



SALES AND HIGHLIGHTS 2017

FIRST QUARTER



DISCLAIMER

This presentation does not constitute an offer to sell securities in the United States or any other jurisdiction.

No reliance should be placed on the accuracy, completeness or correctness of the information or opinions contained in this presentation, and none of EDF representatives shall bear any liability for any loss arising from any use of this presentation or its contents.

The present document may contain forward-looking statements and targets concerning the Group's strategy, financial position or results. EDF considers that these forward-looking statements and targets are based on reasonable assumptions as of the present document publication, which can be however inaccurate and are subject to numerous risks and uncertainties. There is no assurance that expected events will occur and that expected results will actually be achieved. Important factors that could cause actual results, performance or achievements of the Group to differ materially from those contemplated in this document include in particular the successful implementation of EDF strategic, financial and operational initiatives based on its current business model as an integrated operator, changes in the competitive and regulatory framework of the energy markets, as well as risk and uncertainties relating to the Group's activities, its international scope, the climatic environment, the volatility of raw materials prices and currency exchange rates, technological changes, and changes in the economy.

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 6 March 2017, which is available on the AMF's website at www.amf-france.org and on EDF's website at www.edf.com.

EDF does not undertake nor does it have any obligation to update forward-looking information contained in this presentation to reflect any unexpected events or circumstances arising after the date of this presentation.

STRATEGIC HIGHLIGHTS

RENEWABLE ENERGIES

- ⇒ Acceleration of strategic capital allocation to renewables
 - Start of exclusive talks on 25 April 2017 by EDF Énergies Nouvelles, with a view to acquiring a majority stake in the onshore wind energy specialist Futuren⁽¹⁾
 - Entering on 22 March 2017 in the Masdar-led consortium developing the third phase of a 800MW solar park in Dubai
- ⇒ Expansion in renewable energies
 - Commissioning of:
 - 189MW gross, especially in India (solar and wind)
 - 98MW in the UK in April 2017 (wind)
 - Construction start for 242MW of new projects, mainly located in the USA

ENERGY SERVICES

- ⇒ Development of Dalkia's business:
 - Maintenance and management contract renewed for the cooling of the CERN, the European organisation for nuclear research in Geneva
 - Extension of the heat network of Limoges city (France)
 - Acquisition of Froid Climatisation Service 84 entity, a cooling and air treatment specialist located in South-East of France

NEW NUCLEAR

- ⇒ Flamanville 3: system performance tests launched, in line with timetable
- ⇒ Taishan: start of primary system loading for hot functional testing, and start of First-Plant-Only-Test⁽²⁾

(1) Futuren operates in France, Germany, Morocco and Italy. It owns 389MW of gross wind energy capacity, operates 357MW for third parties and is developing wind energy projects representing over 168MW in capacity

(2) First-Plant-Only-Test: Testing on the internal structures vibrations

KEY ACHIEVEMENTS IN PERFORMANCE PLAN

CAPITAL INCREASE

- Final gross proceeds: €4,018m resulting in the issuance of 633 million new shares
- Market subscription rate: 185.9%
- Use of proceeds:
 - Finance the Group's development operations during the 2017-2020 period, in line with the CAP 2030 strategy
 - Strengthen the Group's financial flexibility

DISPOSAL PLAN

- Sale on 31 March 2017 to Caisse des Dépôts and CNP Assurances of a 49.9% stake in the company holding owning 100% of RTE
Valuation of RTE: €8.2bn, with a potential value complement for EDF of up to €100m
- Sale of EDF Trading's coal and freight assets to JERA Trading, with EDF receiving on 4 April 2017 a 33.3% stake in JERA Trading
- Disposal on 31 January 2017 of the whole of EDF's stake in EDF DEMASZ to ENKSZ

FINANCIAL HIGHLIGHTS

2016 DIVIDEND

- ⇒ Proposal of a €0.90 dividend per share for 2016 at AGM on 18 May 2017 - €0.50 interim dividend paid in October 2016
- ⇒ Option to receive the dividend in new shares confirmed by the French State
- ⇒ Ex-dividend date for final dividend of €0.40: 6 June 2017
- ⇒ Payment date and settlement of shares: 30 June 2017

LONG-TERM FINANCING

- ⇒ ¥137bn or €1.1bn raised in January 2017, through a series of “Samurai” senior bond issues, ranging from 10 to 20 years
- ⇒ First public “Samurai” Green Bonds, with the issuance of two green tranches totalling ¥26bn (or ~€210m) dedicated to the financing of renewable investments
- ⇒ Total Green Bonds issued to date by EDF group: ~€4.5bn

