
Mejillones, Chile


Chilca uno, Peru

2013 ANNUAL RESULTS

February 27th, 2014

BY PEOPLE FOR PEOPLE

Key messages

2013 HIGHLIGHTS

- **All targets achieved**
- Multiple **successful developments**
- Robust **operational performance** and strong **cash generation**
- Successful self help measures
- Decision to **rebase accounting values**, to reflect revised view on long term prices in Europe
- Significant **net debt reduction**
- **2013 dividend: €1.5/share**

REINFORCING FOCUS ON GROWTH

- **2014** Net Recurring Income group share **guidance increased**: €3.3-3.7bn
- **Large pipeline of attractive projects**
- **New dividend policy 2014-2016[1]:**
  - 65-75% payout ratio[2]
  - €1 per share minimum
- **Boost net Capex[3]** up to **€6-8bn** per year vs ~€3bn in 2013
- Asset optimization program **scaled down to an average annual of €2-3bn**
- Asset disposals to fund additional growth Capex

CLEAR STRATEGY ROADMAP WITH TWO OVERARCHING AMBITIONS

- Be the benchmark energy player in fast growing markets
- Be leader in the energy transition in Europe

(1) Dividend decided for year Y, to be paid in year Y + 1
(2) Based on Net Recurring Income group share
(3) Net Capex = gross Capex - disposals; (cash and net debt scope)

GDF SUEZ

2013: All targets achieved

Figures pro forma equity consolidation of Suez Environnement[1]

KEY FIGURES

In €bn	2013
REVENUES	**81.3**
NET INCOME GROUP SHARE after impairments	**-9.7**
CFFO[2]	**10.4**
NET DEBT	**29.8**
DIVIDEND[3]	**1.50**

ALL TARGETS ACHIEVED

In €bn	2013 ACTUAL	2013 TARGETS[4]
NET RECURRING INCOME GROUP SHARE[5]	**3.4**	€3.1-3.5bn
EBITDA	**13.4**	Indicative EBITDA of €13-14bn
GROSS CAPEX	**7.5**	€7-8bn
NET DEBT / EBITDA	**2.2**	≤2.5x
RATING	**A / A1[6]**	"A" category

Perform 2015 delivering above initial targets

(1) Pro forma figures have been reviewed by auditors
(2) Cash Flow From Operations (CFFO) = Free Cash Flow before Maintenance Capex
(3) Including interim dividend of €0.83/share paid in November 2013. Subject to approval of the Annual General Shareholders' Meeting scheduled on April 28, 2014
(4) Targets assumed average weather conditions, Doel 3 and Tihange 2 restart in Q2 2013, no significant regulatory and macro economic changes, pro forma equity consolidation of Suez Environnement as of 01/01/2013, commodity prices assumptions based on market conditions as of end of January 2013 for the non-hedged part of the production, and average foreign exchange rates as follow for 2013: €/$ 1.27, €/BRL 2.42. Targets include positive impact of January 30, 2013 decision from 'Conseil d'Etat' on gas tariffs
(5) Excluding restructuring costs, MtM, impairment, disposals, other non recurring items and associated tax impact and nuclear contribution in Belgium
(6) S&P / Moody's LT ratings, both with negative outlook

Clear strategy roadmap with two overarching ambitions

Be the benchmark energy player in fast growing markets	• Leverage on strong positions in **IPP** • Develop our presence around the **gas value chain** • Globalize **energy services leadership positions**
Be leader in the energy transition in Europe	• Be the **Energy Partner** of choice for our customers while promoting energy efficiency • Be a vector of **decarbonization** through **renewable energy** • New businesses / digitalization

Benefit from integrated business model to capture opportunities along the value chain

