PRESS RELEASE
15 February 2019

2018 annual results
Rebound confirmation: double-digit growth in EBITDA
Cash Flow [1] largely positive
Excellent execution of the performance plan

2018 key figures

EBITDA		€15.3bn *+11.3% org.*[2]
Net income excluding non-recurring items [4]		€2.5bn *-13.1%* [5]
Net income – Group share		€1.2bn *-62.9%*
Dividend 2018		*€0.31/share*
Electricity Output		
Nuclear France	393.2TWh	*+3.7%*
Nuclear United Kingdom	59.1TWh	*-7.5%*
Hydropower France	46.5TWh	*+25.4%*
EDF Renewables	15.2TWh	*+15.0%* [6]
CO_2 emissions at their lowest historic level		
Group	57gCO_2/kWh	-30.5%
EDF SA	17gCO_2/kWh	-32.0%

Rebound Confirmation
- Double-digit growth in EBITDA [2] in line with targets
- Nuclear output in France and renewable output up sharply
- Continuation of the reduction of operating expenses [7] : €962m at end 2018 vs. 2015
- Cash flow target [1] exceeded

Strengthened balance sheet
- Finalisation of the disposal plan two years in advance
- Refinancing of hybrid bonds and senior bond offering

Control of net financial debt
- €33.4 billion, representing a net financial debt/EBITDA ratio of 2.2x

Deployment of CAP 2030

Customers and services
- Commercial innovations in France:
  - "*Vert Electrique*" - strong acceleration with 210,000 customers
  - launch of "*Digiwatt*", a fully digital offer
  - launch of "*Mon Chauffage durable*"
- Services
  - launch of the "*IZI by EDF*" private and professional services platform
  - targeted acquisitions: Aegis (United States) and Zephyro (Italy)
  - Plan lumières 4.0: smart lighting contract on major roads in Wallonia, Belgium, managed by Citelum
- In Europe
  - consolidation of the customer portfolio in Italy, good resilience in Belgium, difficult context in the United Kingdom

Renewables
- Growth of 14% of the Group's renewable output [3] (17.2TWh)
- 1.6GW gross commissioned by EDF Renewables, of which 0.9GW solar power
- New major developments in offshore wind power:
  - commissioning of the Blyth Park in the United Kingdom (41.5MW)
  - acquisition of the NNG project (450MW) in Scotland
  - acquisition of rights for projects in the United States (potential 2.5GW in New Jersey and New York)
- Solar Plan : entering into exclusive negociations for the acquisition of Luxel group (~1GWc gross capacity)
- Launch of the Storage Plan: 10GW target by 2035

Nuclear
- Commissioning of the first EPR at Taishan, in China
- Continuation of the HPC project and freeze of the final design
- Flamanville 3: continuation of the action plan on the welding of the main secondary circuit
- Successful integration of Framatome

International development
- Completion of the construction of the Sinop dam in Brazil (400MW)
- Launch of the Nachtigal Dam Project in Cameroon (420MW)
- Extension of the off-grid offer in Africa: Ghana, Togo, Kenya

2019 targets[8]		
	EBITDA [9]:	€15.3 - 16.0bn
	Decrease in Opex[7]:	~€1.1bn vs. 2015
	Cash flow excluding HPC and Linky:	>0

2019-20 Ambitions[8]		
	Total net investments [10] excluding acquisitions and "2019-2020 Group disposals":	~€15bn/year
	2019-2020 Group disposals:	€2bn to €3bn
	Net financial debt/EBITDA [9]:	≤2.5x
	Dividend: Payout ratio based on Net income excluding non-recurring items [11]: French State committed to scrip for the balance of the 2018 dividend and dividends relating to FY2019 and FY2020	45 – 50%

EDF's Board of Directors meeting on 14 February 2019, under the chairmanship of Jean-Bernard Lévy, approved the consolidated financial statements at 31 December 2018.

Jean-Bernard Lévy, EDF's Chairman and CEO, stated: *"The rebound in our results in 2018 has occurred and is in line with our forecasts. We have achieved all our financial objectives and are exceeding all the targets of our performance plan. We have stabilised our net financial debt, strengthened our balance sheet, reached a record for generation in renewable energies, succeeded in overhauling the French nuclear sector and strengthened our supply business through several significant innovations. Our performance will not only continue but will be amplified in 2019. This is the result of the daily commitment of the Group's employees, mobilised in the deployment of the CAP 2030 strategy. With its dynamism, EDF will play a leading role in the implementation of the Multi-Year Energy Plan, which provides the Group with a clear framework and growth opportunities for the coming years. "*

Change in EDF group's results

(in millions of Euros)	**2017 (12)**	**2018 (5)**	**Change (%)**	**Organic change (%)**
Sales	64,892	68,976	+ 6.3	+ 4.0
EBITDA	13,742	15,265	+ 11.1	+ 11.3
EBIT	5,637	5,282	- 6.3	
Net income – Group share	3,173	1,177	- 62.9	
Net income excluding non-recurring items (4)	2,820	2,452	- 13.1	