OPERATING HIGHLIGHTS

SALES PERFORMANCE

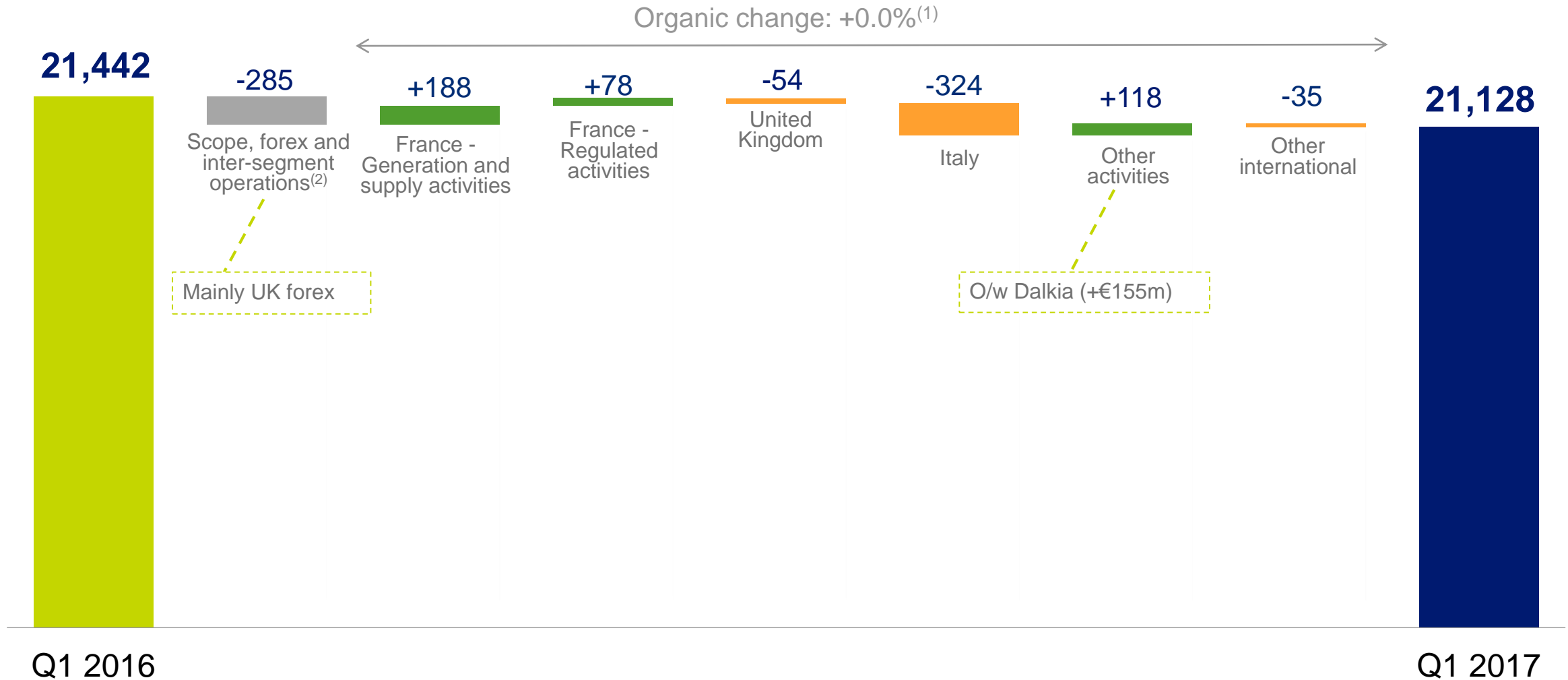
- ≡ Group sales: €21.1bn, flat in organic terms compared to Q1 2016
 - France – Generation & supply activities: +1.7% in particular due to ARENH sales
 - Dalkia: +15.4% benefitting mostly from favourable price effects
 - Italy: -10.4% penalised by realised gas price level

OPERATING PERFORMANCE

- ≡ Nuclear generation
 - France: -7.6TWh in line with expectations considering outages for additional controls initiated in 2016
 - United Kingdom: +0.3TWh

GROUP SALES STABLE IN ORGANIC TERMS⁽¹⁾

In €m

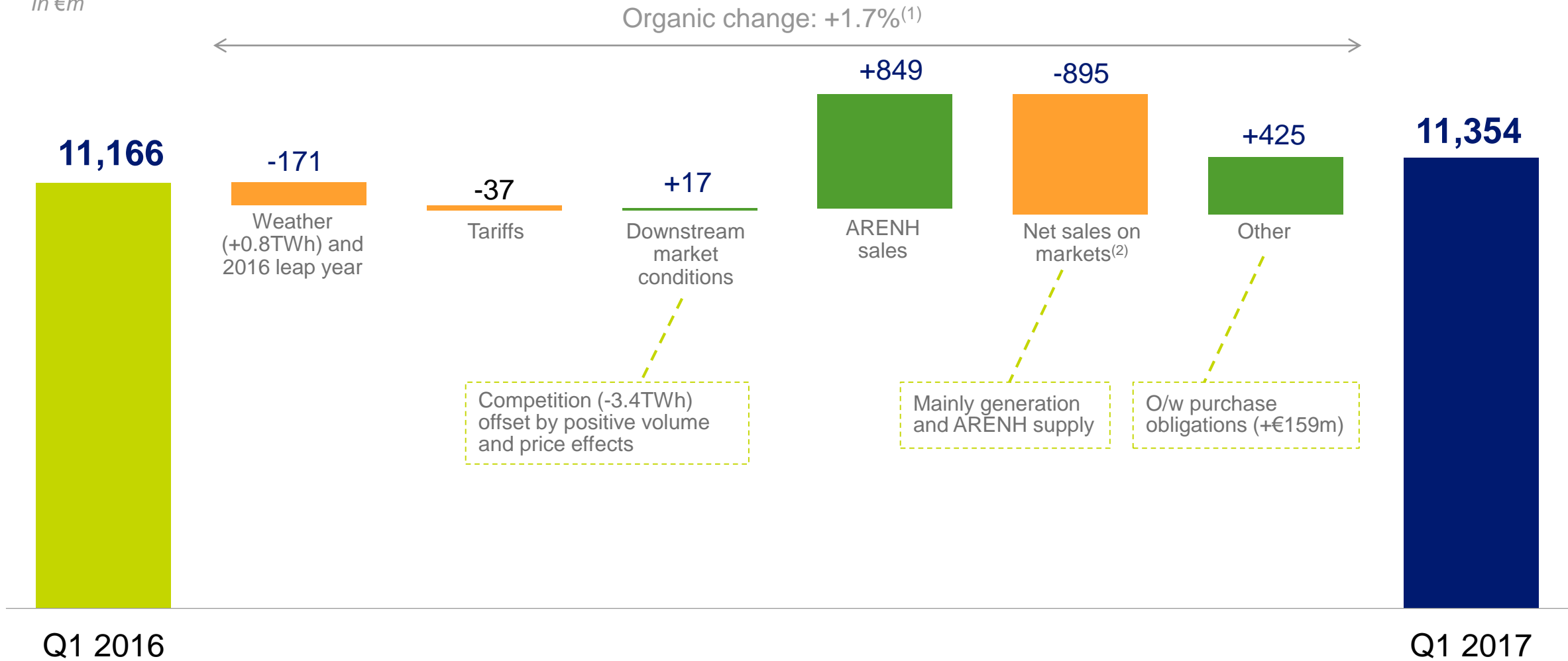


(1) Organic change at constant scope and exchange rates – financial information reflecting the new segmental reporting since 31.12.2016

