PRESS RELEASE
14 February 2020

ROBUST 2019 ANNUAL RESULTS
ALL FINANCIAL TARGETS ACHIEVED
STRONG GROWTH IN EBITDA AND NET INCOME

2019 Financial Results [1]

Sales	€71.3bn *+3.5% org.* [2]
EBITDA *Target of €16.0 - 16.7bn*	€16.7bn *+8.4% org.* [2]
Net income excluding non-recurring items [6]	€3.9bn *+57.9%*
Net income – Group share	€5.2bn *x4.4*
OPEX reductions [7] *Target of ~ €1.1bn*	€1.2bn vs 2015
Total net investments [8] *Target of ~ €15bn*	€13.9bn
Cash Flow excluding HPC and Linky *2019 target > €0.6bn*	€1.8bn
Net financial debt/EBITDA *2019 target ≤ 2.7x*	2.46x
Proposed dividend	€0.48/share i.e. a payout ratio of 45% [9]

Highlights

Customers, Services and Regions
- ◊ Renewed and innovative range of offers in France
- ◊ Successful market offers: more than 550,000 residential electricity customers in France
- ◊ More than 1.5 million residential gas customers in France
- ◊ Italy: successful integration of Gas Natural Vendita Italia

Acceleration of developments in renewable energies
- ◊ Doubling of construction starts (wind and solar) to 4.4GW
- ◊ *Offshore*:
  - Major successes in France and the United Kingdom: more than 2GW in development or under construction
  - EDF is the leader in France with 4 out of 7 calls for tenders won

Deployment of the three major plans
- ◊ Successful launch of the solar plan [3]
  - c. 2,000 ha of land secured (x7 vs. 2017)
- ◊ Storage Plan [3] deployment
  - Acquisition of the developer Pivot Power in the United Kingdom (potential portfolio of 2GW of capacity)
- ◊ Electric Mobility Plan [4]
  - Marketing of electric mobility solutions in the Group's four core target countries
  - Acquisition of Pod Point, leader in the installation and operation of charging stations in the United kingdom

Nuclear:
- ◊ Taishan EPR in China: commissioning of unit 2
- ◊ Success of the first VD4 900: restart of Tricastin 1 after ASN authorisation
- ◊ Consultation initiated by the French government on a new regulatory framework for existing nuclear
- ◊ Excell: launch of the nuclear industry excellence plan
- ◊ Flamanville EPR : definition of the scenario for upgrading the main secondary system penetration welds [5]

Enedis
- ◊ 116 concession contracts renewed in 2019, i.e.170 end 2019
- ◊ Linky: 7.7 million smart meters installed over the year bringing the total to 23.4 million at the end of 2019
- ◊ Acceleration of connections for renewable installations

International
- ◊ Commissioning of the Sinop dam in Brazil (400MW)
- ◊ Start of construction of the Nachtigal dam in Cameroon (420MW)
- ◊ Good performance of Luminus in Belgium

2020 targets

◊ EBITDA [10]	€17.5 – 18.0bn
◊ OPEX [7]	stable in €2019
◊ Total net investments excluding acquisitions and "2019-2020 Group disposals":	~ €15.5bn/year
◊ 2019 - 2020 Group disposals [11]:	€2 to 3 bn

2020-2021 Ambitions

◊ Net financial debt/EBITDA [10]:	~ 2.6x in 2020 ≤ 2.7x in 2021
◊ Dividend: Target payout ratio of Net income excluding non-recurring items [9]:	45 – 50%

The French State has committed to scrip for the balance of the 2019 dividend and dividends relating to FY2020

EDF's Board of Directors meeting on 13 February 2020, under the chairmanship of Jean-Bernard Lévy, approved the consolidated financial statements at 31 December 2019.

Jean-Bernard Lévy, EDF's Chairman and CEO, stated: *"The rebound first seen in 2018 was confirmed and enhanced by our performance in 2019. EDF is a profitable company, which has achieved its financial targets. The unwavering commitment of Group's employees enabled us to further deploy our CAP 2030 strategy at a rapid pace, whilst making disciplined investments and reducing operational costs. We are forging ahead in all renewable energies, moving ahead with our commercial offensive in France and making strong progress with the implementation of our Solar, Electricity Storage and Electric Mobility plans and we are investing in nuclear existing assets and projects. By capitalizing on our expertise and our transformation capacity, we are determined to play a leading role to meet the French and European objective of becoming carbon neutral."*

Change in EDF group's results

(in millions of euros)	2018 (12) restated	2019 (1)	Change (%)	Organic change (%)
Sales	68,546	71,317	+4.0	+3.5
EBITDA	14,898	16,708	+12.1	+8.4
EBIT	5,454	6,760	+23.9	
Net income – Group share	1,177	5,155	x4.4	
Net income excluding non-recurring items(6)	2,452	3,871	+57.9	

