

Exceptional measures announced by the French Government

EDF acknowledges the announcement made today by the French Government on the measures aiming to limit the rise of electricity tariffs for 2022.

As a reminder, the key measures consist of:

- An additional ARENH ⁽¹⁾ allocation of 20TWh in 2022 ⁽²⁾;
- A postponement of a portion of the 2022 tariff increase over a 12-month period starting from February 1st, 2023, applying to the residential and “blue professional” regulated tariffs customers, as well as to all professional customers located in the non-interconnected zones, to limit their tariff increase of February 2022 at 4%.

The financial consequences for EDF Group cannot be precisely determined at this stage. For illustrative purposes and based on the information available to the Group at this stage, the impact on EDF's 2022 EBITDA of these measures is estimated at circa 8.4 billion euros based on the market prices on December 31st, 2021, and at circa 7.7 billion euros based on the market prices on January 12th, 2022 ⁽³⁾.

The final impact on the Group's EBITDA will depend on the market prices over the implementation period. EDF will communicate as soon as possible, and on a regular basis, on the progress of this estimate.

The Group will consider appropriate measures to strengthen its balance sheet structure and any measure to protect its interests. EDF will communicate again at its Annual Results on 18th February at the latest, and meanwhile withdraws its 2022 Net Financial Debt / EBITDA guidance ⁽⁴⁾.

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- (1) ARENH: Regulated access to historic nuclear power. See section 1.4.3.3 of EDF 2020 URD document.
 - (2) Allotment of an additional 20TWh over the period from April 1st to December 31st, 2022 at a price of 46,2 €/MWh.
 - (3) This amount includes an estimate of the impact of the tariff deferral on the 2022 cashflow amounting to approximately €1.5bn, based on market prices at 31 December 2021, and approximately to €1.6bn based on market prices at 12 January 2022. This tariff deferral will have no impact on the 2022 EBITDA if the missing earnings over this period can be booked as expenses attributable to public service obligations (within the scope of IAS 20).
 - (4) 2022 Net Financial Debt / EBITDA guidance of around 3x (See PR of 10th November 2021).

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About EDF

As a major player in energy transition, the EDF Group is an integrated energy company active in all businesses: generation, transmission, distribution, energy trading, energy sales and energy services. EDF group is a world leader in low-carbon energy, having developed a diverse production mix based mainly on nuclear and renewable energy (including hydropower). It is also investing in new technologies to support energy transition. EDF's raison d'être is to build a net zero energy future with electricity and innovative solutions and services, to help save the planet and drive well-being and economic development. The Group is involved in supplying energy and services to approximately 37.9 million customers ⁽¹⁾, of whom 28.7 million in France ⁽²⁾. It generated consolidated sales of €69.0 billion in 2020. EDF is listed on the Paris Stock Exchange.

(1) Since 2018, customers are counted per delivery site. A customer can have two delivery points: one for electricity and another one for gas.

(2) Including ES (Électricité de Strasbourg).

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