2013: wide range of successful developments

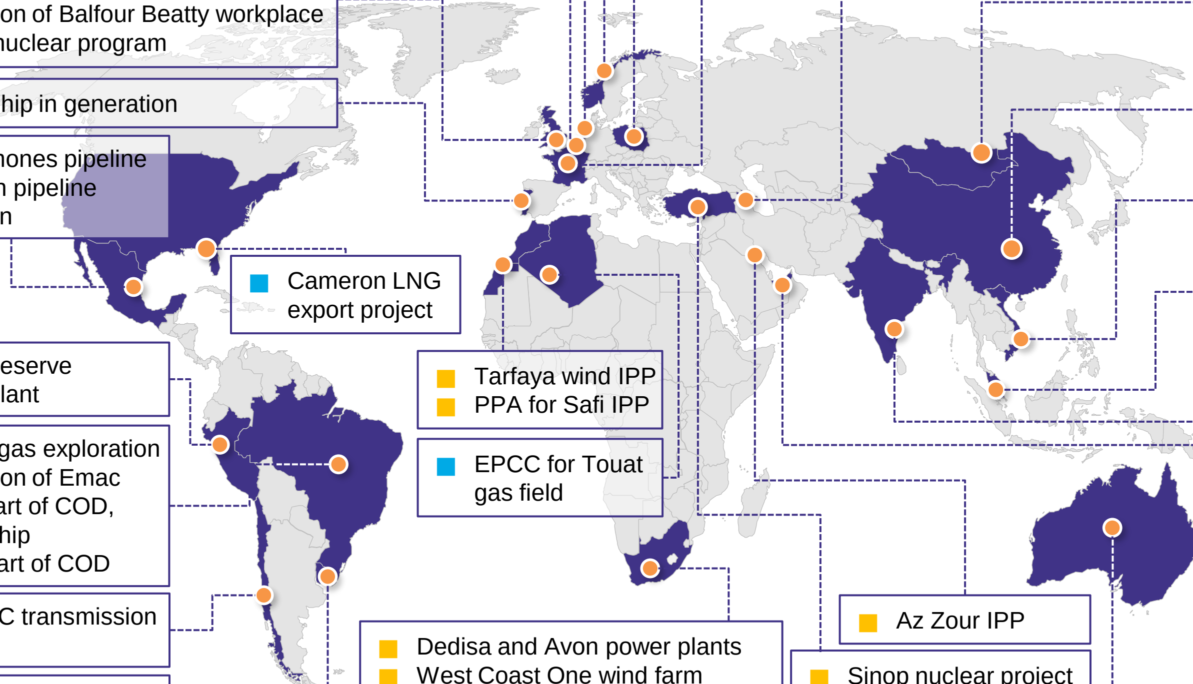
- Acquisition of district heating networks
- E&P licenses
- 1st oil from Amstel
- Tihange 1 lifetime extension
- E&P licences with shale gas potential
- 1st gas from Juliet, Orca
- Acquisition of Balfour Beatty workplace
- NuGen nuclear program
- Partnership in generation
- Los Ramones pipeline
- Mayakan pipeline extension
- Ilo cold reserve
- Ilo gas plant
- Entry in gas exploration
- Acquisition of Emac
- Jirau: start of COD, partnership
- Trairi: start of COD
- SING/SIC transmission line
- GNL del Plata project

- Gazpar Smart metering
- LNGeneration innovative offer
- Tender for offshore wind
- Partnership in onshore wind
- Contract for ITER project
- CIT'EASE interactive control panel

- Global agreement with Sanofi on energy efficiency

Power
Gas & LNG
Services

- 1st long term gas supply contract



- Cameron LNG export project
- Tarfaya wind IPP
- PPA for Safi IPP
- EPCC for Touat gas field
- Dedisa and Avon power plants
- West Coast One wind farm
- Development of coal plant project
- Az Zour IPP
- Sinop nuclear project
- Adana coal project