Change in EDF group's EBITDA

(in millions of euros)	2018 (12) restated	2019 (1)	Organic change (%)
France – Generation and supply activities	6,327	7,615	+16.1
France – Regulated activities	4,916	5,101	+0.4
EDF Renewables	856	1,193	+33.5
Dalkia	292	349	+4.8
Framatome	202	256	+3.0
United Kingdom	783	772	-4.6
Italy	424	578	+20.8
Other international	240	339	+36.3
Other activities	858	505	-26.2
Total Group	**14,898**	**16,708**	**+8.4**

2019 EBITDA grew strongly compared to 2018. It benefitted from better price conditions in France and the United Kingdom and a strong performance from EDF Renewables, notably in its "Development and Sale of Structured Assets" operations. On the other hand, it was adversely affected by a decline in nuclear generation in France and the United Kingdom, and by poor hydropower conditions in France.

Footnotes to the first and second pages

(1) The statements as of 31 December 2019 have been prepared in accordance with IFRS 16 as of 1 January 2019 (use of the modified retrospective method). The comparative data has not been restated, in accordance with the interim provisions of the standard.

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

(3) The EDF group pursues a development model based on partnerships. Not all of these projects will be fully consolidated.

(4) EDF's Electric Mobility Plan comes in addition to the specific investments made in this area by Enedis, an independent EDF subsidiary as defined in the French Energy Code.

(5) See press release of 9 October 2019. Estimated cost of construction revised to €12.4bn in 2015 euros and excluding interest during the period of construction.

(6) 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 of debt and equity securities, net of tax.

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

(8) Total net investments excluding acquisitions and "2019-2020 Group disposals".

(9) Payout ratio of net income excluding non-recurring items adjusted for the remuneration of hybrid bonds accounted for in equity.

(10) On the basis of the scope and exchange rates at 01/01/2019 and of an assumption of a 375-390TWh range for French nuclear generation for 2020.

(11) The target includes the execution of the CENG shares put-option in 2020. Closing may be postponed to 2021, depending on the timing of regulatory approvals.

(12) The comparative figures for 2018 have been restated to reflect the impact of the presentation of Edison's E&P activities that are being sold.

Operating performance

Nuclear output in France stood at 379.5TWh, down 13.7TWh compared to 2018 due in particular to a lower availability of the fleet caused by an increase in the extension of outages during a heavy campaign of ten-year inspections.

Hydraulic output in France amounted to 39.7TWh (1), down 14.7% (-6.8TWh) compared to 2018, due to very unfavourable hydraulic conditions over the first nine months of the year.

In the United Kingdom, nuclear output amounted to 51.0TWh, a decrease of 8.1TWh compared to 2018. This decline is attributable to the extension of the Hunterston B and Dungeness B outages.

In Italy, wind generation and ancillary services were up significantly.

In Belgium, both nuclear and wind generation increased.

EDF Renouvelables' output amounted to 14.7TWh. As expected, it was down slightly (-0.3TWh) compared to 2018 due to sales made in late 2018 and early 2019 (-3.1TWh compared to 2018). The gross portfolio of projects under construction doubled by the end of December 2019. It reached a record level of 5.0GW, with 3.4GW of wind power (including 0.9GW of offshore wind power in France and Scotland) and 1.5GW in solar.

Net income

The financial result represented an expense of €361 million in 2019, an improvement of €4,437 million compared to 2018, mainly due to the positive change in fair value of the portfolio of dedicated assets (€3.5 billion). The latter reflects the good performance of the equity and bond markets in 2019. As a reminder, this change in fair value is not included in the calculation of net income excluding non-recurring items.

Net income excluding non-recurring items amounted to €3,871 million at the end of December 2019, up by €1,419 million compared to 2018 thanks in particular to a strong operating performance and a lower drop in discount rates compared to 2018 (-10 bps at 2.3% in real figures at the end of 2019 against -20 bps at 2.4% in real figures at the end of 2018).

Net income - Group share amounted to €5,155 million at the end 2019, driven in particular by the improvement in the financial result.

Proposed dividend for 2019: €0.48/share, i.e. a payout ratio of 45%, with an option of payment in new shares

At its 13 February 2020 meeting, EDF's Board of Directors decided to propose to the Ordinary Shareholders' Meeting, convened to approve the accounts for the financial year ending 31 December 2019 and to be held on 7 May 2020 (hereafter the "Shareholders' Meeting"), the payment of a dividend of €0.48 per share for 2019. This would correspond to a payout ratio of 45% of net income excluding non-recurring items (2).

When subtracting the interim dividend of €0.15 per share paid out in December 2019, the balance of the dividend to be paid out on the 2019 financial year comes to €0.33 per share for shares receiving the ordinary dividend and to €0.38 per share for loyalty shares.

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 13 February 2020 to offer each shareholder the option of being paid in new EDF stocks on the remaining dividend to be paid. 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, less the amount of the balance of the dividend to be paid for the 2019 financial year, rounded up to the nearest cent.

