

## Quarterly Financial Information at 31 March 2019

### Sales up 1.7% <sup>(1)</sup>

### Confirmation of 2019 targets and 2019-2020 ambitions

**Group sales**

€21.0bn  
+1.7% org. <sup>(1)</sup>

### Highlights

**• New developments in renewable energies**

- Record level of EDF Renewables' portfolio of projects under construction: 1.2GW gross put into construction in the first quarter, i.e. 3.5GW gross at the end of March (including 1.4GW in solar)
- Solar power:
  - o Acceleration of the Solar Power Plan in France: acquisition on 1 April 2019 of LUXEL Group, which holds a 1GWp portfolio (of which ~90MWp in operation)
  - o Acquisition in China of a majority stake in a 77MWp rooftop photovoltaic assets portfolio
  - o Award of a 20-year electricity purchase contract for a 60MWp solar plant near Athens
- Offshore China: agreements to build and operate two 500MW offshore wind farms with Chinese electricity company China Energy Investment Corporation (CEI)

**• Innovation at the service of customers**

- Launch of Hynamics, a subsidiary to produce and market low-carbon hydrogen for:
  - o industrial clients: installation, operation and maintenance of hydrogen production plants
  - o public and professional mobility providers: service stations to provide hydrogen to recharge fleets of commercial vehicles

**• New nuclear**

- Taishan 2: end of fuel loading on 16 April 2019

**• Financial structure**

- Agreement to sell EDF's 25% stake in Alpiq
- Signing of a €300 million sustainable revolving credit facility indexed on ESG criteria

### Operational data

**Electricity generation**

Nuclear France	111.8TWh	-1.0%
Nuclear United Kingdom	12.6TWh	-16.4%
Group Renewables	15.7TWh	-23.7%
of which Hydropower France <sup>(2)</sup>	9.9TWh	-32.2%

**2019 targets <sup>(3)</sup>  
including  
IFRS 16 impact**

- EBITDA <sup>(4)</sup> €16.0 - 16.7bn
- Reduction in operating expenses <sup>(5)</sup> ~ €1.1 bn vs. 2015
- Cash flow <sup>(6)</sup> excluding HPC and Linky >€600m

**2019-2020 ambitions <sup>(3)</sup>  
including  
IFRS 16 impact**

- Total net investments <sup>(7)</sup> excluding acquisitions and "Group 2019-2020 disposals" ~ €15 bn/year
  - Group 2019-2020 disposals €2 to 3bn
  - Net financial debt/EBITDA <sup>(4)</sup> ≤ 2.7x
  - Dividend: target payout ratio of Net income excluding non-recurring items <sup>(8)</sup> 45 – 50%
- With the French State committed to scrip for the balance of the 2018 dividend and dividends relating to 2019 and 2020 full year

### Change in EDF group sales

<i>(in millions of Euros)</i>	<b>Q1 2018</b>	<b>Q1 2019</b>	<b>%</b>	<b>% organic</b>
France - Generation and supply activities	7,956	8,145	+2.4	+2.2
France - Regulated activities	5,167	5,033	-2.6	-2.6
EDF Renewables	379	417	+10.0	+2.9
Dalkia	1,223	1,323	+8.2	+7.8
Framatome	721	706	-2.1	-4.0
United Kingdom	2,577	2,501	-2.9	-4.2
Italy	2,252	2,372	+5.3	+1.2
Other international	666	795	+19.4	+18.9
Other activities	751	882	+17.4	+18.5
<i>Inter-segment eliminations</i>	<i>(1,246)</i>	<i>(1,208)</i>	<i>-3.0</i>	<i>-3.0</i>
<b>Total Group</b>	<b>20,446</b>	<b>20,966</b>	<b>+2.5</b>	<b>+1.7</b>

The Group's first quarter 2019 sales amounted to nearly €21.0 billion, up organically by 1.7% compared to the first quarter 2018.

This change was mainly driven by the France - Generation and supply activities segment in connection with favourable market conditions, the growth of the Group's energy services activities and strong performance by EDF Trading. Sales were also negatively impacted by activities in the United Kingdom due to the decrease in nuclear output in connection with the extension of plant outages and by the France – Regulated activities due to mild weather.

#### Footnotes to the first page

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

(2) Hydropower, excluding island activities before deduction of pumped volumes. For information, after deduction of pumped-storage hydropower volumes: 12.8TWh in Q1 2018 and 8.3TWh in Q1 2019.