- Preferred bidder for CHP IPP
- Prequalified for Tavan Tolgoi IPP
- MOU for renewable projects
- Agreement on gas storage & FSRU
- Agreement with Petrovietnam to develop projects
- Entry in gas exploration licenses
- Cyberjaya district cooling
- Meenakshi IPP
- 1st LNG cargo delivered to Dubai
- Shortlisted for Mirfa IWPP
- Acquisition in O&M services
- Partnership in generation & retail

- **3.3 GW(1)** new capacity in 2013
- **15 GW(1)** under construction / advanced development

(1) At 100%

Multiple value levers in Europe

TOWARDS A STRUCTURAL CHANGE IN GENERATION

- **Nuclear and hydro expertise**
- **Continuous review of thermal fleet**
- **Strong position in renewable**
- ***Magritte* initiative**

PURSUE DEVELOPMENT OF ENERGY EFFICIENCY FOR B2B

- **Wide range of energy efficiency offers**
- **Favorable regulatory framework**
- **Positions along the whole value chain**
- **90,000 employees**

DEVELOP MARKETING & SALES THROUGH SERVICES

- **Strongholds in marketing & sales**
  - Offer digitalized products to 22 million clients
- **Prioritizing new businesses**
  - Retail LNG, demand-side management, biogas

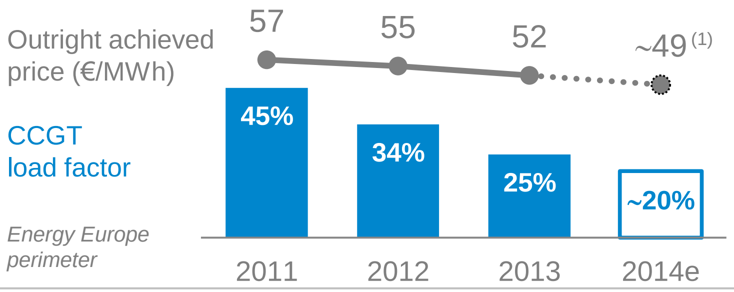
BENEFIT FROM VISIBLE & RECURRENT CASH FLOWS IN INFRASTRUCTURES

- **Solid gas infrastructures basis**
  - 4-year tariffs visibility, €23bn RAB
  - Expected changes in storage regulation
  - Expertise, lever for international development

Strong reaction to offset weak market environment

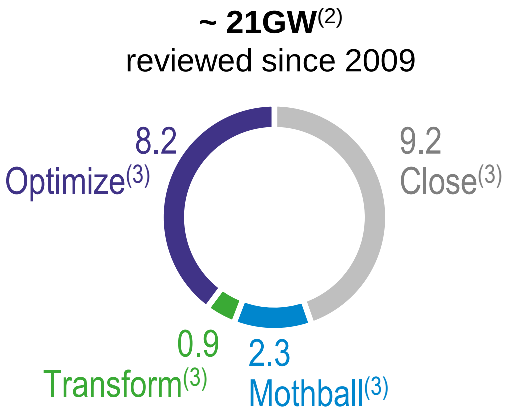
DIFFICULT CONTEXT IN 2013

- **Continued weak demand**
- **End of CO_2 free allocations**
- **Prices and spreads decreased**



STRONG OPERATIONAL REACTION

- **Continuous restructuring of thermal fleet**
  - Cash based approach
- **Active reengineering of gas supply**
  - 2/3 of long term portfolio (including Gazprom, ENI) renegotiated in the last 18 months
- **Improved situation in France & Belgium**
  - Restart of Doel 3 & Tihange 2
  - 10-year extension of Tihange 1
  - New gas tariff framework in France
  - Stabilizing market shares in Belgium (50% power, 46% gas)
  - 260,000 power contracts gained in France