(1) After deduction of pumped-storage hydropower volumes, hydropower production stood at 33.4TWh for 2019 (39.2TWh for 2018).
(2) Adjusted for interest payments on hybrid issues booked in equity.

On 13 February 2020, EDF's Board of Directors set the terms of payment of the balance of the dividend for the 2019 financial year which will be submitted for approval during the Shareholders' Meeting:

- ordinary and loyalty dividend ex-date on 14 May 2020;
- exercise period for payment in new shares from 18 May to 04 June 2020 inclusive;
- payment date of the balance of the dividend and settlement/delivery of the shares on 10 June 2020.

If the option of payment in new shares is not exercised between 18 May and 4 June 2020 inclusive, the shareholder will receive the balance of the dividend in cash on the payment date, i.e. 10 June 2020.

Cash flow and Net financial debt

Excluding HPC and Linky, cash flow was positive at €1.8 billion, exceeding the target of €0.6 billion. This result reflects the good EBITDA performance, the control of net investments and the positive contribution of the working capital requirement notably thanks to trading activities.

Total net investments, excluding 2019-2020 Group acquisitions and disposals, amounted to €13,927 million in 2019, in line with the ambitions set by the Group.

Cash flow generated from operations [(1)] amounted to €4,175 million, an increase of €1,177 million compared to 2018.

Group cash flow [(2)] amounted to -€791 million, down €190 million compared to 2018.

	31/12/2018	**31/12/2019 [(3)]**
Net financial debt [(4)] *(in billions of euros)*	33.4	41.1
Net financial debt/EBITDA [(5)]	2.24x	2.46x

The Group's net financial debt amounted to €41.1 billion at the end of December 2019, an increase of €7.7 billion over one year. This increase is mainly attributable the impact of IFRS16 (€4.5 billion at 1 January 2019 and approximately €0.4 billion in rental debt change over the year), the effect of the buyback of hybrid securities (€1.1 billion) and other effects (exchange rate for €0.3 billion and change on financial instruments for €0.6 billion). The other factors contributing to the increase in debt were investments in the HPC and Linky programs, which represent €2.6 billion. The net financial debt to EBITDA ratio stood at 2.46, which was below the target of 2.7.

(1) The statements as of 31 December 2019 have been prepared in accordance with IFRS 16. The comparative data has not been restated.

(2) Cash flow after dividends. The statements as of 31 December 2019 have been prepared in accordance with IFRS 16. The comparative data has not been restated and the impact would have amounted to +€609 million on the Group's cash flow.

(3) Net financial debt increased by €4.5 billion in connection with the implementation of IFRS 16 on 1 January 2019.

(4) Net financial debt is not defined in the accounting standards and is not directly visible in the Group's consolidated balance sheet. 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.

(5) The comparative figures for 2018 (excluding EFN) have been restated to reflect the impact of the presentation of the E&P activities that are being sold.

Main Group results by segment

France – Generation and supply activities

(in millions of euros)	2018	2019 [1]	Organic change (%)
Sales [2]	**26,096**	**27,870**	**+6.5**
EBITDA	**6,327**	**7,615**	**+16.1**

Sales in France - Generation and supply activities in 2019 amounted to €27,870 million, up 6.5% in organic terms compared to 2018.

EBITDA amounted to €7,615 million, corresponding to an organic increase of +16.1% over 2018.

This substantial increase was in particular due to favourable energy price effects totalling an estimated €2,230 million, which relate to the positive market price movements and the +7.7% (excluding taxes) rise in regulated sales tariffs on 1 June 2019.

The decrease in generation, mainly of nuclear power (-13.7TWh) and hydropower (-5.8TWh after pumping), had an unfavourable effect estimated at -€899 million.

The erosion of market share and the end of the tariff catch-up component in regulated tariffs on 1 August 2018 had an unfavourable effect estimated at -€211 million.

Operating expenses [3] were cut by €342 million (-3.9%) through control of purchases and payroll costs. These measures are being implemented across all entities: they notably helped lower support function costs and adjust selling costs, as well as reduce operating costs for the nuclear, hydropower and thermal power plant fleet.

A number of other factors, principally changes in nuclear provisions and employee benefit commitments, had a total effect of -€443 million on EBITDA. The lower volumes of nuclear fuel consumed due to lower production levels had a small favourable impact.

(1) The statements as of 31 December 2019 have been prepared in accordance with IFRS 16. The comparative data has not been restated. The impact on EBITDA would have been €291 million at 31 December 2018.

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

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

France – Regulated activities [1]

(in millions of euros)	2018	2019 [2]	Organic change (%)
Sales [3]	**16,048**	**16,087**	**+0.2**
EBITDA	**4,916**	**5,101**	**+0.4**

Sales in France - Regulated activities amounted to €16,087 million in 2019, up 0.2% in organic terms compared to 2018.

EBITDA stood at €5,101 million, an organic increase of 0.4% compared to 2018.

Price changes had a positive effect of +€65 million: the indexed adjustments to the TURPE 5 distribution and transmission tariffs [4] on 1 August 2019 were partially counterbalanced by the tariff optimisation carried out by suppliers.