(3) At constant legal and regulatory framework in France.

(4) On the basis of the scope and exchange rates at 1 January 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.

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

(6) The impact of IFRS 16 on cash-flow is derived from the increase in EBITDA, decreased by financial interests on the IFRS 16 net financial debt

(7) In accordance with the Group's anticipations regarding the Flamanville 3 project completion costs and schedule. A detailed update of the schedule and construction cost of the Flamanville EPR will be given after the ASN ruling has been published.

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

## Change in Group sales <sup>(1)</sup> by segment

### France – Generation and supply activities

<i>(in millions of Euros)</i>	Q1 2018	Q1 2019	% organic
Sales	7,956	8,145	+2.2

Sales in France - Generation and supply activities in the first quarter of 2019 amounted to €8.1 billion, up 2.2% in organic terms compared to the first quarter of 2018.

Nuclear output amounted to 111.8TWh, down 1.1TWh compared to the first quarter of 2018, mainly due to a modulation of generation in a context of warmer temperatures and a higher volume of outages.

Hydropower output <sup>(2)</sup> stood at 9.9TWh, down 32.2% (-4.7TWh) compared to the first quarter of 2018 due to less favourable hydrological conditions and to resource optimisation under consideration of the price environment.

The mild temperatures, compared to the first quarter of 2018, led to a 3.7TWh drop in end customer consumption over the quarter. The financial impact was limited to -€11 million compared to the first quarter of 2018, which had been strongly affected by mild weather in January leading to resales on low-priced markets.

The changes of regulated sale tariffs for electricity <sup>(3)</sup> (for the part excluding the delivery component) had a negative impact of around €54 million due to the end of the tariff adjustment, in the absence of the tariff increase originally scheduled for 1 February 2019.

Downstream market conditions <sup>(4)</sup> had a favourable effect of an estimated €331 million thanks to positive price effects correlated in particular to price trends on the wholesale forward markets.

The balance of purchases and sales on the wholesale market, including the energy component to end customers, had a negative impact on sales, estimated at €290 million, due to a lower sales volume.

Sales benefited from a positive spot price effect in January for the resale of the purchase obligations in the amount of €101 million (neutral effect on EBITDA as the CSPE mechanism offsets expenses linked to purchase obligations).

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

<sup>(2)</sup> Hydropower, excluding island activities before deduction of pumped volumes. For information, after deduction of pumped-storage hydropower volumes: 12.8TWh in Q1 2018 and 8.3TWh in Q1 2019.

<sup>(3)</sup> Price effects on customers at regulated sales tariffs, excluding the Energy Savings Certificates (EEC) component in the tariff "stacking". Change in tariffs on 1 August 2018 of -0.5% for blue residential and +1.1% for non-residential.

<sup>(4)</sup> Excluding the EEC component in the market offering.

**France – Regulated activities <sup>(1)</sup>**

<i>(in millions of Euros)</i>	<b>Q1 2018</b>	<b>Q1 2019</b>	<b>% organic</b>
Sales	5,167	5,033	-2.6

Sales in the France - Regulated activities segment in the first quarter 2019 amounted to €5.0 billion, down 2.6% in organic terms compared to the first quarter 2018.

The drop in volumes delivered in connection with mild weather, particularly in March, had an estimated negative impact of €170 million compared to the first quarter of 2018.

Sales benefited from the positive move in distribution tariffs <sup>(2)</sup> for an estimated €19 million.

Moreover, price effects linked in particular to changes in the portfolio structure had an estimated favourable impact of €17 million.

<sup>(1)</sup> Regulated activities including Enedis, Électricité de Strasbourg and island activities.

<sup>(2)</sup> Upward adjustment of the tariffs of the low voltage customers domain  $\leq 36\text{kVA}$  of 1.16% and indexation of TURPE 5 distribution of -0.21% at 1 August 2018.

## Renewable Energies

### EDF Renewables

<i>(in millions of Euros)</i>	Q1 2018	Q1 2019	% organic
Sales	379	417	+2.9

Sales for EDF Renewables amounted to €417 million, up 2.9% in organic terms compared to the first quarter of 2018.

This trend was driven by more favourable price effects and wind conditions, while the volumes produced were generally stable (4TWh or -0.1TWh compared to the first quarter of 2018) due to the disposals made at the end of 2018 and the beginning of 2019.

Total installed net capacity was broadly stable compared to the end of December 2018 and stood at 8.3GW.