(2) As of 2016, breakdown of sales across the segment, before inter-segment eliminations

FRANCE – GENERATION AND SUPPLY ACTIVITIES

In €m

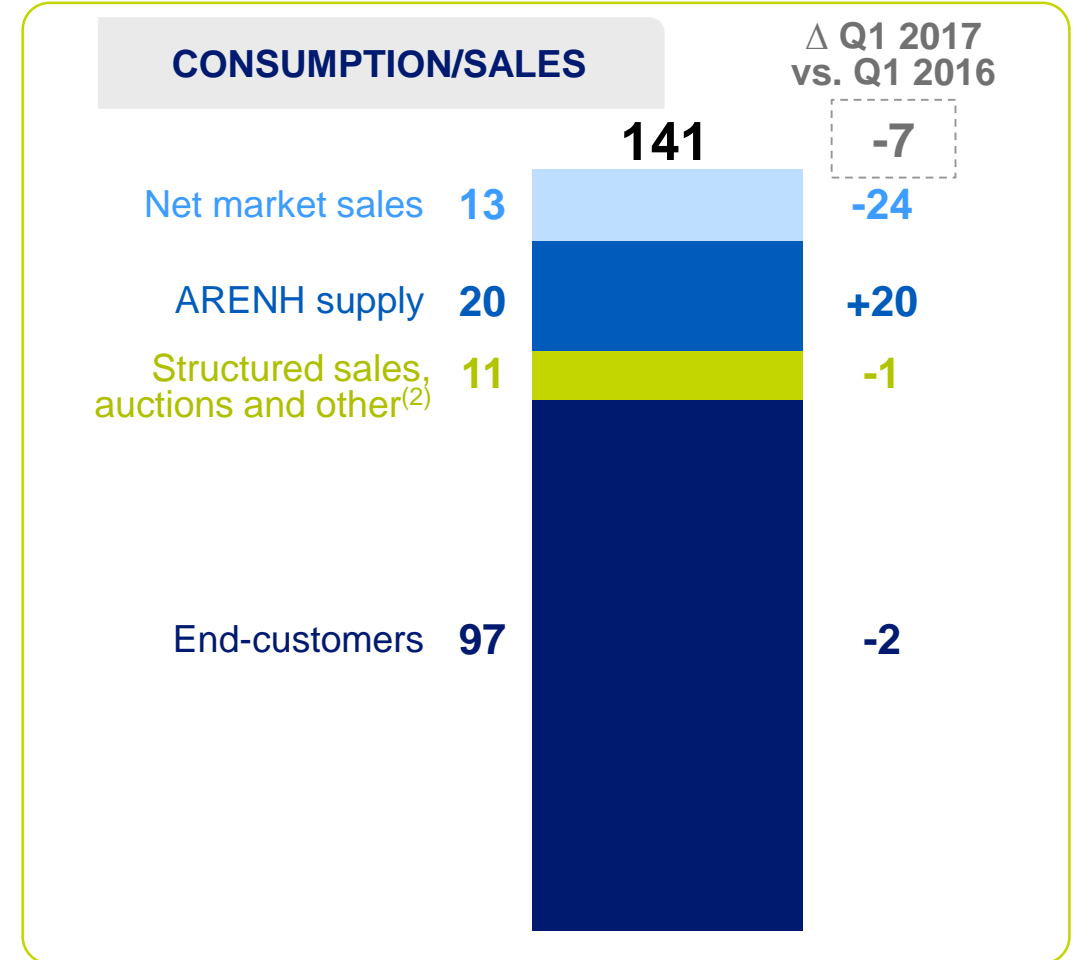
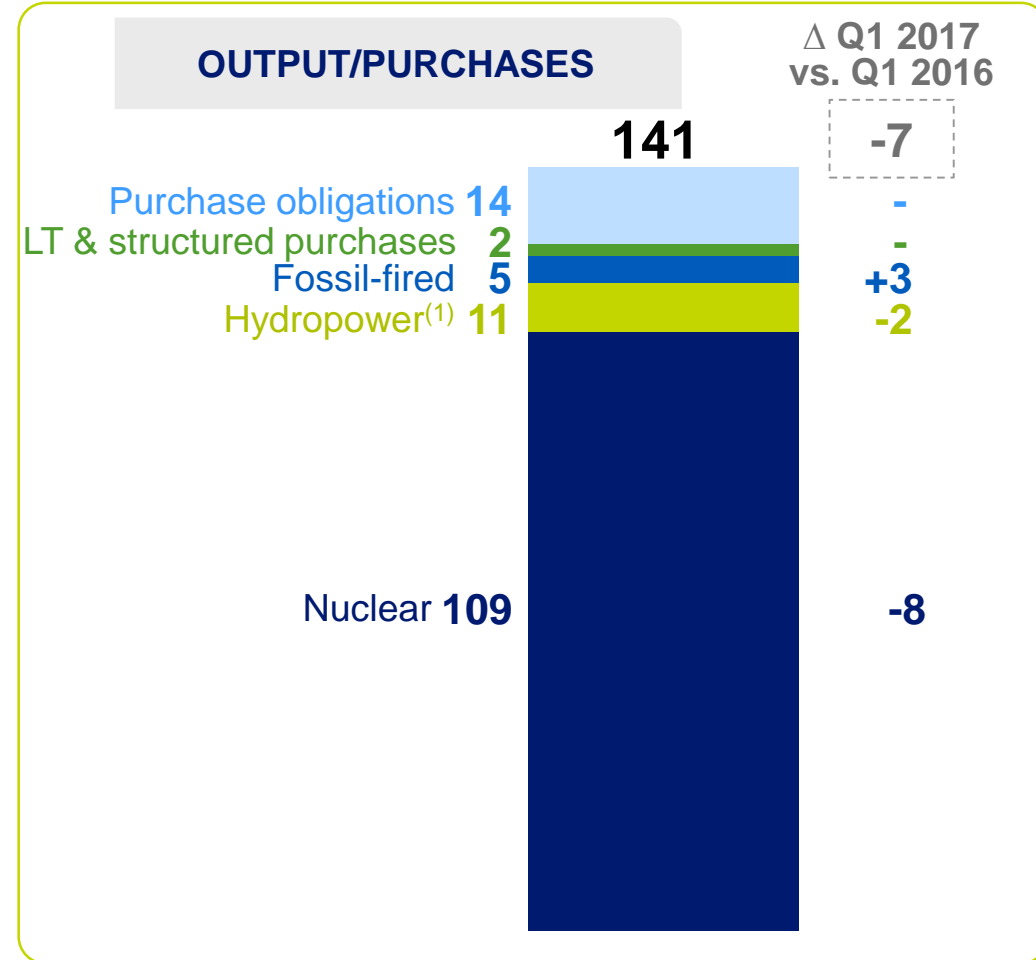


