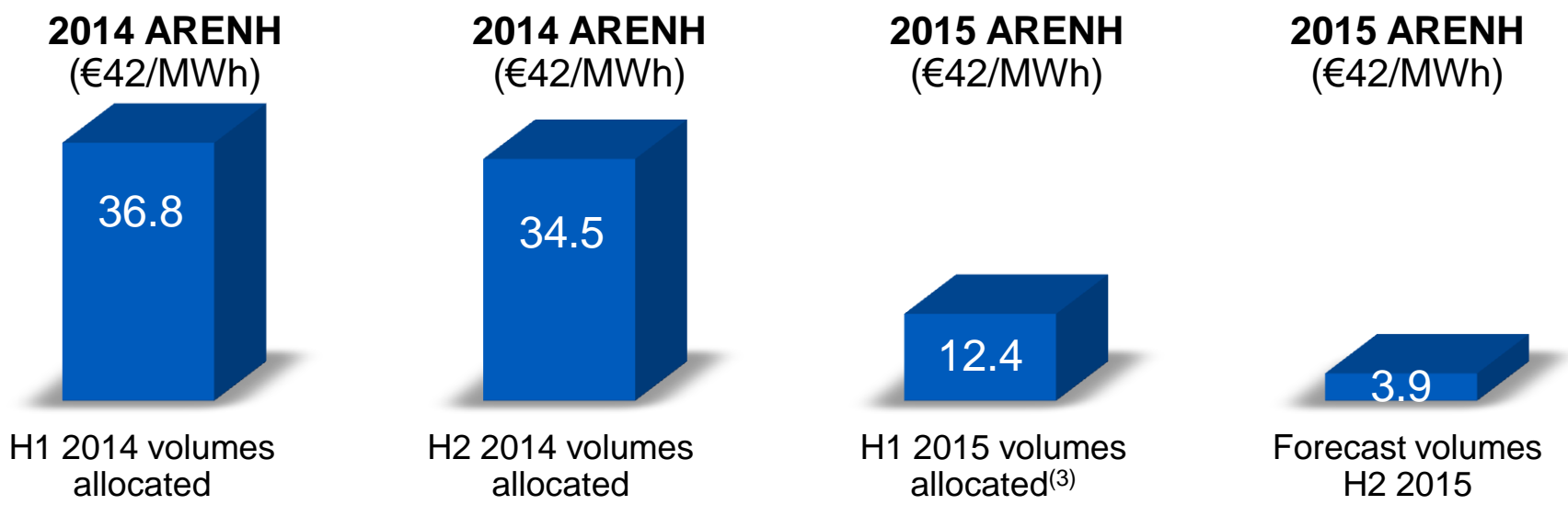
Sales to end-customers<sup>(1)</sup>



(1) Rounded to the nearest tenth  
(2) Including EDF's own consumption  
(3) Local distribution companies (LDCs)

# ARENH volumes allocated to alternative suppliers

In TWh



- Volumes allocated in 2014: 71.3TWh (o/w 11.9TWh for losses)<sup>(1)</sup>
- Volumes allocated in the first half of 2015: 12.4TWh<sup>(2)</sup>
  - Those volumes were impacted by the competitors’ choice to supply themselves more and more from wholesale markets, given that market prices are currently lower than ARENH price
  - Forecast volumes for 2<sup>nd</sup> half of 2015: 3.9TWh



# CSPE<sup>(1)</sup>: main components for EDF

- The CSPE was set up pursuant to the Law of 10 February 2000 to allow EDF to offset certain expenses related to certain public service obligations

<i>In millions of Euros</i>	<b>H1 2014</b>		<b>2014</b>		<b>H1 2015</b>	
Purchase obligations <sup>(2)</sup>	2,057	68%	3,905	66%	2,249	69%
Other <sup>(3)</sup>	970	32%	1,983	34%	1,030	31%
<b>Total CSPE EDF</b>	<b>3,027</b>	<b>100%</b>	<b>5,888</b>	<b>100%</b>	<b>3,279</b>	<b>100%</b>

The rise in the CSPE is linked to purchase obligations, which reflect the rapid expansion of renewable energy and the decline in electricity prices

(1) CSPE (Contribution au Service Public de l'Electricité): Electricity Public Service Contribution

(2) Purchases obligations include electricity generated in mainland from: hydropower (less than 12MW), biomass, wind power, PV power, cogeneration, recovery of household waste and energy recovery, with the exception of Corsica and the French overseas departments

(3) Additional production costs and purchase obligations in Corsica and overseas departments, the TPN (First Necessity Tariff) and the FSL (Solidarity Fund for Housing)