On the other hand, the gross portfolio of projects under construction stood at a record level of 3.5GW gross (including 1.4GW in solar) at the end of the first quarter of 2019, i.e. +1.1GW compared to the end of December 2018.

### Group Renewables <sup>(1)</sup>

<i>(in millions of Euros)</i>	Q1 2018	Q1 2019	%	% organic
Sales <sup>(2)</sup>	1,307	1,252	-4	-5

Sales for all Group Renewables activities amounted to €1.3 billion in the first quarter of 2019, down 5% from the first quarter of 2018 mainly due to lower hydropower generation in France, partially offset by the positive price effects of the commissioned wind power capacity.

(1) Group Renewables includes EDF Renewables and the Group hydraulic generation, as well as the renewable activities of EDF Luminus and Edison.

(2) 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 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

<i>(in millions of Euros)</i>	Q1 2018	Q1 2019	% organic
Sales	1,223	1,323	+7.8

Dalkia's sales amounted to €1.3 billion, up 7.8% in organic terms compared to the first quarter of 2018.

This improvement reflects the favourable trends in service contracts review indexes, the rise in fuel prices and sales development. The commercial dynamic continued with the creation of a new district heating network in Charleville-Mézières in collaboration with the foundries of a PSA plant.

### Group Energy Services <sup>(1)</sup>

<i>(in millions of Euros)</i>	Q1 2018	Q1 2019	%	% organic
Sales	1,516	1,689	+11	+8

Sales in Group Energy Services amounted to €1.7 billion, up 8% in organic terms compared to the first quarter of 2018. They benefited in particular from the organic growth of Dalkia and Imtech.

The acquisition of Zephyro, an Italian operator active in the energy efficiency sector and in the supply of integrated energy management solutions, contributed to the development of energy services.

<sup>(1)</sup> 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)	Q1 2018	Q1 2019	% organic
Sales	721	706	-4.0

Framatome's sales amounted to €0.7 billion in the first quarter of 2019, down 4.0% organically.

This change is mainly due to timing effects on the first quarter of 2019 related to the year-on-year distribution of fuel assembly deliveries.

On the "*large projects business*", sales experienced a drop in activity with Taishan, whereas Hinkley Point C is ramping up its activities.

The "*Installed base business*" was down slightly in comparison with its strong performance in the first quarter of 2018 in France.

### United Kingdom

<i>(in millions of Euros)</i>	Q1 2018	Q1 2019	% organic
Sales	2,577	2,501	-4.2

In the United Kingdom, sales of €2.5 billion were down by 4.2% in organic terms compared to the first quarter 2018.

The decrease in sales was mainly due to the decline in nuclear generation and to a lesser extent to the suspension of the capacity market and the SVT (Standard Variable Tariff) price cap.

Nuclear output amounted to 12.6TWh, down 2.5TWh from the first quarter of 2018 due to the Hunterston B inspection and to the extension of Dungeness B outage.

Supply activity benefited from the good resilience of the residential customer portfolio, which is stabilising in a still very competitive environment, and from increasing sales volumes in the business customer segment.

### Italy

<i>(in millions of Euros)</i>	Q1 2018	Q1 2019	% organic
Sales	2,252	2,372	+1.2

In Italy, sales amounted to €2.4 billion, up 1.2% in organic terms compared to the first quarter 2018.

Sales from the electricity business (+€122 million in organic terms) grew thanks to higher sales volumes in the industrial customers segment and positive price effects.

In gas activities, sales were down (-€109 million in organic terms) due to a decrease in volumes sold on wholesale markets which was partially offset by an increase in volumes sold to industrial customers and a positive price effect.

Exploration-production activity was up (+€15 million in organic terms) in connection with the positive Brent price effect in Euros.



### Other international

<i>(in millions of Euros)</i>	Q1 2018	Q1 2019	% organic
Sales	666	795	+18.9

Sales in Other international amounted to nearly €0.8 billion, up 18.9% in organic terms compared to the first quarter of 2018.

In Belgium, sales increased by €59 million organically, reflecting in particular a rise in electricity and gas prices across all segments, partially offset by a slight decrease in volumes sold to residential customers due to mild weather. Wind capacity increased to 448MW, or +1.6% compared to the end of December 2018.

In Brazil, sales increased by €57 million in organic terms due to the positive effect of the annual review of EDF Norte Fluminense's power purchase agreement tariff that occurred at the end of 2018 and due to the impact of the change (without impact on EBITDA) of the ICMS<sup>(1)</sup> tax.

