
Board of Directors' meeting held on 22 April 2016

- **During its meeting held on 22 April 2016, EDF's Board of Directors reviewed the Group's long term financial trajectory under the new adverse market price conditions.**
- **A responsible, efficient electricity producer that champions low carbon growth, EDF Group' ambitions are consistent with its CAP 2030 strategy priorities:**
 - **proximity to customers and local communities;**
 - **low carbon generation, with a balanced mix of nuclear and renewable energy;**
 - **international expansion.**
- **An action plan was presented to the Board of Directors which includes:**
 - **Net investments (excluding Linky and excluding new developments) optimised by close to €2bn in 2018 compared to 2015. Net investments should reach €10.5bn in 2018.**
 - **A reduction in operational expenditures of at least €1bn in 2019 compared to 2015**
 - **An assets disposals plan of c. €10bn by the 2020 horizon**
- **These measures will be included in the Group's Medium Term Plan to be presented to the Board of Directors in December as every year**
- **The Board of Directors examined the need to increase the company's equity capital:**
 - **EDF shared its intention to propose an option to pay the dividend related to fiscal years 2016 and 2017 in shares and to submit to the Board of Directors, by the closure date of the 2016 accounts and subject to market conditions, a capital increase project via a market operation for an amount of around €4bn.**
 - **The French State informed the Board of its position on the matter: it is disclosed separately.**

Wholesale power prices – ranging between 25 and 28 €/MWh since the beginning of 2016 – are at an all-time low. Prices could stay at this low level in France and in Europe over the next two to three years. In France, the end of regulated tariffs for businesses at end 2015 increases EDF's exposure to wholesale market prices. Around 65% of EDF's generation output in France is now exposed to market prices.

EDF announces consequently an action plan in order to enable the company, despite these adverse market conditions, to continue its strategic development within the CAP 2030 framework.

1. Investments optimisation and selectivity in accordance with the CAP 2030 strategy

Investments on the existing scope will be reduced by close to €2bn between 2015 and 2018, with the objective to reach €10.5bn by then.

Investments excluding existing scope representing close to €2bn per year are planned until 2018 in regulated activities (Linky meters whose rollout is already under way, construction of new generation units from renewable energy sources, Hinkley Point C project).

The total amount of Group investments should hence range between €12.5bn and €13.5bn per year over the next three years.

2. Reduction in operational expenditures

The Group already reduced cost by around €300m in 2015 compared to 2014 and announced, during the presentation of its annual results on 16 February 2016, a cost reduction objective of €700m in 2018 compared to 2015.

Cost reductions are strengthened and furthered. The reduction objective is reinforced to at least €1bn in 2019 compared to 2015.

3. Assets disposals plan to finance the Group's new developments

The disposals plan initiated in 2015 to contribute to financing investments corresponding to new developments is strengthened. The Group sets an assets disposals target of around €10bn between 2015 and the 2020 horizon, including an evolution of RTE's equity capital, thermal power generation assets outside of France and minorities stakes.

Note: these figures do not include the projected acquisition of a controlling stake in AREVA NP.

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 37.6 million customers, of which 27.8 million in France. The Group generated consolidated sales of €75 billion in 2015, of which 47.2% outside of France. EDF is listed on the Paris Stock Exchange

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