Change in EDF group's EBITDA

(in millions of Euros)	**2017 (12)**	**2018**	**Organic change (%)**
France – Generation and supply activities	4,896	6,327	+ 29.2
France – Regulated activities	4,898	4,916	+ 0.4
EDF Renewables	751	856	+ 4.1
Dalkia	259	292	+ 12.0
Framatome	-	202	-
United Kingdom	1,035	783	- 15.4
Italy	910	791	- 12.7
Other international	457	240	-3.1
Other activities	536	858	+ 62.1
Total Group	**13,742**	**15,265**	**+ 11.3**

The 2018 results confirm the expected rebound, mainly driven by the good performance of nuclear and hydropower output in France, the growth of EDF Renewables and EDF Trading's very strong results.

Footnotes to the first and second pages

(1) Excluding Linky, new developments and disposal plan.

(2) Organic change at comparable scope and exchange rates.

(3) Excluding hydropower output.

(4) Net income excluding non-recurring items is not defined by IFRS, and is not directly visible in the consolidated income statement. It corresponds to the Group net income excluding non-recurring items and net changes in fair value on Energy and Commodity derivatives, excluding trading activities and excluding net changes in fair value and equity, net of tax.

(5) IFRS 9 "Financial Instruments" is effective starting on 1 January 2018, with no retrospective application in 2017.

(6) Organic change.

(7) Sum of personnel expenses and other external expenses. At comparable consolidation scope and exchange rates. At constant pension discount rates. Excluding change in operating expenses of the service activities.

(8) Before IFRS 16 application. At constant legal and regulatory framework in France.

(9) On the basis of the scope and exchange rates at 01/01/2019 and of an assumption of a 395TWh France nuclear output. At prevailing price conditions beginning of February 2019 (around €50/MWh) for the unhedged 2020 France volumes.

(10) In accordance with the Group's anticipations regarding the Flamanville 3 project completion costs and schedule.

(11) Adjusted for the remuneration of hybrid bons accounted for in equity.

(12) The data published on 31 December 2017 has been restated for the impact of the application of the IFRS 15 standard on revenue (without impact on EBITDA) and the change in segmental reporting (IFRS 8).

Marked rebound of the operating performance

Nuclear output in France amounted to 393.2TWh, an increase of 14.1TWh over 2017. This improvement can be explained by the fact that 2017 was heavily penalised by several reactor outages linked in particular to the manufacturing records of the Creusot plant, the "carbon segregation" issue, and the temporary shutdown of the four generation units of the Tricastin power plant.

Hydropower output in France amounted to 46.5TWh (1), an increase of 25.4% (+9.4TWh) over 2017. After a very dry year in 2017, 2018 benefited from good hydropower conditions and an optimised availability of hydropower assets.

In the United Kingdom, nuclear output amounted to 59.1TWh, down 4.8TWh compared to 2017. This decrease can be explained in particular by the Hunterston B inspection and the extension of the Dungeness B outage.

EDF Renewables' production amounted to 15.2TWh, an organic increase of 15% compared to 2017 thanks to commissionings at the end of 2017.

In addition, EDF Trading achieved solid results by taking advantage of a context of favourable volatility in the commodities market.

Net income

The financial result corresponds to a financial expense of €4.8 billion, €2.6 billion more than in 2017. This evolution is primarily due to the change in the fair value of debt and equity on dedicated assets, which weighs on the financial result (application of IFRS 9 (2)) because of unfavourable market conditions, especially at the end of the year. Conversely, in 2017 the Group realised significant capital gains within its dedicated asset portfolio. Moreover, the unwinding cost recorded in 2018 is greater than in 2017 due to a more pronounced decrease in the discount rate for nuclear provisions (20 basis points in 2018 compared to 10 in 2017).

Net current income excluding non-recurring items amounted to €2.5 billion in 2018, down 13.1% compared to 2017 due to the change in the financial result (excluding the fair value adjustment of financial assets).

Net income Group share amount to €1.2 billion in 2018, down 62.9%. In addition to the variation in the financial result, this decrease is explained by the positive effect of the capital gain recorded in 2017 for the sale of 49.9% of the Group's shareholdings in CTE (3), without equivalent in 2018.

Excellent execution of the performance plan

The good execution of the performance plan was confirmed in 2018 with the surpassing of all targets:

- Operating expenses (4) were reduced by €256 million in 2018 compared to 2017, representing a cumulative reduction of €962 million between 2015 and 2018, exceeding the target of €800 million by the end of 2018 and positioning the Group on the right path to meet the €1.1 billion over 2015-2019 period.
- The Group's plans to optimise the working-capital requirement delivered a cumulated optimisation of €2.1 billion over the period 2015-2018, which allowed to exceed the €1.8 billion target.
- The €10 billion disposal plan was completed at the end of 2018, two years ahead of schedule.