~€270M OPEX IMPROVEMENT IN 2013 WITHIN *PERFORM 2015*

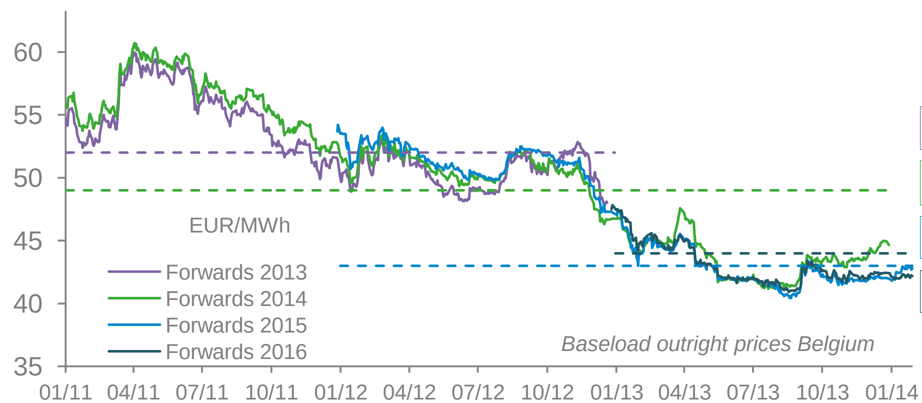
(1) For ~90% of volumes hedged as of 12/31/2013 (2) Energy Europe thermal capacity at year end 2013: 24GW out of which 1.9GW to be closed
(3) Figures related to decisions taken since 2009, for which delay of implementation can depend on technical or regulatory constraints
~10GW decided in 2013: close 1.6GW, mothball 1.9GW, optimize 6.2GW; in addition to which, status of Teesside has changed from mothballed to closed

Medium term prospects for Energy Europe

ENERGY EUROPE PRIORITIES

- **Increase operational efficiency in generation**
  - Maintain best in class nuclear availability: 91%[(1)] in 2013 excluding D3/T2 outages
  - Further optimize thermal generation: 4.7GW to go through 2nd review, 6.9GW through 1st review
- **Develop in renewables**
  - Prioritize onshore wind & solar, positioning on offshore wind in France & Belgium
  - Enhance developments through partnerships
- **Re-engineer marketing & sales on strongholds**
  - Launch new offers through leveraging on services and new businesses
- **Extract full portfolio value**
  - Pursue long term gas portfolio renegotiations: all majors contracts renegotiated during 2014-2015
  - Advocate for a major evolution of the market design in Europe
- **New organization by *Métier* and achieve *Perform 2015* targets**

CONVERGENCE OF OUTRIGHT ACHIEVED PRICES TO CURRENT FORWARDS IN 2015



Hedged volumes and prices CWE outright

- 2013: 100% hedged @ ~52€/MWh
- 2014: ~90% hedged @ ~49€/MWh
- 2015: ~60% hedged @ ~43€/MWh
- 2016: ~20% hedged @ ~44€/MWh

(1) Operated nuclear assets in Belgium

Adverse European energy markets

HEADWINDS ON THERMAL GENERATION

- Long-lasting low outright prices: weak demand, increase of renewable capacity
- High, stable gas prices

↘ Clean spark spreads: negative in baseload, close to zero during peaks

↘ Thermal fleet pushed out of the merit order

HEADWINDS ON GAS SALES AND STORAGE

- Gas sales
  - Market prices are now the reference, permanent delinking oil/gas
  - Increasing competition
- Gas storage
  - Market price inducing decrease in reservation capacity
  - Current regulation unfavorable

TOWARDS A EUROPEAN THERMAL ASSET CLUSTERING

- Accelerated restructuring of thermal fleet
- Dedicated new organization and assets clustering
- Significant self-help program delivering more than expected
- Option to partner