(1) Organic change at constant scope and exchange rates - financial information reflecting the new segmental reporting since 31.12.2016

(2) Excluding additional required energy purchases on markets

FRANCE: UPSTREAM/DOWNSTREAM BALANCE

In TWh



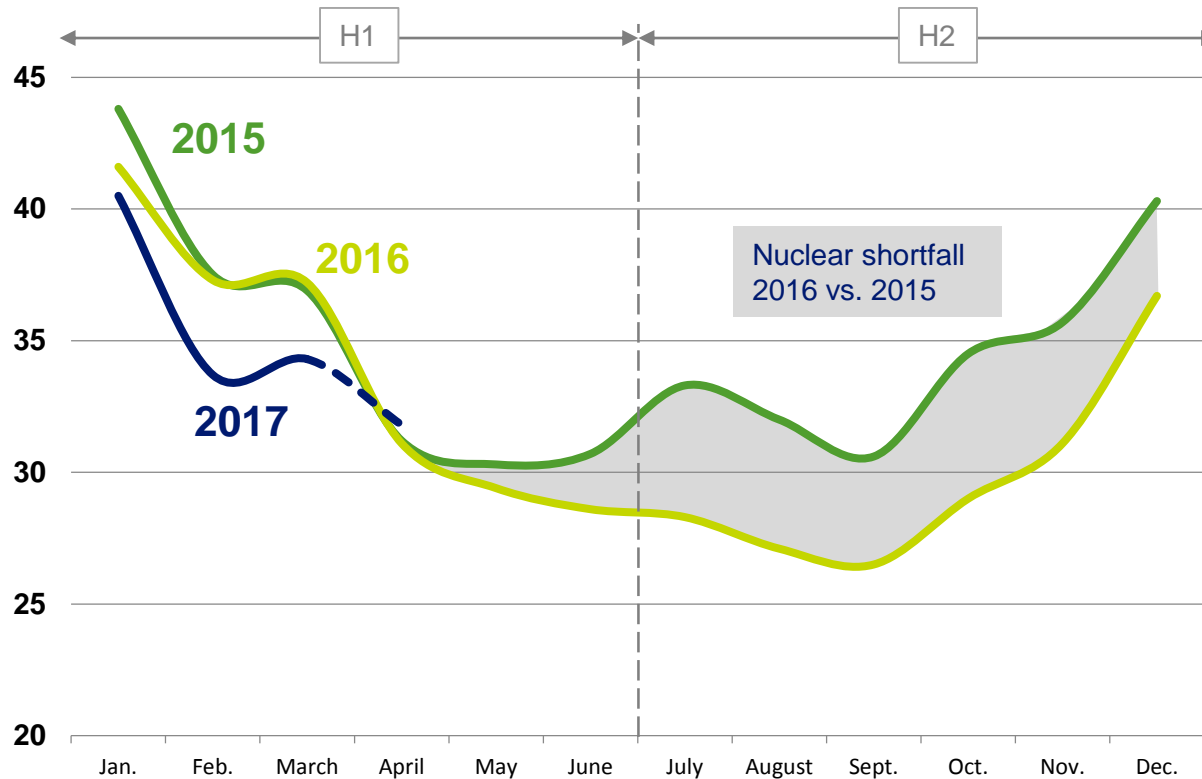
NB: EDF excluding French islands electrical activities