# CSPE: highlights for H1 2015

- Reform of the CSPE mechanism

- During the Senate's review of the Energy transition bill in February 2015, senators made some proposals concerning the financing of the CSPE and considered an evolution of the mechanism. The government committed to propose a reform of the CSPE, in anticipation of the next Finance law of 2016

- Government's tenders to develop the PV sector

- Launch on 20 March 2015 of a tender to build PV generation installations on parking shadehouses, with a power capacity of between 100 and 250kWp in continental mainland France (120MW in total). Tender results expected for September 2015
- Launch on 18 May 2015 of a tender to build PV generation installations with a power capacity superior to 100kWp in Non Interconnected Zones (50MW in total). Tender results expected for November 2015

- Praxair dispute

- In July, the Council of the State rejected the request for restitution of the CSPE amounts paid between 2005 and 2009 by the Praxair company

# CSPE: impact on financial statements

<i>In millions of Euros</i>	H1 2013	H1 2014	H1 2015
<b>Income statement</b>			
Extra-costs / losses	(2,570)	(3,027)	(3,279)
Impact on “Other Operating Income and Expenses”	2,570	3,027	3,279
EBITDA	Neutral	Neutral	Neutral
Pre-tax result impact <sup>(1)</sup>	42	42	50
<b>Balance sheet</b>			
Working capital requirements (Other receivables)	1,178	1,547	2,117
Debt (CSPE on supply energy but not billed; Other current liabilities)	(996)	(1,081)	(1,386)
Financial debt <sup>(2)</sup>	4,916	5,098	5,188
<b>Cash flow</b>			
Cash in energy billed	2,388	2,837	3,225
Increase in WCR – CSPE receivable	181	190	61
Change in WCR – Debtors and creditors	(67)	93	(204)