Business growth in grid connection services continued, and made a positive contribution to EBITDA estimated at +€25 million.

The evolution of EBITDA was also driven by the decrease in operating expenses [5] (+€83 million).

However, the unfavourable weather effect over the entire year and the compensation for electricity cuts related to exceptional weather events in the second half of the year affected EBITDA to the extent of approximately -€95 million.

Other factors had a combined negative impact of -€60 million on EBITDA.

(1) Regulated activities including Enedis, Électricité de Strasbourg and island activities.
(2) The statements as of 31 December 2019 have been prepared in accordance with IFRS 16. The comparative data has not been restated. The impact on EBITDA would have been +€167 million at 31 December 2018.
(3) Breakdown of sales across the segments, before inter-segment eliminations.
(4) Indexed adjustments of TURPE 5 distribution tariff of +3.04% on 1 August 2019 (-0.21% on 1 August 2018) and of the TURPE 5 transmission tariff of +2.16% at 1 August 2019 (+3.0% at 1 August 2018).
(5) Sum of personnel expenses and other external expenses. At comparable scope, standard and exchange rates. At constant pension discount rates. Excluding change in operating expenses of the service activities.

Renewable Energies

EDF Renewables

(in millions of euros)	2018	2019 [1]	Organic change (%)
Sales [2]	**1,505**	**1,565**	**+2.9**
EBITDA	**856**	**1,193**	**+33.5**
of which EBITDA from generation	*903*	*917*	*-0.9*

Sales in EDF Renewables amounted to €1,565 million in 2019, up 2.9% in organic terms compared to 2018.

EBITDA stood at €1,193 million, an organic increase of 33.5% compared to 2018.

This strong growth was driven by Development and Sale of Structured Assets operations in 2019, with €560 million in capital gains recorded in EBITDA, compared to €192 million in 2018. This increase is attributable for the most part to the sale of 50% of the Neart na Gaoithe [3] (NnG) Scottish offshore wind farm project to the Irish electricity company ESB.

EBITDA from generation was negatively affected by the disposals that took place in late 2018 and early 2019, and stood at €917 million, an organic decline of -0.9% compared to 2018, despite a positive price effect (portfolio effect).

Development and support function costs were on the rise, in order to keep pace with business growth together with expansion into new areas, and to support innovative projects and digitalisation efforts.

At the end of 2019, net installed capacity was 8.1GW compared to 8.3GW at the end of 2018. Excluding transfers of assets within the EDF group, capacities increased by +0.6GW (+7.3%).

Group Renewables [4]

(in millions of euros)	2018	2019 [1]	Change (%)	Organic change (%)
Sales [2]	**4,422**	**4,184**	**-5**	**-8**
EBITDA	**2,133**	**2,166**	**+2**	**-2**
Net investments	**1,220**	**404**		

EBITDA of all Group Renewables amounted to €2,166 million in 2019, down in organic terms by 2% due to particularly unfavourable hydro conditions over the first nine months of 2019.

Net investments were down due to the effect of the increase in DSSA activities [5].

(1) The statements as of 31 December 2019 have been prepared in accordance with IFRS 16. The comparative data has not been restated. The impact on EBITDA would have been €56 million at 31 December 2018.
(2) Breakdown of sales across the segments, before inter-segment eliminations.
(3) The capital gain recorded also includes the revaluation of securities retained following the loss of control of the company.
(4) 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.
(5) The change in net investments also includes the outflow of debt associated with the NnG project as a result of the disposal.

Energy Services

Dalkia

(in millions of euros)	2018	2019 [1]	Organic change (%)
Sales [2]	**4,189**	**4,281**	**+1.6**
EBITDA	**292**	**349**	**+4.8**

Dalkia's sales in 2019 amounted to €4,281 million, up 1.6% in organic terms compared to 2018.

EBITDA stood at €349 million, an organic increase of 4.8% compared to 2018.

The increase in EBITDA reflected Dalkia's dynamic sales activity, with in particular the renewal of numerous contracts (80% were renewed during the year). Dalkia signed or renewed a number of contracts in France, including energy performance and heat network contracts (a new 26-site multiservice contract with Safran, and a new 15.5-year public service delegation for urban heating in Grande Île at Vaulx-en-Velin and Villeurbanne). Dalkia also pursued its plan to improve operating performance and control overheads.

Sales of energy saving certificates improved compared to 2018.

Group Energy Services [3]

(in millions of euros)	2018	2019 [4]	Change (%)	Organic change (%)
Sales [2]	**5,569**	**5,788**	**+4**	**+2**
EBITDA	**355**	**430**	**+21**	**+2**
Net investments	**520**	**330**		

EBITDA in Group Energy Services amounted to €430 million in 2019, i.e. an increase of 2% in organic terms, driven by Dalkia's performance.

The decrease in net investments reflects essentially the acquisition of Zephyro in 2018 by Edison and lower net investments from Dalkia, in particular in networks.