(1) Hydro output after deduction of pumped volumes: 9TWh

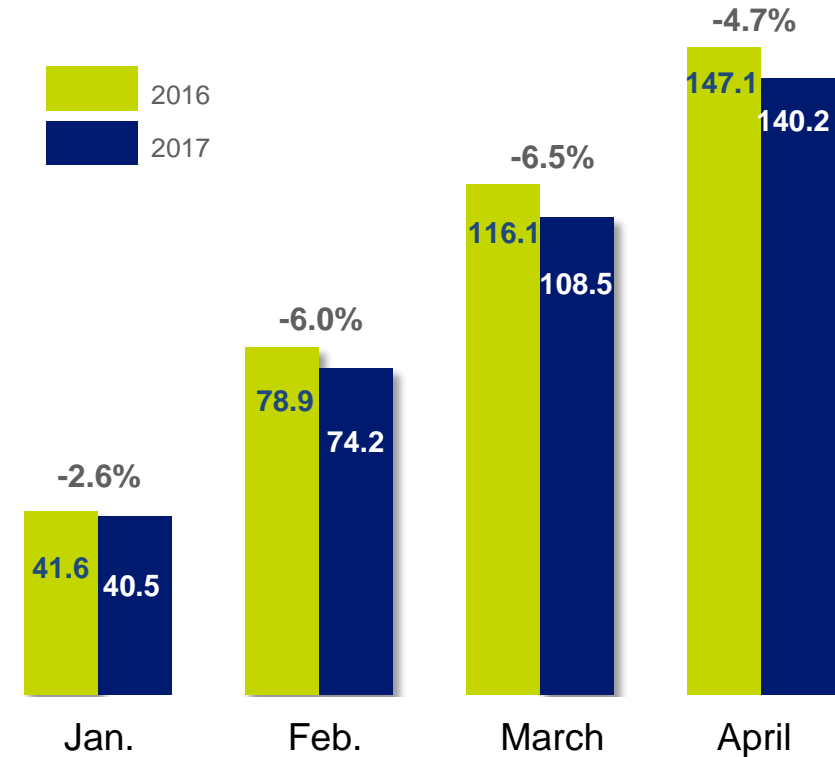
(2) Including hydro pumped volumes of 2TWh

FRANCE NUCLEAR OUTPUT: IN LINE WITH EXPECTATIONS CONSIDERING OUTAGES FOR ADDITIONAL CONTROLS INITIATED IN H2 2016

Monthly nuclear output (in TWh)



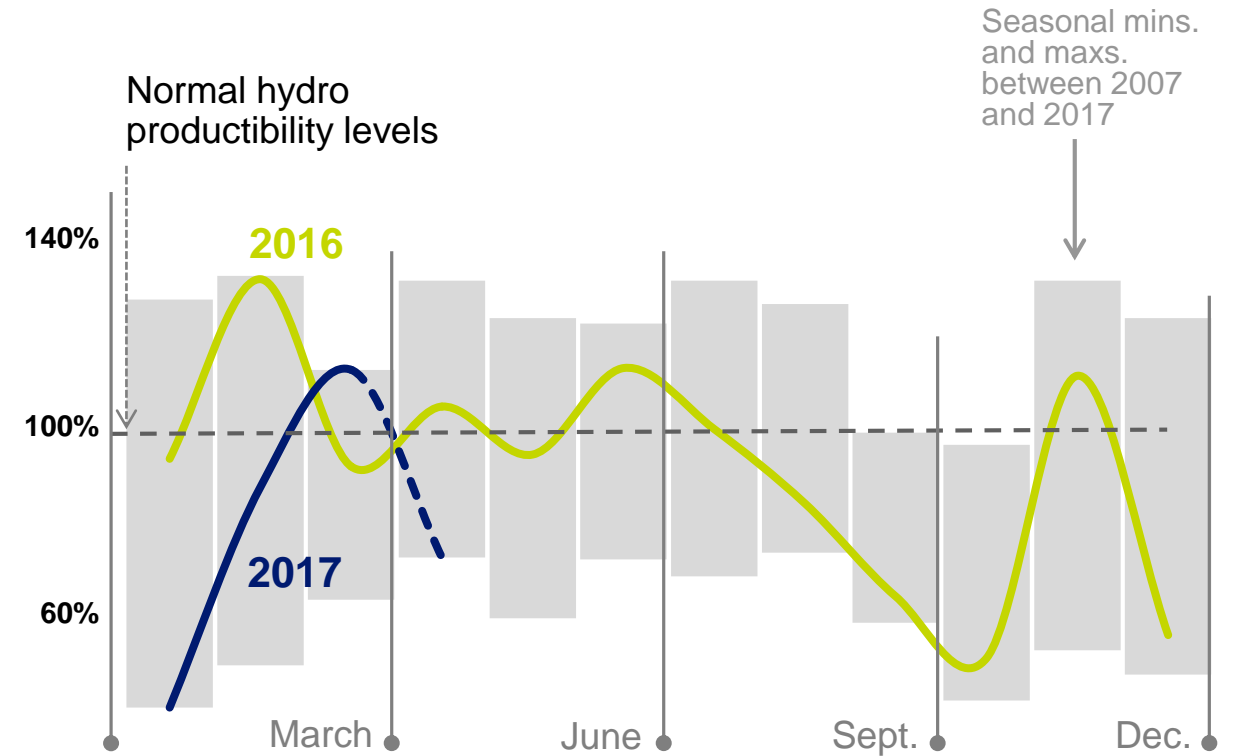
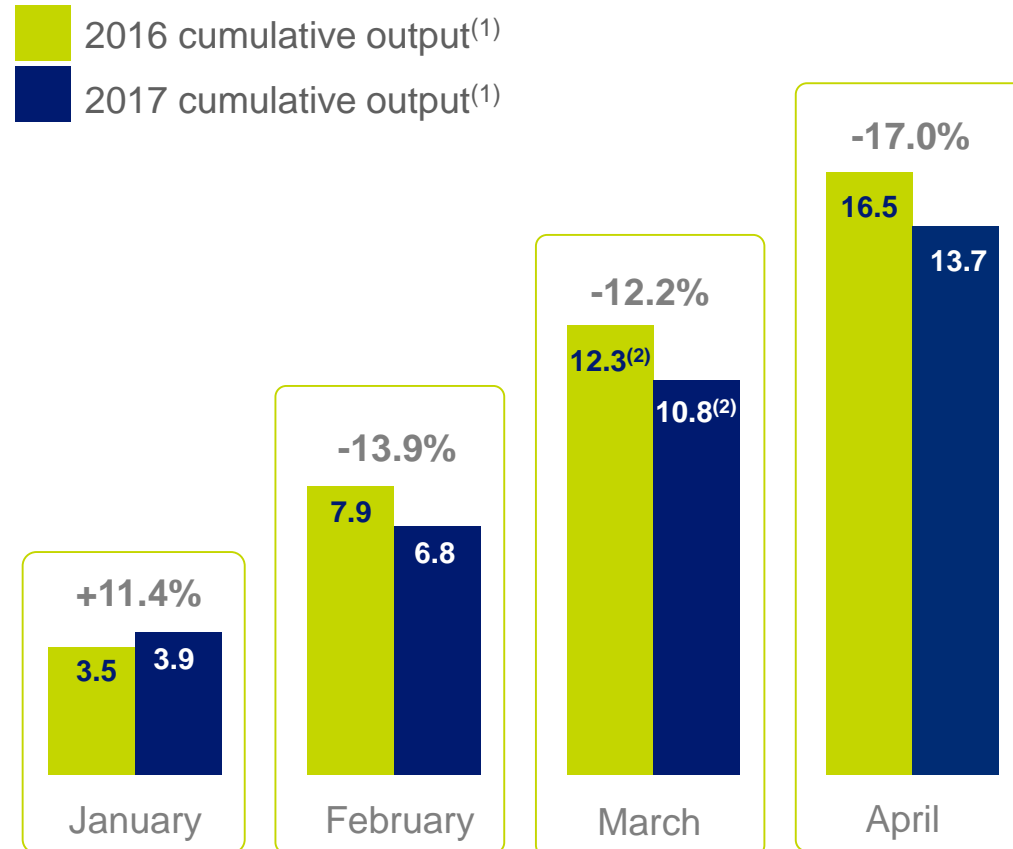
Cumulative nuclear output (in TWh)