Together with the capital increase carried out in 2017, the performance plan significantly strengthened the Group's balance sheet and contributed significantly to the success of Cap 2030 by allocating the necessary resources to the strategy.

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(1) After deduction of pumped-storage hydropower volumes, hydropower production stood at 39.2TWh for 2018 (30.0TWh for 2017).

(2) As of 1 January 2018, IFRS 9 is applied without restatement of the previous year.

(3) Capital gain before taxes; CTE, which holds 100% of RTE shares.

(4) Sum of personnel expenses and other external expenses. At comparable consolidation scope and exchange rates. At constant pension discount rates. Excluding change in operating expenses of the service activities.

Proposed dividend for 2018: €0.31 per share, corresponding to a payout ratio of 50%, with option of payment of the dividend balance in new shares

At its meeting on 14 February 2019, EDF's Board of Directors decided to propose to the Ordinary Shareholders' Meeting, which will be convened to approve the financial statements for the fiscal year closing 31 December 2018 and which will take place on 16 May 2019, the payment of a dividend of €0.31 per share for 2018, corresponding to a payout ratio of 50% of net income excluding non-recurring items (1).

When subtracting the interim dividend of €0.15 per share paid out in December 2018, the balance of the dividend to be paid out on the 2018 financial year comes to €0.16 per share for shares receiving the ordinary dividend and €0.191 per share for shares receiving the loyalty dividend.

Subject to approval at the Shareholders' Meeting, in accordance with Article L. 232-18 of the French Commercial Code and Article 25 of the Company's articles of association, EDF's Board of Directors decided on 14 February 2019 to offer each shareholder the option of being paid in new EDF stocks on the remaining dividend to be paid for the year ended 31 December 2018. In case the option is exercised, the new shares will be set at a price equal to 90% of the average of opening prices of the EDF share on the Euronext Paris regulated market over the twenty trading days preceding the day of the Shareholders' Meeting, reduced by the amount of the balance of the dividend to be paid for the 2018 financial year, rounded up to the nearest cent.

On 14 February 2019, EDF's Board of Directors set the terms of payment of the balance of the dividend for the 2018 financial year which will be submitted for approval during the Shareholders' Meeting:

- ordinary and loyalty dividend ex-date on 22 May 2019;
- exercise period for payment in new shares from 24 May to 10 June 2019;
- payment date of the balance of the dividend and settlement/delivery of the shares on 18 June 2019.

If the shareholder does not exercise the option of payment in new shares between 24 May and 10 June, he or she will receive the balance of the dividend in cash on the date of its payment, i.e. 18 June 2019.

Cash flow and net financial debt

The positive cash flow target (2) for 2018 was largely achieved and amounted to €1,125 million. This performance reflects the rebound in activity, the control of investments and the positive contribution of the working-capital requirement.

Net investments, excluding Linky (3), new developments (4) and excluding the Group assets disposal plan, amounted to €10,935 million, in line with expectations.

2018 also marks an acceleration of investments in the Linky program (7) and the Hinkley Point C project. Total net investments excluding the assets disposal plan amounted to €14 billion, down €2 billion from 2017, in line with the Framatome acquisition in 2017.

The disposals carried out in 2018 were lower than in 2017 (€1,937 million in 2018, compared with €6,193 million in 2017).

Cash flow after net investments and changes in working-capital requirement amounted to €1,299 million, a decrease of €554 million, mainly due to the lower level of disposals in 2018 compared to 2017, and, to a lesser extent, to the smaller contribution of the change in the working-capital requirement. Group cash flow (5) amounted to -€480 million, down €271 million.

(1) Adjusted for interest payments on hybrid issues booked in equity.
(2) Before Linky, new developments and disposal plan.
(3) Linky is a project led by Enedis, an independent EDF subsidiary as defined in the French Energy Code.
(4) New developments: in particular the UK NNB projects, offshore wind power in France.
(5) Cash flow after dividends without taking into consideration the capital increase.

	31/12/2017	31/12/2018
Net financial debt [1] *(in billions of euros)*	33.0	33.4
Net financial debt/EBITDA	2.4x	2.2x

The Group's net financial debt reached €33.4 billion at the end of 2018, almost unchanged over one year. The ratio of net financial debt/EBITDA improves; it stood at 2.2x at 31 December 2018.

(1) Net financial debt is not defined by accounting standards and is not directly visible in the Group's consolidated income statement. It comprises total loans and financial liabilities, less cash and cash equivalents and liquid assets. Liquid assets are financial assets consisting of funds or securities with initial maturity of over three months that are readily convertible into cash and are managed according to a liquidity-oriented policy.

Main Group results by segment

France – Generation and supply activities

(in millions of Euros)	2017	2018	Organic change (%)
Sales [(1)]	**25,084**	**26,096**	**+4.0**
EBITDA	**4,896**	**6,327**	**+29.2**

Sales in France - Generation and supply activities in 2018 amounted to €26,096 million, up +4.0% in organic terms compared to 2017.