(1) The statements as of 31 December 2019 have been prepared in accordance with IFRS 16. The comparative data has not been restated. The impact on EBITDA would have been €41 million at 31 December 2018.
(2) Breakdown of sales across the segments, before inter-segment eliminations.
(3) Group Energy Services include Dalkia, Citelum, CHAM and service activities of EDF Energy, Edison, 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.
(4) The statements as of 31 December 2019 have been prepared in accordance with IFRS 16. The comparative data has not been restated and the impact on EBITDA would have been €58 million at 31 December 2018.

Framatome

(in millions of euros)	2018	2019 (1)	Organic change (%)
Sales (2)	**3,313**	**3,377**	**+0.6**
EBITDA (3)	**465**	**527**	**+3.0**
EBITDA EDF group contribution	**202**	**256**	**+3.0**

Framatome's sales in 2019 amounted to €3,377 million, up 0.6% in organic terms compared to 2018.

Framatome's EBITDA was €527 million (including the margin realised with other EDF group entities), corresponding to an organic increase of 3.0%. Framatome's contribution to the Group's EBITDA amounted to €256 million, an organic increase of 3.0% compared to 2018. The change takes into account an expense of €42 million recorded in 2018 in connection with the revaluation of inventories undertaken to determine Framatome's acquisition balance sheet on 31 December 2017.

Order intake amounted to 3.3 billion in 2019 (of which more than 60% outside the Group).

In a highly competitive market, Framatome's "Installed Base" and "Instrumentation & Control" businesses registered better performances in the United States and Germany (80% exports). "Installed Base" business was affected by rising execution costs on certain French and export projects.

Profitability of the "Components manucfacturing" business improved thanks to a step-up in production of equipment to replace steam generators, and equipment for new projects.

The "Fuel" business benefited from well-maintained production levels, and fuel assembly deliveries for the Taishan EPRs in China.

There was growth in the "Large projects" business as the Hinkley Point C EPR project in United Kingdom was ramping up (with no impact on Group EBITDA), compensating for the decline in business activity after the Taishan EPRs commissioning in China.

Framatome's EBITDA also benefited from the continuation of its overhead cost reduction plan.

(1) The statements as of 31 December 2019 have been prepared in accordance with IFRS 16. The comparative data has not been restated. The impact on EBITDA would have been €44 million at 31 December 2018.
(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)	2018	2019 [(1)]	Organic change (%)
Sales [(2)]	**8,970**	**9,574**	**5.9**
EBITDA	**783**	**772**	**-4.6**

In the United Kingdom, sales in 2019 amounted to €9,574 million, an organic increase of 5.9%.

EBITDA dropped to €772 million, an organic decrease of 4.6% compared to 2018.

EBITDA in the United Kingdom was impacted by the downturn in nuclear power generation and the introduction at 1 January 2019 of a cap on residential tariffs for electricity and gas (the Standard Variable Tariff). These unfavourable factors were partly counterbalanced by an increase in capacity revenue (€309 million [(3)] in 2019) following reinstatement of the capacity market in October 2019, and the higher realised prices for nuclear power (*circa* +£4/MWh).

Nuclear output in 2019 amounted to 51TWh, a decrease of 8.1TWh compared to 2018. The downturn is explained by the extensions of the Hunterston B and Dungeness B outages in 2019.

Despite intense competitive pressure, the residential customer portfolio increased slightly (+2% compared to 2018), notably due to the transfer of Toto Energy's [(4)] customer base with the business customer segment also performing well with increased margins.

Italy

(in millions of euros)	2018 restated [(5)]	2019 [(6)]	Organic change (%)
Sales [(2)]	**8,077**	**7,567**	**-8.1**
EBITDA	**424**	**578**	**20.8**

In Italy, sales amounted to €7,567 million in 2019, down 8.1% in organic terms compared to 2018. EBITDA recorded an organic increase of 20.8% to €578 million.

EBITDA for the electricity activities was up, essentially due to the good performance of electricity ancillary services, hydropower generation and new wind farms generation (+165MW).

EBITDA for gas activities was also up, as a result of better optimisation of long-term gas supply contracts by pipeline in 2019. In 2018, the EBITDA was affected by tensions over supplies and purchases at high prices.

The contribution by the supply activities was lower than in 2018 due to smaller margins on the residential customer segment for both electricity and gas.

In service activities, the results were affected by favourable non-recurring items in 2018 and by a slight decline in key account customers.

(1) The statements as of 31 December 2019 have been prepared in accordance with IFRS 16. The comparative data has not been restated and the impact on EBITDA would have been €18 million at 31 December 2018.
(2) Breakdown of sales across the segments, before inter-segment eliminations.
(3) Including revenue for the 4th quarter of 2018.
(4) This transfer was decided by Ofgem, the British regulator for gas and electricity markets, when Toto Energy lost its licence.
(5) The disposal of Edison's Exploration and Production (E&P) business was classified as a discontinued operation within the meaning of IFRS 5 as of 1 January 2019. The comparative figures for 2018 have been restated.
(6) The statements as of 31 December 2019 have been prepared in accordance with IFRS 16. The comparative data has not been restated. The impact on EBITDA would have been €21 million at 31 December 2018.