2017 nuclear output target confirmed: 390 – 400 TWh

FRANCE HYDRO OUTPUT: HYDRO CONDITIONS BELOW AVERAGE

In TWh

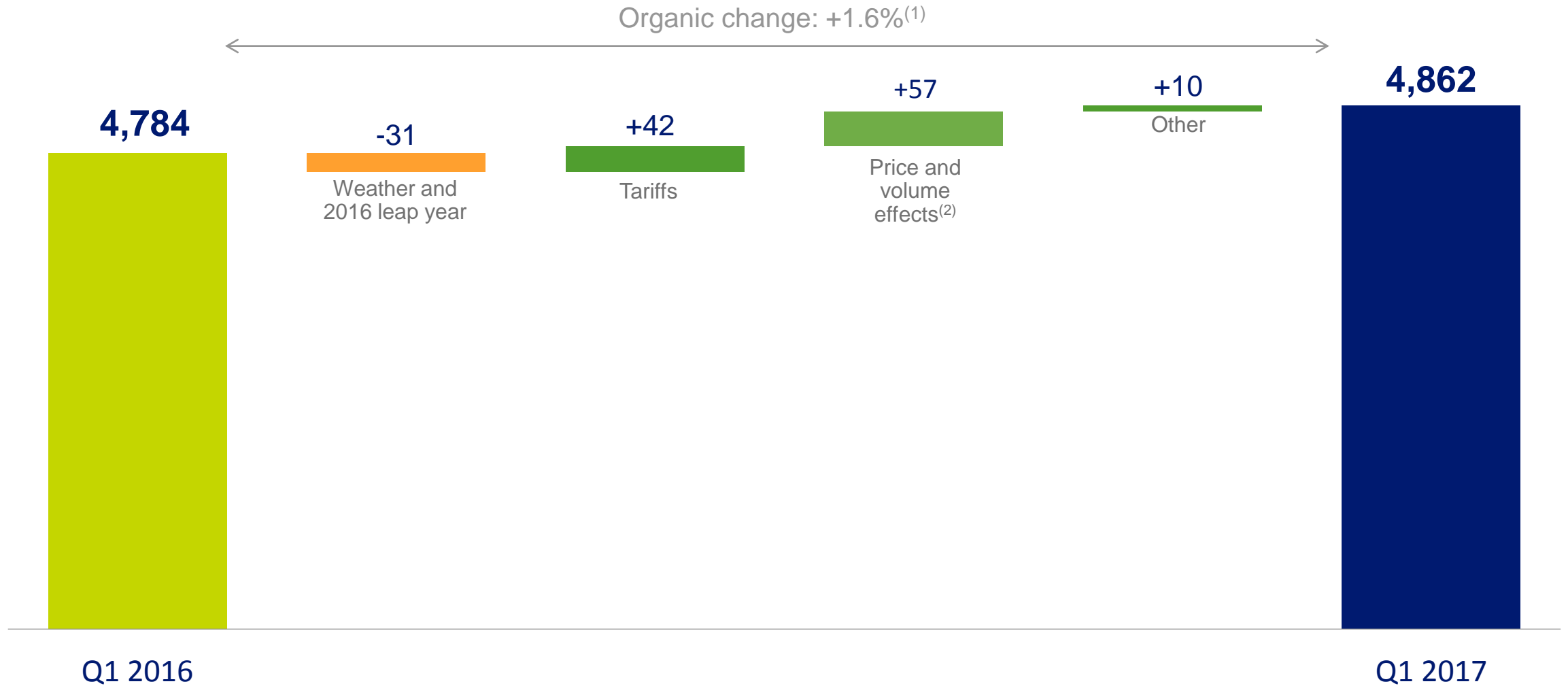


(1) Hydropower excluding French islands electrical activities, before deduction of pumped volumes

(2) Output after deduction of pumped volumes: 10.4TWh in Q1 2016 and 8.9TWh in Q1 2017

FRANCE – REGULATED ACTIVITIES

In €m



(1) Organic change at constant scope and exchange rates - financial information reflecting the new segmental reporting since 31.12.2016