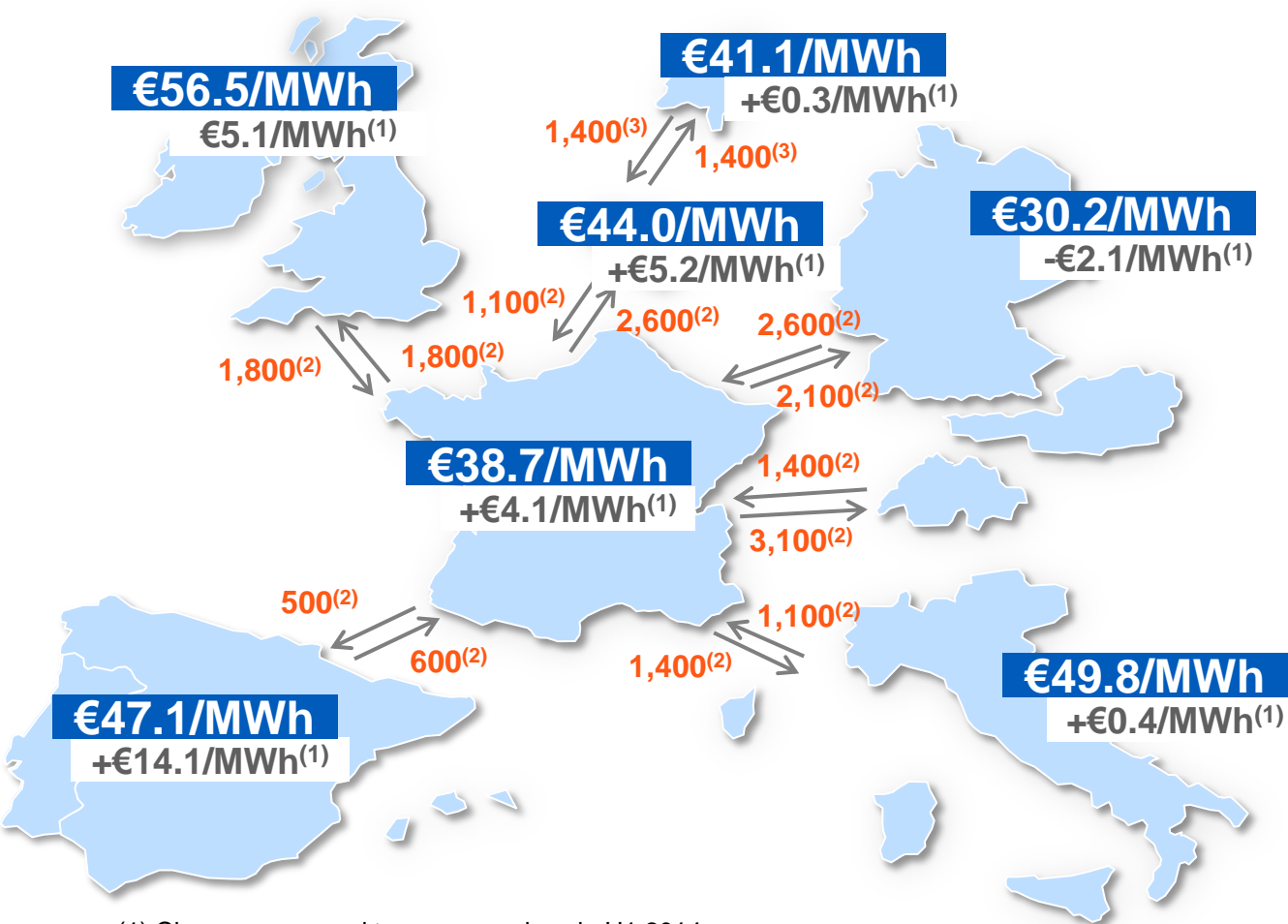
# Edison: gas contracts

- Gas contract renegotiations (Qatar, Libya, Russia and Algeria)
  - Total volume of long-term gas contracts: 14.4bcm/year
  - A new round of price revisions started at end-2012 for the 2012-2015 period
- Renegotiations and arbitrations status

Contract	Nominal volume (bcm/year)	Expiration	Status of renegotiations / arbitrations	
			Phase 1 (2010-2012)	Phase 2 (2012-2015)
Qatar	6.4	2034	Successful arbitration August 2012	Successful renegotiation July 2013
Algeria	2.0	2019	Successful arbitration April 2013	Successful renegotiation July 2013
Russia	2.0	2019	Successful renegotiation July 2011	Successful arbitration August 2014
Libya	4.0	2028	Successful arbitration September 2012	Arbitration completion expected for H2 2015

