

Clarifications on Hinkley Point C project

The review of the costs and timetable of the HPC project, undertaken after EDF's final investment decision in September 2016, in conjunction with the project company (NNB) teams, concluded that:

- The milestone for the first nuclear safety concrete for the building of Unit 1, scheduled for mid-2019, is confirmed, assuming that the final design, which is on a tight schedule, is completed by the end of 2018.
- Project completion costs are now estimated at £19.6 billion in 2015 sterling¹, an increase of £ 1.5 billion in 2015 sterling, compared to previous evaluations. This estimate includes successful operational action plans, in partnership with suppliers. The estimated additional costs² result mainly from a better understanding of the design adapted to the requirements of the British regulators, the volume and sequencing of work on site and the gradual implementation of supplier contracts. EDF's projected rate of return (IRR) is now estimated at about 8.5% compared to about 9% initially.
- The risk of deferral of delivery (COD) is estimated at 15 months for Unit 1 and 9 months for Unit 2. This risk would entail an additional potential cost of around 0.7 billion in 2015 sterling. Under this assumption, the IRR for EDF would be around 8.2%.

The project company NNB, in compliance with its rules of governance, will study and implement the recommendations of the review.

The management of the project is mobilised on the initial delivery objective for Unit 1 at the end of 2025, and on the identification and implementation of action plans to reduce costs and risks.

The Group maintains its financial targets as described in the 9 May 2017 press release.

A key player in energy transition, the EDF Group is an integrated electricity company, active in all areas of the business: generation, transmission, distribution, energy supply and trading, energy services. A global leader in low-carbon energies, the Group has developed a diversified generation mix based on nuclear power, hydropower, new renewable energies and thermal energy. The Group is involved in supplying energy and services to approximately 37.1 million customers, of which 26.2 million in France. The Group generated consolidated sales of €71 billion in 2016. EDF is listed on the Paris Stock Exchange.

¹ Excluding interests during construction and excluding forex effect versus the reference exchange rate for the project 1 sterling = 1.23 euro.

² Net of action plans.

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