(2) Excluding weather and tariff effects

UNITED KINGDOM: LOWER MARKET PRICES, OPERATING PERFORMANCE OF NUCLEAR FLEET REMAINING VERY HIGH

<i>In €m</i>	Q1 2016	Q1 2017	Δ%	Δ% Org. ⁽¹⁾
SALES	2,929	2,568	-12.3	-1.8

- ⇒ Negative impact of lower realised prices
- ⇒ Nuclear output at 16.0TWh (+0.3TWh vs. Q1 2016) due to a favourable phasing effect from refuelling
- ⇒ Stable residential customer base in Q1 2017

(1) Organic change at constant scope and exchange rates - financial information reflecting the new segmental reporting since 31.12.2016

ITALY: DECREASE IN SALES WILL NOT IMPACT PROFITABILITY

<i>In €m</i>	Q1 2016	Q1 2017	Δ%	Δ% Org. ⁽¹⁾
SALES	3,119	2,797	-10.3	-10.4

- Electricity activity: lower sales volumes, partially offset by increase in power sales prices
- Hydrocarbons activity
 - Strong decrease in realised gas prices with no major impact on profitability thanks to hedging
 - Increase in gas volumes thanks to rising demand, in line with higher thermal generation and industrial consumption
 - E&P business benefitting from higher Brent prices

(1) Organic change at constant scope and exchange rates - financial information reflecting the new segmental reporting since 31.12.2016

EDF ÉNERGIES NOUVELLES: BENEFITS OF 2016 COMMISSIONINGS

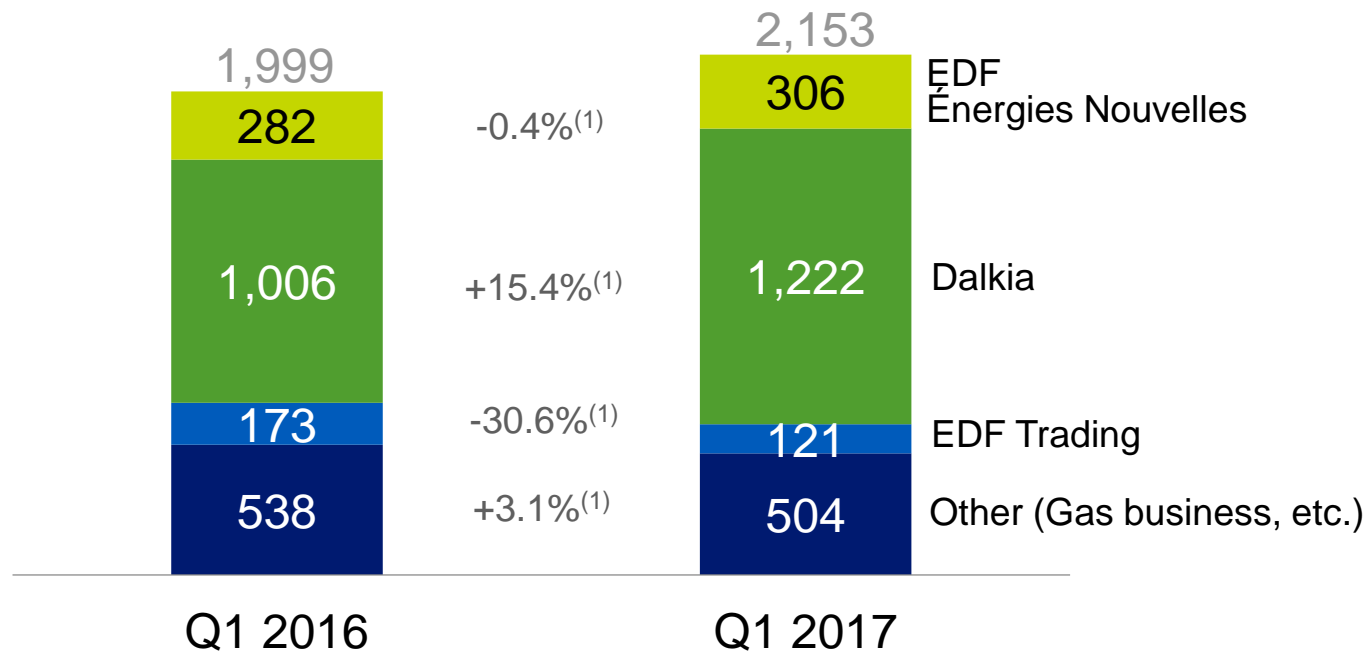
<i>In €m</i>	Q1 2016	Q1 2017	Δ%	Δ% Org. ⁽¹⁾
SALES	282	306	+8.5	-0.4

- ⇒ Generation affected by unfavourable wind conditions in France and the UK
- ⇒ Positive impact of net capacities commissioned in 2016
- ⇒ Gross commissioning of 189MW during Q1 2017, especially in India (wind and solar)
- ⇒ Significant portfolio of projects under construction: 1.8GW gross

(1) Organic change at constant scope and exchange rates - financial information reflecting the new segmental reporting since 31.12.2016

OTHER ACTIVITIES: SOLID OPERATING PERFORMANCE OF DALKIA, UNFAVOURABLE PRICE ENVIRONMENT FOR EDF TRADING

<i>In €m</i>	Q1 2016	Q1 2017	Δ%	Δ% Org. ⁽¹⁾
SALES	1,999	2,153	+7.7	+5.9



EDF

Dalkia

- Sales lifted by positive price impact due to fuel price increase and favourable services contracts indexations
- More favourable weather conditions on heat volumes

EDF

EDF Trading

- Low volatility and unfavourable price environment in Europe due to mild weather in February and March
- Decrease in coal business due to lower prices and mild weather
- Lower gas prices in Canada

(1) Organic change at constant scope and exchange rates - financial information reflecting the new segmental reporting since 31.12.2016