# European energy market still divided into "electricity plates" - average prices in H1 2015

Available commercial capacity

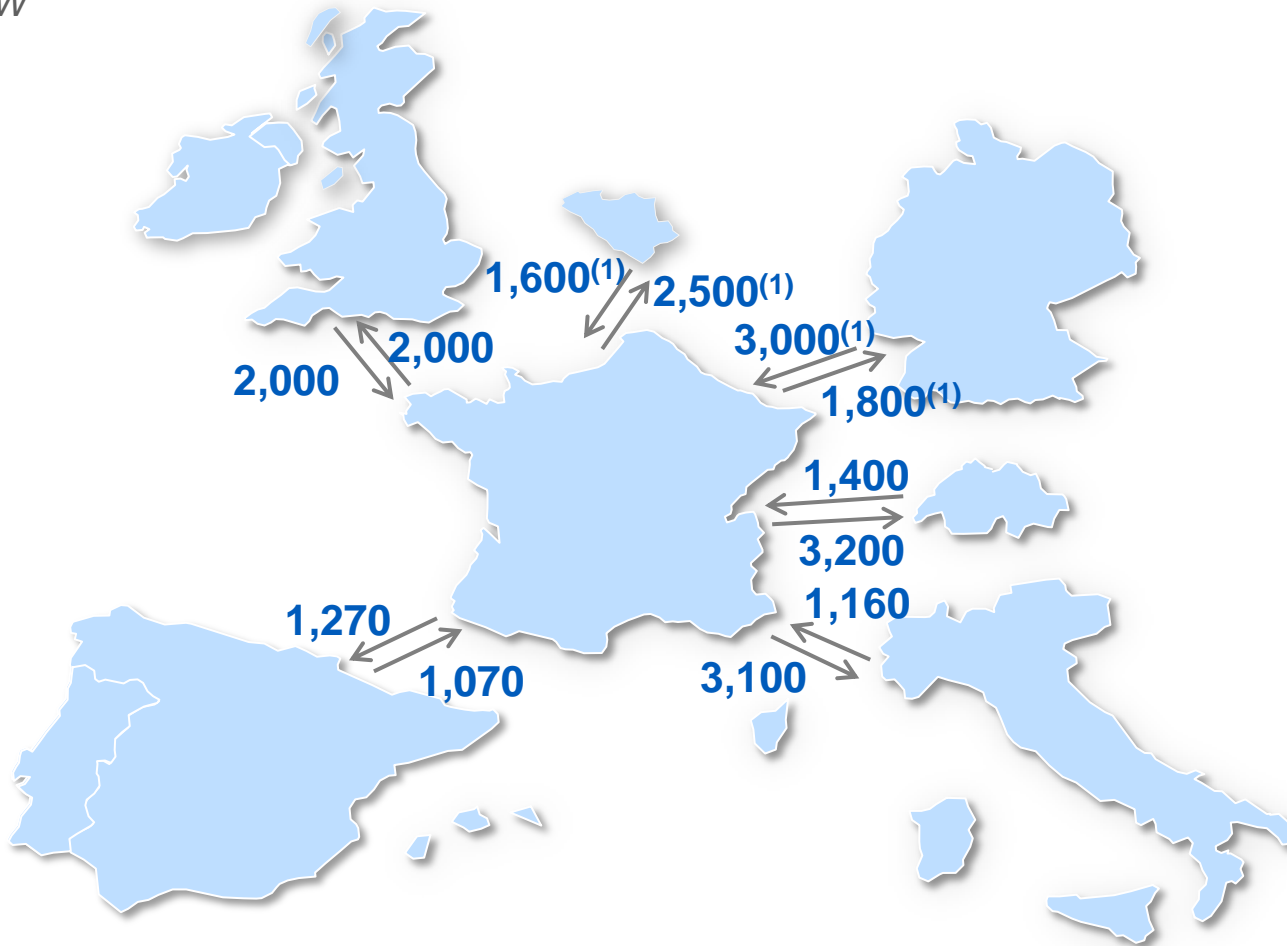


- Interconnected but distinct market areas
  - Prices: Average spot price in H1 2015 for France (Epex), Germany (Epex), the UK (N2EX), Spain (OMEL), the Netherlands (APX), Belgium (Belpex) and Italy (GME)

(1) Change compared to average prices in H1 2014  
(2) Annual average NTC (Net Transfer Capacity) as calculated by RTE in December 2014 for 2015  
(3) Standardised value (source: ENTSOE)

# Maximum interconnected D-1 capacity in H12015 and forecast increases

*In MW*



## New interconnections

### ■ France – Spain

- Late 2015 : Baixas – Sta Llogaia (RTE – REE Project INELFE)
  - Export: +1,400MW
  - Import: +1,400MW

### ■ France – United Kingdom

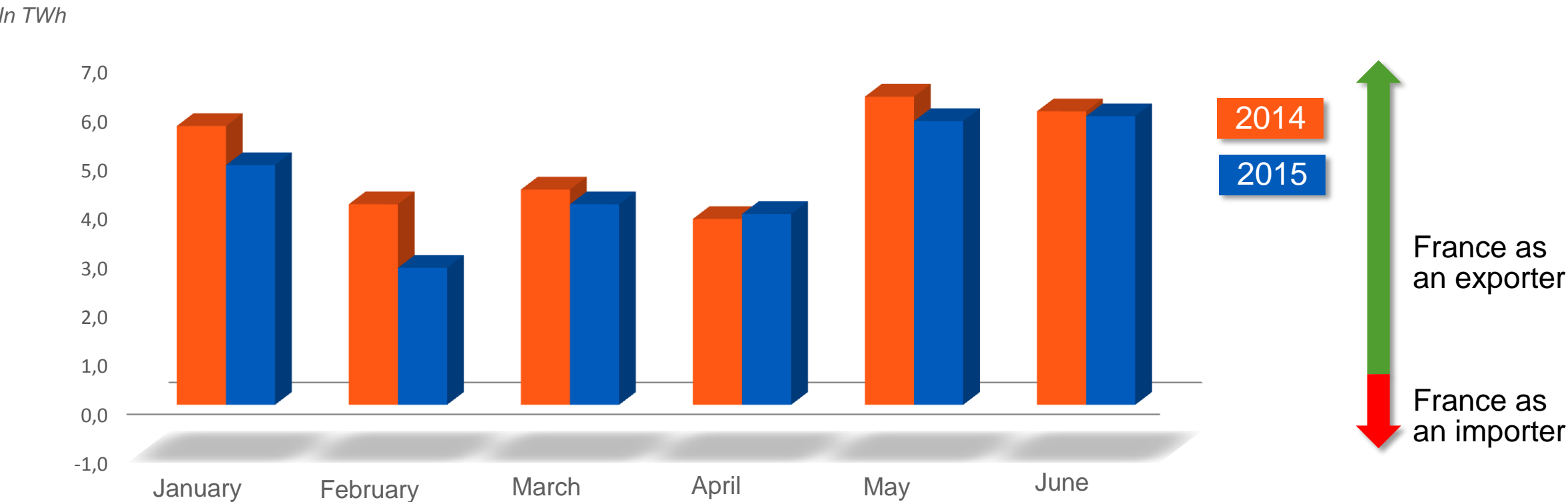
- 2018 : Eleclink (Eurotunnel – Star Capital)
  - Export: +1,000MW
  - Import: +1,000MW

## Reinforcements

### ■ France – Italy

- 2020: Savoie – Piedmont
  - Export: +1,200MW
  - Import: +1,000MW

# Cross-border electricity trade balance



Positive trade balance for France in H1 2015 at 27.4TWh, equivalent to a 2.8TWh decrease compared to H1 2014. Slight increase in exports to all of France's bordering countries, except for the CWE zone. Increase in imports (+5.2TWh).