Other international

(in millions of euros)	2018	2019 [1]	Organic change (%)
Sales [2]	**2,411**	**2,690**	**+10.9**
EBITDA	**240**	**339**	**+36.3**

Sales in Other international amounted to €2,690 million, up 10.9% in organic terms over 2018. EBITDA recorded an organic increase of 36.3% to €339 million.

In Belgium [3], EBITDA showed organic growth of €54 million (+38.6%). The principal factor in this growth was the return of nuclear plant availability, which had been very low in 2018, and the increase in wind power generation. Gross wind power capacities were up, reaching 519MW (i.e. +18.0% vs. 2018). Retail activities remained resilient despite a strongly competitive environment.

EBITDA in Brazil also showed organic growth of €48 million (+60.0%), largely due to the +16% adjustment to the Power Purchase Agreement (PPA) price in November 2018 attached to the Norte Fluminense plant. Furthermore, this growth reflected a good operating performance with a record level of availability, a smaller maintenance programme than in 2018 and better gas supply conditions.

(1) The statements as of 31 December 2019 have been prepared in accordance with IFRS 16. The comparative data has not been restated and the impact on EBITDA would have been €9 million at 31 December 2018.

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

(3) Luminus and EDF Belgium.

Other activities

(in millions of euros)	2018	2019 [1]	Organic change (%)
Sales [2]	**2,601**	**2,728**	**+6.8**
EBITDA	**858**	**505**	**-26.2**
Including EDF Trading Group	*633*	*733*	*+17.9*

Sales in the Other activities segment amounted to €2,728 million, up 6.8% in organic terms over 2018. EBITDA recorded an organic decrease of 26.2% to €505 million.

A capital gain on a real estate sale in 2018, for which there was no equivalent in 2019, also affected the evolution of this segment's EBITDA.

Gas activity is impacted by a provision for onerous contracts booked in view of the downward revision of medium-term and long-term spreads. However, there was a high level of gas activities in 2019 thanks to growing competitivity in European of gas-fired generation, and better use of the Group's capacities.

EBITDA at EDF Trading amounted to €733 million in 2019, an organic increase of 17.9% compared to 2018. This rise follows the increase in the Group's trading activities over the entire year, which was driven by high volatility on the commodities markets in a downtrending environment and favourable positions on the electricity and gas markets in Europe, together with a good level of business in the United States. Thanks to the joint-venture formed the 2 April 2019 with JERA, trading and optimisation activities on LNG (Liquefied Natural Gas) internationally and LPG (Liquefied Petroleum Gas) activities also contributed to this performance.

(1) The statements as of 31 December 2019 have been prepared in accordance with IFRS 16. The comparative data has not been restated and the impact on EBITDA would have been -€130 million at 31 December 2018.
(2) Breakdown of sales across the segments, before inter-segment eliminations.

Main events [1]
since the 2019 third quarter press release

Major Events

- ◊ The EDF Group acquired Pod Point, one of the UK's largest electric vehicle charging companies (see press release of 13 February 2020).
- ◊ Masdar and EDF Group concluded shareholder agreement to establish energy services company (see press release of 16 January 2020).
- ◊ EDF unveiled "Excell", an excellence plan for the nuclear industry (see press release of 13 December 2019).
- ◊ The EDF Group steps up the pace in French wind and solar powers (see press release of 9 December 2019).
- ◊ The EDF group launched the construction of Neart na Gaoithe 450 MW offshore wind farm along with new Irish partner, ESB. (see press release of 28 November 2019).
- ◊ The EDF Group becomes a premium partner and official supplier of electricity and gas for the Paris 2024 games (see press release of 19 November 2019).

New investments, partnerships and investment projects

EDF Renewables [2]

- ◊ The EDF group moved into Ireland by acquiring 50% of the Codling offshore wind project (see press release of 11 February 2020).
- ◊ EDF, Meridiam and Biokala have signed a concession contract with the Côte d'Ivoire Government for the largest biomass power plant in West Africa (see press release of 9 December 2019).
- ◊ EDF Renewables will become a strategic shareholder of KarmSolar, a developer and supplier of solar power in Egypt (see press release of 25 November 2019).

Nuclear industry

- ◊ EDF and Véolia announced the creation of Graphitech (see press release of 10 December 2019).

Group disposal

- ◊ EDF notified the exercise of its put option on its participation in CENG (see press release of 20 November 2019).