OTHER INTERNATIONAL: ONGOING DEVELOPMENT OF RENEWABLES AND SERVICES, NEGATIVE PRICE EFFECT

<i>In €m</i>	Q1 2016	Q1 2017	Δ%	Δ% Org. ⁽¹⁾
SALES	1,546	1,467	-5.1	-2.3

Belgium

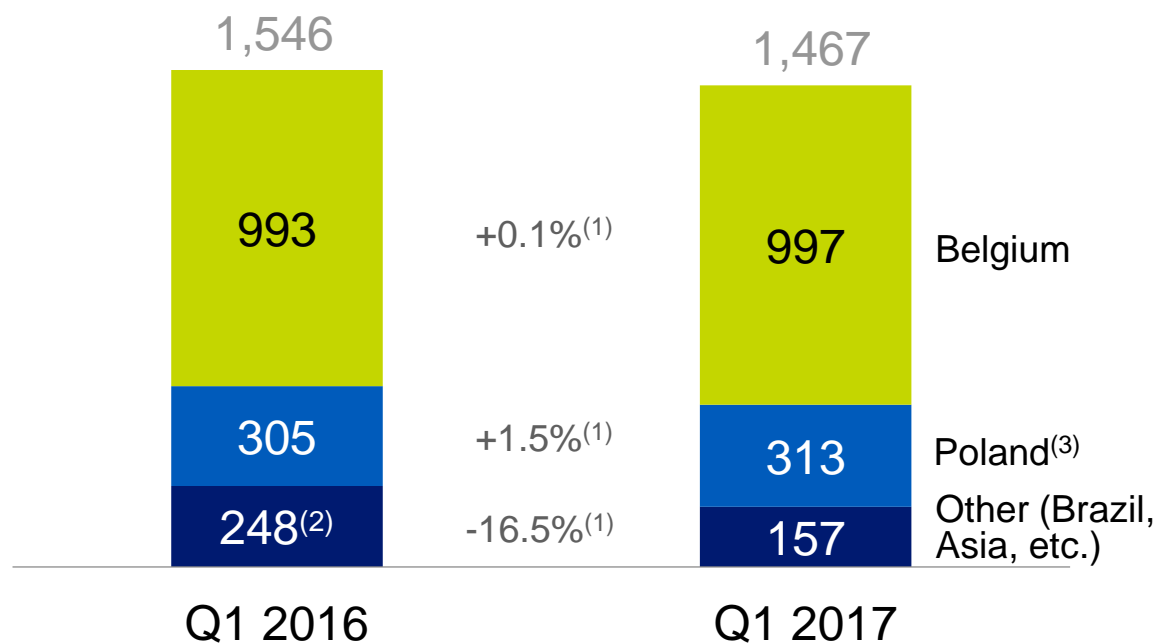
- Increase in wind capacities to ~300MW (+14% compared to Q1 2016)
- Gas: decrease in prices and volumes
- Electricity: increase in volumes sold, more than mitigated by lower prices
- Ongoing development of service business

Poland

- Higher electricity and heat volumes thanks to improved availability of generation assets, favourable weather and commercial expansion
- Negative price effect on electricity sales

Other

- Brazil: negative impact of annual PPA-price review, combined with lower output due to system operator dispatch



(1) Organic change at constant scope and exchange rates - financial information reflecting the new segmental reporting since 31.12.2016

(2) Including EDF Demasz sales in Q1 2016, with no equivalent in Q1 2017 considering the sale of the subsidiary on 31 January 2017

(3) Polish activities of EDF EN and Dalkia part of the "Other activities" segment

2017 TARGETS & 2018 ROAD MAP CONFIRMED

2017

≡ NUCLEAR OUTPUT	390–400 TWh
≡ EBITDA ⁽¹⁾	€13.7bn – €14.3bn
≡ NET FINANCIAL DEBT/EBITDA ⁽²⁾	≤ 2.5x
≡ PAYOUT RATIO OF NET INCOME EXCLUDING NON-RECURRING ITEMS ⁽³⁾	55% to 65%

2018

≡ OPEX ⁽⁴⁾	-€0.7bn vs. 2015
≡ NET INVESTMENTS EXCLUDING LINKY, NEW DEVELOPMENTS AND ASSET DISPOSALS	~€10.5bn
≡ EBITDA ⁽⁵⁾	≥ €15.2bn
≡ CASH FLOW ⁽⁵⁾⁽⁶⁾	≥ 0
≡ NET FINANCIAL DEBT/EBITDA ⁽⁵⁾⁽⁶⁾	≤ 2.5x
≡ PAYOUT RATIO OF NET INCOME EXCLUDING NON-RECURRING ITEMS ⁽³⁾	50%

(1) At 2016 exchange rate

(2) At 2016 exchange rate and at an assumed discount rate on nuclear provisions of 4.1% in 2017

(3) Adjusted for the remuneration of hybrid bonds accounted for in equity

(4) At constant scope, exchange and hypothesis of pensions discount rates. Excluding change in operating expenses of service activities

(5) At 2016 exchange rate and assumption for 2018 power prices in France on volumes not hedged as of 31.12.2016: ≥ €36/MWh

(6) At 2016 exchange rate. Cash flow excluding Linky, new developments and asset disposals, with an assumed discount rate on nuclear provisions of 4.1% in 2017 and 3.9% in 2018, excluding interim dividend for fiscal year 2018, which will be decided in H2 2018



BEYOND 2018

BEYOND 2018	≡ OPEX REDUCTION ⁽¹⁾ in 2019 vs. 2015	At least €1bn
	≡ ASSET DISPOSALS OVER 2015-2020	At least €10bn
	≡ PAYOUT RATIO OF NET INCOME EXCLUDING NON-RECURRING ITEMS ⁽²⁾	45% to 50%

(1) At constant scope, exchange and hypothesis of pensions discount rates. Excluding change in operating expenses of service activities

(2) Adjusted for the remuneration of hybrid bonds accounted for in equity



SALES AND HIGHLIGHTS 2017

FIRST QUARTER