EBITDA recorded an organic increase of 29.2% compared to 2017 to reach €6,327 million.

The increase in hydropower and nuclear power output had a very favourable impact on EBITDA estimated at +€1,079 million. Better conditions on the wholesale markets also contributed an estimated +€413 million improvement in EBITDA.

Conditions on the downstream market [(2)] had a positive impact of +€150 million compared to 2017, as favourable price developments on new market-price offers made up for the erosion of market shares (-13.1TWh).

Price developments and the end of the tariff adjustment component on regulated sales tariff level, excluding the Energy Savings Certificate component, led to an estimated -€152 million decrease compared to 2017.

Under the EDF group's performance plan, operating expenses [(3)] were reduced by €313 million (-3.5%) through the control of purchases and payroll costs. These measures are in application across all entities, notably in support functions and in the supply business, and reducing operating costs for the nuclear, hydropower and thermal power plant fleet.

A number of factors had a total effect of -€372 million on EBITDA: principally the increase in value-added tax (CVAE), movements in provisions, and positive items that were recorded in 2017 and had no equivalent in 2018.

(1) Breakdown of sales across the segments, before inter-segment eliminations.
(2) Excluding the Energy Savings Certificate component of market-price offers.
(3) Sum of personnel expenses and other external expenses. Based on comparable scope and exchange rates and constant discount rates for pensions. Excluding changes in operating expenses of the service activities.

France – Regulated activities [1]

(in millions of Euros)	2017	2018	Organic change (%)
Sales [2]	**15,836**	**16,048**	**+1.3**
EBITDA	**4,898**	**4,916**	**+0.4**

Sales in France - Regulated activities in 2018 amounted to €16,048 million, up +1.3% in organic terms compared to 2017.

EBITDA amounted to €4,916 million, up 0.4% in organic terms compared to 2017, driven by:

- The positive impact of the TURPE 5 [3] indexation for an estimated total of €68 million
- Growth of the grid connection services activity (+€37 million)
- The reduction in operating expenses (+€38 million) [4]
- Going in the opposite direction, the unfavourable weather effect, the negative price effect on grid losses purchases, and making provision for the risk of changes in Enedis' and Electricité de Strasbourg's contributions to the Electricity Equalisation Fund for the period 2012-2018, had the combined effect of a -€125 million decrease in EBITDA.

(1) Regulated activities include Enedis, ÉS and island activities.
(2) Breakdown of sales across the segments, before inter-segment eliminations
(3) Indexed adjustment of the TURPE 5 distribution tariff: + 2.71% at 1 August 2017 and -0.21% at 1 August 2018; indexed adjustment of the TURPE 5 transmission tariff: +6.76% at 1 August 2017 and +3.0% at 1 August 2018.
(4) Sum of personnel expenses and other external expenses. Based on comparable scope and exchange rates and constant discount rates for pensions. Excluding changes in operating expenses of the service activities.

Renewable energies

EDF Renewables

(in millions of Euros)	2017	2018	Organic change (%)
Sales [1]	**1,280**	**1,505**	**+8.4**
EBITDA	**751**	**856** [2]	**+4.1**
of which EBITDA generation	*741*	*903*	*+15.0*

Sales in EDF Renewables in 2018 amounted to €1,505 million, up 8.4% in organic terms compared to 2017.

EBITDA amounted to €856 million, up 4.1% in organic terms compared to 2017.

EBITDA from generation recorded an organic increase of 15% to €903 million, underpinned by energy production levels of 15.2TWh in 2018. This was particularly attributable to facilities commissioned in late 2017, as sales of facilities (with change of control) took place in late 2018.

Development and Sales of Structured Assets made a lower contribution to EBITDA in 2018 than in 2017. Development and support function costs increased, in order to support business growth.

The gross capacities brought into operation by EDF Renewables during 2018 totalled 1.6GW, including 0.9GW for solar power. The net installed capacities at 31 December 2018 showed a year-on-year increase of 0.5GW to 8.3GW (12.9GW gross). The gross portfolio of projects under construction at 31 December 2018 amounted to 2.4GW, consisting of 1.2GW for wind power and 1.2GW for solar power.

Group Renewables [19],[3]

(in millions of Euros)	2017	2018	Change (%)	Organic change (%)
Sales [11]	**3,687**	**4,422**	**+20**	**+19**
EBITDA	**1,587**	**2,133**	**+34**	**+35**
Net investments	**(1,458)**	**(1,220)**	**-16**	

EBITDA for all of Group Renewables amounted to €2,133 million in 2018, up 35% in organic growth thanks to a strong increase in hydropower output in France and the commissionings in 2017 in wind and solar. In terms of investments for 2018, notable acquisitions were made in offshore wind power (450MW offshore wind farm project in Scotland, acquisition of development rights in the United States) financed by the sale of a 49% minority interest in the Group's portfolio in the United Kingdom. In 2017, tne acquisition of Futuren amounted €281 million.

(1) Breakdown of sales across the segments, before inter-segment eliminations.