### Other activities

<i>(in millions of Euros)</i>	Q1 2018	Q1 2019	% organic
Sales	751	882	+18.5

Sales in Other activities amounted to nearly €0.9 billion, up 18.5% in organic terms compared to the first quarter of 2018.

Sales at EDF Trading were up €48 million organically. EDT Trading continues to benefit from positive volatility and took advantage of price conditions in European electricity and gas markets. The activities related to LNG (Liquefied Natural Gas) and LPG (Liquefied Petroleum Gas) also contributed to this performance in the first quarter of 2019.

Sales in the gas business increased by more than €176 million in organic terms in a favourable context for the LNG activity and in relation to better use of the Group's capacities.

<sup>(1)</sup> Tax on the Movement of Goods and Services in Brazil

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## Main events <sup>(1)</sup> since the press release of 15 February 2019

### Major Events

- Flamanville EPR update: a detailed update of the schedule and construction cost of the Flamanville EPR will be given after the ASN ruling has been published (see press release of 11 April 2019).
- EDF, EBM and EOS agreed on the disposal by EDF of its 25% stake in Alpiq to EBM and EOS (see press release of 5 April 2019).
- Notice of the Combined Shareholders Meeting on 16 May 2019 and appointments to EDF's Board of Directors (see press release of 5 April 2019).
- EDF launched Hynamics, a subsidiary to produce and market low-carbon hydrogen (see press release of 2 April 2019).
- EDF and BBVA signed a €300 million sustainable revolving credit facility (see press release of 22 March 2019).

### New investments, partnerships and investment projects

#### Development of renewable energies, EDF Renewables <sup>(2)</sup>

- EDF Renewables secured a 20-year Power Purchase Agreement following auctions in Greece for a future 60 MWp solar plant located near Athens (see press release of 6 May 2019).
- EDF Renewables and WiSEED launched a participatory financing for the Toucan 2 solar power project with storage in Guyana (see press release of 6 May 2019).
- Eolien Maritime France selected Siemens Gamesa Renewable Energy to provide turbines for two French offshore wind energy projects (see press release of 16 April 2019).
- EDF Renewables completed the acquisition of LUXEL Group, a French utility that develops and operates solar projects (see press release of 1 April 2019).
- EDF boosted its activities in China with agreements to build and operate two offshore wind farms and to optimize heating and air-conditioning networks in the city of Wuhan (see press release of 25 March 2019).
- EDF Renewables strengthened its presence in distributed solar power in China with its partner Asia Clean Capital (see press release of 21 March 2019).
- EDF Renewables pursues its expansion in wind and solar energy in the United States (see press release of 12 March 2019).

#### Framatome <sup>(3)</sup>

- United States: Framatome won a multimillion-dollar contract to perform cutting-edge maintenance operations at Wolf Creek (see press release of 20 February 2019).

### Other significant events

- The EDF group and Logis Cévenols inaugurated the largest collective self-consumption operation in France (see press release of 7 May 2019).
- Tomorrow's Connected Community: BBOXX unveiled its vision for the "community of the future" for the developing world (see press release of 24 April 2019).
- EDF Group launched the 2019 employee reserved offer "ERO 2019" (see press release of 17 April 2019).
- The EDF group and METRO France signed a new contract for the supply of wind energy (see press release of 25 March 2019).
- EDF welcomed the fact that consumers' interests were defended against unfair competition practices (see press release of 14 March 2019).

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(1) The complete list of press releases is available on the EDF website: [www.edf.fr](http://www.edf.fr)

(2) The complete list of EDF Renewables' press releases is available on the website [www.edf-renouvelables.com](http://www.edf-renouvelables.com)

(3) The complete list of Framatome press releases is available on the website: [www.framatome.com](http://www.framatome.com)



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 39.8 million customers <sup>(1)</sup>, 29.7 million of which are in France. It generated consolidated sales of €69 billion in 2018. 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 2019, which is available on the AMF's website at [www.amf-france.org](http://www.amf-france.org) and on EDF's website at [www.edf.fr](http://www.edf.fr).*

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EDF SA  
22-30, avenue de Wagram  
75382 Paris cedex 08  
Share capital of 1,505,133,838 euros  
552 081 317 R.C.S. Paris

[www.edf.fr](http://www.edf.fr)

### **CONTACTS**

**Press: +33 (0) 1 40 42 46 37**

**Analysts and investors: +33 (0) 1 40 42 40 38**