



SPECIAL EDITION

COMBINED SHAREHOLDERS' MEETING

12 MAY 2016

The EDF Combined Shareholders' Meeting was held on Thursday, 12 May 2016 at the Carrousel du Louvre in Paris, bringing together more than 1,000 people.

THE CHAIRMAN'S MESSAGE

Jean-Bernard Lévy, Chairman and Chief Executive Officer of EDF, opened the session by highlighting the 70th anniversary of EDF, a period during which the Company adapted to changes in society and played a prominent role in France and Europe. The Group is about to begin a new chapter in its history, which should establish it as one of the world leaders in electricity. The future is electric: all new applications and drivers of growth run on electricity. EDF has taken firm decisions to meet the many challenges facing it, including the following three major issues: the historical decline in wholesale electricity prices, increased competition, and the size of its debt.

In order to meet the challenges and sustain its position as a leading global group, EDF has developed a roadmap: the CAP 2030 strategy. This ambition is structured around three objectives: innovating for all its customers, producing low-carbon electricity, and developing its international presence to target growth. This strategy goes hand-in-hand with efforts for transformation and considerable investments. The Group's operating procedures have already begun to change. The most substantial investments concern the roll-out of the Linky meter, the «Grand carénage» (Major overhaul) programme, and the development of renewable energies and new nuclear.

The Chairman then provided details about the Hinkley Point C project, the construction of two EPRs in the United Kingdom, for which the final investment decision will be presented to the Board of Directors shortly. This large-scale project, supported by the relevant countries and approved by the European Union, and on which EDF has been working for eight years, is profitable thanks to the long-term tariff conditions negotiated with the British authorities. The risks were identified in a report with recommendations that will be fully implemented. This project is reasonable, since it represents 15% of the Group's investments over 10 years and is essential to ensure the credibility and competitiveness of the entire nuclear industry in France, with EDF acting as a leader in this regard.

It was vital that EDF secure its financial trajectory and acquire long-term visibility. As such, the Group developed a consistent and proactive action plan based on four drivers: tight control on investments (€2 billion per year saved by 2018), an asset disposal programme (€10 billion by 2020), a costs saving plan (at least €1 billion per year by 2019 compared with 2015), and a capital increase (€4 billion) that will be launched at the end of 2016 or early in 2017, market conditions permitting.

The Chairman ended his speech by announcing that EDF has added six Corporate Responsibility targets to its CAP 2030 strategy.

// ELECTRICITY IS THE LEADING SOURCE OF ENERGY IN THE AGE OF DIGITAL TECHNOLOGY, THE FIGHT AGAINST GLOBAL WARMING, AND ENERGY EFFICIENCY, WHICH IS OUR COLLECTIVE DUTY. // Jean-Bernard Lévy

2015 DIVIDEND

€1.10 per share in cash or in share

- €0.57: interim payment made on 18 December 2015
- €0.53: balance paid on 30 June 2016
- Option for the outstanding balance of the dividend, in cash or shares: from 6 to 20 June inclusive.
- **Price of new shares:** they will be issued at a 10% discount rate on the average of the opening prices of EDF's shares during the last 20 trading days prior to the Shareholders' Meeting, less the outstanding balance of the final dividend to be paid, rounded off to the next cent, i.e. **€10.08**.
- **Loyalty dividend*:** It is applied to the entire €1.10 dividend, i.e. a bonus of €0.11 per share for the year 2015. It is paid at the same time as the balance of the dividend to shareholders having registered shares for more than two continuous calendar years.

* The number of eligible share may not exceed 0.5% of the share capital for a single shareholder.

HIGHLIGHTS

Xavier Girre, Group Senior Executive Vice President - Group Finance, presented the financial statements for 2015, which he summarised in three figures. **+ 3.9% in EBITDA**. Operating performance, which included cost control, is greater than expected in an unfavourable environment. At **2.1x, net financial debt/EBITDA** was maintained at a low rate, as announced. Lastly, the **€12.7 billion invested** in 2015 make EDF the leading investor in its business segment.