(2) In 2018, significate sale of 49% minority stake in twenty-four of its UK wind farms. This operation has no impact on EBITDA as EDF Renewables retains control of the operations concerned.

(3) For the renewable energy generation optimized within a larger portfolio of generation assets, in particular relating to the French hydro fleet after deduction of pumped volumes, sales and EBITDA are estimated, by convention, as the valuation of the output generated at spot market prices (or at purchase obligation tariff) without taking into account hedging effects, and include the valuation of the capacity, if applicable.

Energy services

Dalkia

(in millions of Euros)	2017	2018	Organic change (%)
Sales [1]	**3,751**	**4,189**	**+8.5**
EBITDA	**259**	**292**	**+12.0**

Sales in Dalkia in 2018 amounted to €4,189 million, up 8.5% in organic terms compared to 2017.

Dalkia's contribution to Group EBITDA for 2018 amounted to €292 million, reflecting organic growth of 12.0%. This increase takes into account difficulties encountered on a contract by one Dalkia subsidiary in 2017, which had no equivalent in 2018. Corrected for that factor, the organic growth in EBITDA is +1.3% driven by competitivity improvements resulting from the operating performance plan, and good control of overheads. Signatures and renewals of commercial contracts had a favourable effect on EBITDA, especially in the fields of energy efficiency and heat networks. However, Dalkia's EBITDA was adversely affected by maintenance operations at several important plants, poor weather, and unfavorable movements in prices.

Group Energy Services [2]

(in millions of Euros)	2017	2018	Change (%)	Organic change (%)
Sales [11]	**4,872**	**5,569**	**+14**	**+8**
EBITDA	**315**	**355**	**+13**	**+10**
Net investments	**(576)**	**(514)**	**-11**	

EBITDA for Group Energy Services amounted to €355 million in 2018, up 10% in organic growth. This performance was mainly driven by Dalkia and to a lesser extent by the development of energy services in Italy, Belgium and the United Kingdom. The change in net investments reflects in particular the acquisition of Imtech in the United Kingdom in 2017.

(1) Breakdown of sales across the segments, before inter-segment eliminations.
(2) Group Energy Services include Dalkia; Citelum, CHAM and service activities of EDF Energy, Edison, EDF Luminus and EDF SA. They consist in particular of street lighting, heating networks, decentralised low-carbon generation based on local resources, energy consumption management and electric mobility.

Framatome

(in millions of Euros)	2017 (1)	2018
Sales (2)	**-**	**3,313**
EBITDA (3)	**-**	**465**
EBITDA EDF group contribution		**202**

Sales in Framatome in 2018 amounted to €3,313 million. A significant share of sales was realised with other entities of the Group.

Framatome's EBITDA was €465 million, including the margin realised with other EDF group entities. Framatome's contribution to Group EBITDA for 2018 stood at €202 million.

Framatome's EBITDA is supported by the implementation of the operating and structure costs reduction plan, in line with expectations. In 2018 it includes a non-recurring €42 million expense related to the revaluation of inventories undertaken in the context of Framatome's purchase price allocation.

Order intake stood at €3 billion (more than 60% from non-Group entities).

Framatome registered a good level of activity in the "*Fuel business*", with notable achievements in 2018 such as the delivery of the first batch of fuel cladding tubes for the Hualong-1 reactor at the Fuqing nuclear power plant. Framatome also won new contracts with Vattenfall for the delivery of fuel assembly reloads.

Thanks to the purchase of Schneider Electric's nuclear instrumentation and control (I&C) offering in North America in February 2018, Framatome is expanding its engineering expertise and broadening its portfolio of I&C solutions. It supplied a complete I&C system for unit 3 of the Tianwan nuclear power plant (a VVER type pressurized water reactor with a net installed capacity of 1,000MW). In Sweden, Framatome completed the successful commissioning of a safety I&C system upgrade for unit 3 of the Forsmark nuclear power plant

On the other hand, the "*Installed Base business*" has experienced a slight slowdown, in particular in the United States, in a highly competitive environment.

(1) Framatome has been included in the consolidation since 31 December 2017.
(2) Breakdown of sales across the segments, before inter-segment eliminations.
(3) Breakdown of EBITDA across the segments, before inter-segment eliminations.

United Kingdom

(in millions of Euros)	2017	2018	Organic change (%)
Sales [(1)]	**8,688**	**8,970**	**+3.9**
EBITDA	**1,035**	**783**	**-15.4**

In the United Kingdom, sales amounted to €8,970 million in 2018, up 3.9% in organic terms.

EBITDA amounted to €783 million, down 15.4% in organic terms compared to 2017.

EBITDA in the United Kingdom was impacted by the downturn in nuclear power generation and the lower realised net prices for nuclear power, partly driven by buybacks in a context of higher wholesale power prices. Nuclear output for 2018 totalled 59.1TWh, down by 4.8TWh from 2017.

The supply activities benefited from increases in residential tariffs, although the residential customer portfolio showed a year-on-year decrease of -4.2% in a highly competitive environment.