Financial structure

- ◊ EDF announced the final results of its tender offer for US dollar-denominated hybrid notes (see press release of 31 December 2019).
- ◊ Share repurchase program reassignment of self-detained shares to a new purpose (see press release of 24 December 2019).
- ◊ EDF announced the final results of its tender offer for euro- denominated hybrid notes and the early participation results of its tender offer for US dollar-denominated hybrid notes (see press release of 12 December 2019).
- ◊ EDF raised 1.25 billion euros at 30 years as part of its EMTN program (see press release of 3 December 2019).
- ◊ EDF raised US $ 2 billion at 50 year as part of its EMTN program (see press release of 28 November).

(1) The complete list of press releases is available on the EDF website: www.edf.fr
(2) La liste exhaustive des communiqués de presse d'EDF Renouvelables est disponible sur le site internet : www.edf-renouvelables.com

◊ EDF priced its 500 million euros hybrid note offering (see press release of 26 November 2019).

- Successful pricing of a new 500 million euros hybrid offering
- Ongoing tender offer to purchase notes for cash announced earlier on 26 November 2019 (1)

(1) *See press release dated 26 November 2019, available on the Company's website.*

Other significant event

◊ Results of the option to receive the 2019 interim dividend in shares (see press release of 16 December 2019).

APPENDICES

Consolidated income statement

(in millions of euros)	**2019 [1]**	2018 [2]
Sales	71,317	68,546
Fuel and energy purchases	(35,091)	(33,056)
Other external expenses	(8,619)	(9,262)
Personnel expenses	(13,793)	(13,642)
Taxes other than income taxes	(3,798)	(3,690)
Other operating income and expenses	6,692	6,002
Operating profit before depreciation and amortisation	**16,708**	**14,898**
Net changes in fair value on energy and commodity derivatives, excluding trading activities	642	(224)
Net depreciation and amortisation	(9,994)	(8,775)
Net increases in provisions for renewal of property, plant and equipment operated under concessions	(8)	(50)
(Impairment)/reversals	(403)	(290)
Other income and expenses	(185)	(105)
Operating profit	**6,760**	**5,454**
Cost of gross financial indebtedness	(1,806)	(1,712)
Discount effect	(3,161)	(3,464)
Other financial income and expenses	4,606	378
Financial result	**(361)**	**(4,798)**
Income before taxes of consolidated companies	**6,399**	**656**
Income taxes	(1,581)	178
Share in net income of associates and joint ventures	818	569
Net income of discontinued operations	(454)	(212)
CONSOLIDATED NET INCOME	**5,182**	**1,191**
EDF net income	**5,155**	**1,177**
Net income of continuing operations	5,597	1,384
Net income of discontinued operations	(442)	(207)
Net income attributable to non-controlling interests	**27**	**14**
Net income of continuing operations	39	19
Net income of discontinued operations	(12)	(5)
Earnings per share (EDF share) in euros:		
Basic earnings per share	1.50	0.20
Diluted earnings per share	1.50	0.20
Earnings per share of continuing operations	1.65	0.27
Diluted earnings per share of continuing operations	1.65	0.27

(1) The financial statements at 31 December 2019 apply IFRS 16 from 1 January 2019 (using the modified retrospective approach). In accordance with the new standard's transition provisions, the comparative figures have not been restated.
(2) The published figures for 2018 have been restated due to the impact of presenting Edison's E&P operations as discontinued operations.

Consolidated balance sheet

ASSETS *(in millions of euros)*	**31/12/2019 (1)**	31/12/2018
Goodwill	10,623	10,195
Other intangible assets	9,350	9,918
Property, plant and equipment operated under French public electricity distribution concessions	58,413	56,515
Property, plant and equipment operated under concessions for other activities	6,860	7,339
Property, plant and equipment used in generation and other tangible assets owned by the Group, including right-of-use assets	89,099	78,252
Investments in associates and joint ventures	6,414	8,287
Non-current financial assets	46,219	37,104
Other non-current receivables	1,930	1,796
Deferred tax assets	557	978
Non-current assets	**229,465**	**210,384**
Inventories	14,049	14,227
Trade receivables	15,606	15,910
Current financial assets	29,401	31,143
Current tax assets	286	869
Other current receivables	6,881	7,346
Cash and cash equivalents	3,934	3,290
Current assets	**70,157**	**72,785**
Assets classified as held for sale	3,662	-
TOTAL ASSETS	**303,284**	**283,169**

(1) The financial statements at 31 December 2019 apply IFRS 16 from 1 January 2019 (using the modified retrospective approach). In accordance with the new standard's transition provisions, the comparative figures have not been restated.