During 2015, two events had a profound impact on the market environment in France, negatively affecting EDF's EBITDA. The first was the changes in the market for electricity supply to businesses (end of regulated yellow and green tariffs). The second was the drop in wholesale electricity prices. The past year was also marked by the EDF share's exit from the CAC40 index, due on the one hand to the very small float and to the sharp decline in the share price.

This deteriorated environment led the Group to reduce its costs and develop an action plan aimed at acquiring the financial means to roll out its CAP 2030 strategy and become the leader in low-carbon electricity. EDF confirms its financial targets for 2016, and maintains its ambition of a positive cash flow after dividend payment in 2018, excluding Linky, new developments and disposals.

Claude Nahon, Executive Vice President for Sustainable Development and the Environment, and Antoine Cahuzac, Group Senior Executive Vice President - Renewable Energies, CEO of EDF Énergies Nouvelles, reiterated the fact that EDF is a key player in the energy transition. Historically, the Group is linked to the development of renewable energies in France (building dams, rolling out wind energy, etc.). It is currently the European leader in renewable energies and the leading generator of hydropower in the European Union. The renewable energies market is growing at an impressive rate, and the Group is well positioned to meet the demand. In many areas with strong potential for wind or photovoltaic power, renewable energies are the least expensive sources of energy, but generally speaking they are becoming increasingly competitive. EDF's very low carbon electricity, combining nuclear and renewable energies, is a great asset to support the energy transition of cities and regions. As such, EDF is currently involved in 400 local projects. Energy is changing: it will be increasingly carbon-free, gradually more decentralised and better optimised for production and consumption, thanks to digital technology. EDF is transforming: investing to modernise existing facilities and innovating to develop services that will simplify customers' lives and help them to consume less and better, and to become proactive consumers. For example, the E-équilibre application makes it possible to better understand and control consumption, and is already being used by more than 1 million customers.

Two Group Senior Executive Vice Presidents, Dominique Minière - Nuclear and Thermal, and Xavier Ursat - New Nuclear Projects and Engineering, have prepared a quick overview of nuclear energy today and tomorrow, reviewing in particular the excellent results of the French nuclear power plants for 2015, in total safety.

The cost-effective and modular «Grand carénage» industrial programme aims to continue the operation of nuclear installations after 40 years in total safety. This programme may support the effective implementation of the French energy transition bill, may contribute as well the roll-out of new nuclear power plants in France and abroad. New nuclear forms an integral part of the energy mix. Outside of France, the Group hopes to become involved shortly in the Hinkley Point C project in the United Kingdom, and is responding to calls for tender from countries who have decided to develop nuclear energy as part of their energy policy. Regarding the decommissioning of its nuclear power plants, EDF takes full responsibility for the financial, technical and regulatory aspects. The Company makes provisions to have the necessary resources available when the time comes to complete the decommissioning.

KEY FIGURES

- 9,696 online votes
- 1,283 participants in the pre-Meeting survey
- 29 written & 22 oral questions
- 52 minutes of discussions with the shareholders

VOTE

- Quorum : 92.1%
- The 19 draft resolutions proposed by the Board of Directors were approved with an average rate of 98%. Resolution A was rejected.
- **Voting rights:** since 3 April 2016, in accordance with the Florange Act, registered shares that have been held for at least two years enjoy double voting rights.

APPOINTMENT

Claire PEDINI, Senior Vice President, head of Human Resources at Saint-Gobain, was appointed **member of the Board of Directors** during the Shareholders' Meeting.



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CALENDAR

- **Retail Shareholders' Meetings of H2 2016**
 - 22 September - Metz
 - 4 October - Lyon
 - 6 October - Bordeaux
 - 8 December - Lille
 - 12 December - Biarritz
- **H1 results for 2016**
 - 29 July
- **2016 Actionaria trade show, Paris**
 - 18 and 19 November

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