Italy

(in millions of Euros)	2017	2018	Organic change (%)
Sales [(11)]	**7,722**	**8,507**	**+6.2**
EBITDA	**910**	**791**	**-12.7**

In Italy, sales in 2018 reached €8,507 million, up 6.2% in organic terms from 2017. EBITDA recorded an organic decrease of 12.7% to €791 million.

In 2017, Italy's EBITDA benefited from the gain of around €100 million on the sale of Edison's Milan headquarters. After elimination of this non-recurring item, EBITDA was practically stable.

EBITDA for the electricity activities was up, essentially due to a good performance in hydropower generation and ancillary services. However, wind power generation was lower, in line with a negative price effect. The supply activity, which mainly concerns business customers, progressed despite lower margins in a more competitive market.

EBITDA for the gas activities was down, principally as a result of unfavourable prive effect that affected the margin on long-term contracts.

The exploration-production activity benefited from positive price and volume effects thanks to the rise in Brent oil prices and the commissioning of a new field in Algeria.

(1) Breakdown of sales across the segments, before inter-segment eliminations.

Other international

(in millions of Euros)	2017	2018	Organic change (%)
Sales [1]	**3,166**	**2,411**	**+3.4**
EBITDA	**457** [2]	**240**	**-3.1**

Sales in the Other international segment amounted to €2,411 million, up 3.4% in organic terms compared to 2017. EBITDA recorded an organic decrease of 3.1% to €240 million.

In Belgium, EBITDA showed an organic decrease of -€8 million (-5.5%). The extended outages of 4 nuclear reactors partly owned by EDF Luminus and operated by Engie group penalised EBITDA by an estimated €76 million in 2018. Thermal generation partly counterbalanced this effect, and generation of renewable energy benefited from the increase in installed wind power capacities, which totalled 440MW at 31 December 2018 (up by +17% compared to 2017). Supply activities were still marked by the strongly competitive environment, but were benefiting from growth in service activities.

EBITDA in Brazil also showed an organic reduction (-€46 million), principally due to the gas supply interruption lincked to transport capacity work, and scheduled outages in 2018 for major inspections at the EDF Norte Fluminense plant. These events made necessary significant purchases on the energy markets to cover the Power Purchase Agreement (PPA) at a time of rising market prices.

Other activities

(in millions of Euros)	2017	2018	Organic change (%)
Sales [11]	**2,475**	**2,601**	**+5.3**
EBITDA	**536**	**858**	**+62.1**

Sales in Other activities amounted to €2,601 million, up 5.3% in organic terms over 2017. EBITDA recorded an organic increase of 62.1% to reach €858 million.

EBITDA at EDF Trading amounted to €633 million in 2018, an organic increase of 73.5% compared to 2017. This growth reflects the volatility in commodity markets which EDF Trading turned to its advantage, a positive weather effect, and occasional favourable tensions in the supply-demand balance in Europe and the United States. Activities related to LNG (Liquefied Natural Gas) also contributed to this performance, thanks to rising demand in Asia and upward oil price trend until late September 2018.

EBITDA for the Other activities segment also benefited from a substantial capital gain on the final operation of the real estate sale programme initiated in 2015.

(1) Breakdown of sales across the segments, before inter-segment eliminations.
(2) 2017 data, including EDF Polska's sales in Poland for an EBITDA of €133 million, sold on 13 November 2017.

Main events [1]
since the 2018 third quarter press release

Major Events

Group Renewables

EDF Renewables [2]

- EDF Renewables entered into exclusive talks with a view to acquire the Luxel group, a French solar energy specialist (see press release of 14 February 2019).
- EDF Renewables and SITAC Group signed power purchase agreement covering 300MW of wind project in India (see press release of 4 February 2019).
- EDF Renewables acquired Nebraska wind project (300MW) (see press release of 17 January 2019).
- The EDF Renewables-Masdar consortium was awarded a 400MW wind project in Saudi Arabia (see press release of 11 January 2019).
- EDF Renewables and Shell invested in New Jersey Offshore Wind (2,500MW) (see press release of 19 December 2018).
- EDF Renewables signed a Power Purchase Agreement for an over 200 MW wind project in Canada (see press release of 18 December 2018).
- Repowering: EDF Renewables commissioned a fully renewed wind farm in Germany (see press release of 11 December 2018).
- EDF Renewables enters into an agreement with Shell Energy North America to supply 132MWp of solar power in California (see press release of 15 November 2018).

Hydropower

- EDF, IFC and the Republic of Cameroon signed final and binding agreements for the construction of the Nachtigal hydroelectric dam in Cameroon (see press release of 8 November 2018). The financial closing occured on 24 December 2018. On this occasion, share ownership changed with the entry of Africa50 (15%) and STOA (10%). IFC now holds 20%, the Republic of Cameroon 15% and EDF continues to hold 40%.