EQUITY AND LIABILITIES *(in millions of euros)*	**31/12/2019 (1)**	31/12/2018
Capital	1,552	1,505
EDF net income and consolidated reserves	44,914	42,964
Equity (EDF share)	**46,466**	**44,469**
Equity (non-controlling interests)	9,324	8,177
Total equity	**55,790**	**52,646**
Provisions related to nuclear generation – back-end of the nuclear cycle, plant decommissioning and last cores	55,583	49,204
Other provisions for decommissioning	1,573	2,033
Provisions for employee benefits	20,539	17,627
Other provisions	3,065	2,908
Non-current provisions	***80,760***	***71,772***
Special French public electricity distribution concession liabilities	47,465	46,924
Non-current financial liabilities	57,002	52,129
Other non-current liabilities	4,928	4,896
Deferred tax liabilities	2,295	1,987
Non-current liabilities	**192,450**	**177,708**
Current provisions	5,556	6,010
Trade payables	12,867	13,421
Current financial liabilities	18,535	17,167
Current tax liabilities	433	205
Other current liabilities	16,610	16,012
Current liabilities	**54,001**	**52,815**
Liabilities related to assets classified as held for sale	1,043	-
TOTAL EQUITY AND LIABILITIES	**303,284**	**283,169**

(1)The financial statements at 31 December 2019 apply IFRS 16 from 1 January 2019 (using the modified retrospective approach). In accordance with the new standard's transition provisions, the comparative figures have not been restated.

Consolidated cash flow statement

(in millions of euros)	**2019 [1]**	2018 [2]
Operating activities:		
Income before taxes	**5,983**	**473**
Income before taxes of discontinued operations	**(416)**	**(183)**
Income before taxes of consolidated companies	**6,399**	**656**
Impairment/(reversals)	403	290
Accumulated depreciation and amortisation, provisions and changes in fair value	8,328	12,957
Financial income and expenses	97	718
Dividends received from associates and joint ventures	349	387
Capital gains/losses	(508)	(1,014)
Change in working capital	452	470
Net cash flow from operations	***15,520***	***14,464***
Net financial expenses disbursed	(798)	(1,048)
Income taxes paid	(922)	(309)
Net cash flow from continuing operating activities	**13,800**	**13,107**
Net cash flow from operating activities relating to discontinued operations	**222**	**257**
Net cash flow from operating activities	**14,022**	**13,364**
Investing activities:		
Acquisitions of equity investments, net of cash acquired	(456)	(484)
Disposals of equity investments, net of cash transferred	293	1,261
Investments in intangible assets and property, plant and equipment	(16,709)	(16,016)
Net proceeds from sale of intangible assets and property, plant and equipment	94	577
Changes in financial assets	1,294	(2,367)
Net cash flow from continuing investing activities	**(15,484)**	**(17,029)**
Net cash flow from investing activities relating to discontinued operations	**(166)**	**(136)**
Net cash flow from investing activities	**(15,650)**	**(17,165)**
Financing activities:		
Transactions with non-controlling interests [3]	1,055	1,548
Dividends paid by parent company	(58)	(511)
Dividends paid to non-controlling interests	(155)	(183)
Purchases/sales of treasury shares	(14)	(3)
Cash flows with shareholders	***828***	***851***
Issuance of borrowings	9,080	5,711
Repayment of borrowings	(6,976)	(2,724)
Issuance of perpetual subordinated bonds	493	1,243
Redemptions of perpetual subordinated bonds	(1,280)	(1,329)
Payments to bearers of perpetual subordinated bonds	(589)	(584)
Funding contributions received for assets operated under concessions	143	131
Investment subsidies	543	351
Other cash flows from financing activities	***1,414***	***2,799***
Net cash flow from continuing financing activities	**2,242**	**3,650**
Net cash flow from financing activities relating to discontinued operations	**(19)**	**(120)**
Net cash flow from financing activities	**2,223**	**3,530**
Net cash flow from continuing operations	558	(272)
Net cash flow from discontinued operations	37	1
Net increase/(decrease) in cash and cash equivalents	**595**	**(271)**
CASH AND CASH EQUIVALENTS - OPENING BALANCE	**3,290**	**3,692**
Net increase/(decrease) in cash and cash equivalents	595	(271)
Effect of currency fluctuations	(5)	(95)
Financial income on cash and cash equivalents	17	13
Effect of reclassifications	37	(49)
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	**3,934**	**3,290**

(1) The financial statements at 31 December 2019 apply IFRS 16 from 1 January 2019 (using the modified retrospective approach). In accordance with the new standard's transition provisions, the comparative figures have not been restated.
(2) The published figures for 2018 have been restated due to the impact of presenting Edison's E&P operations as discontinued operations.
(3) Contributions via capital increases, or capital reductions and acquisitions of additional interests or disposals of interests in controlled companies. In 2019, this item includes an amount of €968 million relating to CGN's payment for the NNB Holding Ltd. and Sizewell C Holding Co capital increases (€743 million at 31 December 2018). In 2018 it also included an amount of €797 million relating to the sale of 49% of EDF Renewables' wind farms.

PRESS RELEASE
14 February 2020

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 38.9 million customers (1), 28.8 million of which are in France. It generated consolidated sales of 71.3 billion in 2019. EDF is listed on the Paris Stock Exchange.

(1) Customers are counted since 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 EDF's Universal Reference Document (URD) filed with the Autorité des marchés financiers on 29 July 2019, which is available on the AMF's website at www.amf-france.org and on EDF's website at www.edf.com.
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