Group Energy Services

- EDF launched IZI by EDF, a new range of services to make EDF the partner of choice for peace of mind in French homes or small businesses (see press release of 7 February 2019).
- The city of Nice (Côte d'Azur) selected two EDF group subsidiaries to expand its network of charging stations for electric vehicles (see press release of 21 November 2018).
- Sowee & housing leaders are revolutionizing comfort and energy savings with an innovative and accessible connected solution (see press release of 21 November 2018).

Nuclear industry

- Flamanville 3 EPR project:
  - ASN will issue a statement in May concerning the validation programme on the welds in the main secondary system. A specific update on the progress of the work on the Flamanville EPR, in particular on

(1) A full list of press releases is available on EDF's website www.edf.fr
(2) A full list of EDF Renewables' press releases is available on the website www.edf-renouvelables.com

its schedule and its construction cost, will be carried out after the publication of the the ASN's opinion. (see press release of 31 January 2019);

- the "hot tests" are now scheduled to commence during the second half of February 2019 (see press release of 21 January 2019).

- The first of two EPR reactors at China's Taishan nuclear power plant entered into commercial operation (see press release of 14 December 2018).
- EDF and Nawah Energy Company signed an operations and maintenance assistance agreement for Barakah Nuclear Energy Plant, United Arab Emirates (see press release of 22 November 2018).

Disposal plan

- EDF sold a portfolio of more than 200 real estate and business assets to Colony Capital (see press release of 28 November 2018).

Financial structure

Other significant events

- Philippe Sasseigne appointed Senior Executive in charge of Nuclear and Thermal. Etienne Dutheil appointed Director of Nuclear Production (see press release 8 February 2019).
- EDF achieved a major milestone in the industrial implementation of ECOCOMBUST (see press release 28 January 2019).
- EDF launched Mon chauffage durable ("My sustainable heating"), a complete offer for the replacement of oil, gas or coal boilers with heat pumps, in order to reduce French energy bills and CO2 emissions (see press release of 24 January 2019).
- Europe's major Green Bond Issuers launched the Corporate Forum on Sustainable Finance (see press release 15 January 2019).
- EDF launched an exceptional offer to help French people replace their oil-fired boilers with heat pumps (see press release of 6 December 2018).
- EDF announced the successful syndication of an innovative ESG-Indexed Revolving Credit Facility (see press release 27 November 2018).

APPENDICES :

Consolidated income statement

(in millions of euros)	2018	2017 restated [1]
Sales	68,976	64,892
Fuel and energy purchases	(33,012)	(32,901)
Other external expenses	(9,364)	(8,739)
Personnel expenses	(13,690)	(12,456)
Taxes other than income taxes	(3,697)	(3,541)
Other operating income and expenses	6,052	6,487
Operating profit before depreciation and amortisation	**15,265**	**13,742**
Net changes in fair value on Energy and Commodity derivatives, excluding trading activities	(224)	(355)
Net depreciation and amortisation	(9,006)	(8,537)
Net increases in provisions for renewal of property, plant and equipment operated under concessions	(50)	(58)
(Impairment)/reversals	(598)	(518)
Other income and expenses	(105)	1,363
Operating profit	**5,282**	**5,637**
Cost of gross financial indebtedness	(1,716)	(1,778)
Discount effect	(3,486)	(2,959)
Other financial income and expenses	393	2,501
Financial result	**(4,809)**	**(2,236)**
Income before taxes of consolidated companies	**473**	**3,401**
Income taxes	149	(147)
Share in net income of associates and joint ventures	569	35
CONSOLIDATED NET INCOME	**1,191**	**3,289**
EDF net income	**1,177**	**3,173**
Net income attributable to non-controlling interests	**14**	**116**
Earnings per share (EDF share) in euros:		
Earnings per share	**0.20**	**0.98**
Diluted earnings per share	**0.20**	**0.98**

(1) The comparative figures at 31 December 2017 have been restated according to IFRS 15. For IFRS 9, applicable from 1 January 2018, the comparative figures have not been restated, as allowed by the standard's transition measures.

Consolidated balance sheet

ASSETS *(in millions of euros)*	**31/12/2018**	**31/12/17 restated (1)**
Goodwill	10,195	10,036
Other intangible assets	9,918	8,896
Property, plant and equipment operated under French public electricity distribution concessions	56,515	54,739
Property, plant and equipment operated under concessions for other activities	7,339	7,607
Property, plant and equipment used in generation and other tangible assets owned by the Group	78,252	75,622
Investments in associates and joint ventures	8,287	7,249
Non-current financial assets	37,104	36,787
Other non-current receivables	1,796	2,168
Deferred tax assets	978	1,220
Non-current assets	**210,384**	**204,324**
Inventories	14,227	14,138
Trade receivables	15,910	16,843
Current financial assets	31,143	24,953
Current tax assets	869	673
Other current receivables	7,346	7,219
Cash and cash equivalents	3,290	3,692
Current assets	**72,785**	**67,518**
Assets classified as held for sale	-	-
TOTAL ASSETS	**283,169**	**271,842**

(1) The comparative figures at 31 December 2017 have been restated according to IFRS 15.

EQUITY AND LIABILITIES *(in millions of euros)*	**31/12/2018**	**31/12/17 restated (1)**
Capital	1,505	1,464
EDF net income and consolidated reserves	42,964	39,893
Equity (EDF share)	***44,469***	***41,357***
Equity (non-controlling interests)	8,177	7,341
Total equity	**52,646**	**48,698**
Provisions related to nuclear generation – back-end of the nuclear cycle, plant decommissioning and last cores	49,204	46,410
Other provisions for decommissioning	2,033	1,977
Provisions for employee benefits	17,627	20,630
Other provisions	2,908	2,356
Non-current provisions	***71,772***	***71,373***
Special French public electricity distribution concession liabilities	46,924	46,323
Non-current financial liabilities	52,129	51,365
Other non-current liabilities	4,896	4,864
Deferred tax liabilities	1,987	2,362
Non-current liabilities	**177,708**	**176,287**
Current provisions	6,010	5,484
Trade payables	13,421	13,994
Current financial liabilities	17,167	11,142
Current tax liabilities	205	187
Other current liabilities	16,012	16,050
Current liabilities	**52,815**	**46,857**
Liabilities related to assets classified as held for sale	-	-
TOTAL EQUITY AND LIABILITIES	**283,169**	**271,842**

(1) The comparative figures at 31 December 2017 have been restated according to IFRS 15.

Consolidated cash flow statement

(in millions of euros)	2018	2017
Operating activities:		
Income before taxes of consolidated companies	**473**	**3,401**
Impairment/(reversals)	598	518
Accumulated depreciation and amortisation, provisions and changes in fair value	13,180	9,980
Financial income and expenses	729	764
Dividends received from associates and joint ventures	387	243
Capital gains/losses	(1,014)	(2,739)
Change in working capital	462	1,476
Net cash flow from operations	***14,815***	***13,643***
Net financial expenses disbursed	(1,062)	(1,209)
Income taxes paid	(389)	(771)
Net cash flow from operating activities	**13,364**	**11,663**
Investing activities:		
Acquisitions of equity investments, net of cash acquired	(484)	(2,463)
Disposals of equity investments, net of cash transferred (1)	1,261	2,472
Investments in intangible assets and property, plant and equipment	(16,186)	(14,747)
Net proceeds from sale of intangible assets and property, plant and equipment	611	1,140
Changes in financial assets	(2,367)	1,885
Net cash flow used in investing activities	**(17,165)**	**(11,713)**
Financing activities:		
EDF capital increase	-	4,005
Transactions with non-controlling interests (2)	1,548	481
Dividends paid by parent company	(511)	(109)
Dividends paid to non-controlling interests	(183)	(183)
Purchases/sales of treasury shares	(3)	(6)
Cash flows with shareholders	***851***	***4,188***
Issuance of borrowings	5,711	2,901
Repayment of borrowings	(2,844)	(6,304)
Issuance of perpetual subordinated bonds	1,243	-
Redemptions of perpetual subordinated bonds	(1,329)	-
Payments to bearers of perpetual subordinated bonds	(584)	(565)
Funding contributions received for assets operated under concessions	131	144
Investment subsidies	351	348
Other cash flows from financing activities	***2,679***	***(3,476)***
Net cash flow from financing activities	**3,530**	**712**
Net increase/(decrease) in cash and cash equivalents	**(271)**	**662**

(1) In 2018, this item includes an amount of €966 million relating to the sale of Dunkerque LNG. In 2017, this item includes an amount of €1,282 million relating to the partial sale of the CTE.

(2) Contributions via capital increases or capital reductions and acquisitions of additional interests or disposals of interests in controlled companies. In 2018, this item includes an amount of €797 million relating to the sale of 49% of EDF Renewables' wind farms, and an amount of €743 million relating to CGN's payment for the NNB Holding Ltd. and Sizewell C Holding Co capital increases (€501 million at 31 December 2017).

CASH AND CASH EQUIVALENTS – OPENING BALANCE	**3,692**	**2,893**
Net increase/(decrease) in cash and cash equivalents	(271)	662
Effect of currency fluctuations	(95)	(13)
Financial income on cash and cash equivalents	13	21
Effect of reclassifications	(49)	129
CASH AND CASH EQUIVALENTS – CLOSING BALANCE	**3,290**	**3,692**

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 adiversified generation mix based on nuclear power, hydropower, new renewable energies and thermal energy. The Group is involved in supplying energy and services to approximately 39.8 million customers [(1)], 29.7 million of which are in France. It generated consolidated sales of €70 billion in 2017. EDF is listed on the Paris Stock Exchange.

(1) The customers were counted at the end of 2018 per delivery site; a customer can have two delivery points: one for electricity and another for gas.

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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 15 March 2018, which is available on the AMF's website at www.amf-france.org and on EDF's website at www.edf.fr.
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