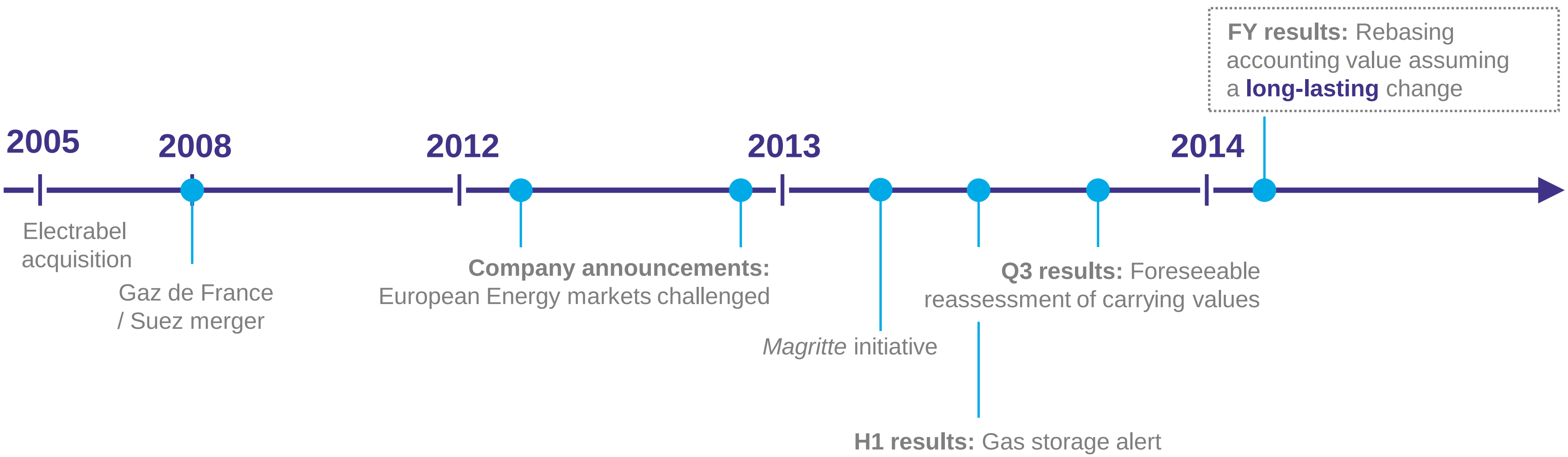
A DECISION TO REASSESS ACCOUNTING ASSET VALUES

2013 impairments (€bn) Pre-tax	Goodwill	Assets
Europe	**5.7**	**8.1**
Energy Europe	4.4	5.7
Gas storage	1.3	1.9
Other		0.5

Significant impact due to change in long term view & high balance sheet values

- **Long lasting paradigm change:**
  - **Thermal assets**: expect return to better conditions but not reaching historical levels
  - **Gas storage assets**: expect slight improvement if progress in regulation
  - First to alarm since 2012 and launch of the *Magritte* initiative

- **High values on Balance Sheet:**
  - Goodwill booked in a context of commodity prices at peak levels
  - GDF & Suez merger implied a Goodwill & Asset step-up of €24.5bn, applying IFRS standards



Drawing the consequences in terms of accounting values

2013

- No impact on cash or liquidity
- No impact on Net Recurring Income
- No impact on employment

Medium term

- D&A: positive impact on earnings of ~€0.35bn from 2014
- No further degradation on cash generation from impaired assets considering forecasting updated with forwards prices
- Negative clean spark spreads since 2011[1]
- Wider range of options available

Long Term

- Lower recovery of European energy markets

2013 impairments (€bn)	Goodwill	Assets
Europe	**5.7**	**8.1**
Energy Europe	4.4	5.7
Gas storage	1.3	1.9
Other		0.5
Outside Europe	**0.1**	**1.0**
TOTAL pre-tax	5.8	9.1
TOTAL post-tax	5.8	7.6
% of non current assets	**12%**	

Dec 31, 2013 values after impairments

- Total non current assets: €107bn
- Total equity: €53bn
- Total balance sheet: €160bn

(1) Baseload clean spark spread in Belgium, forward Y+1, source: ENDEX/ICE for power, Argus for Zeebrugge gas, ECX ICE for CO_2

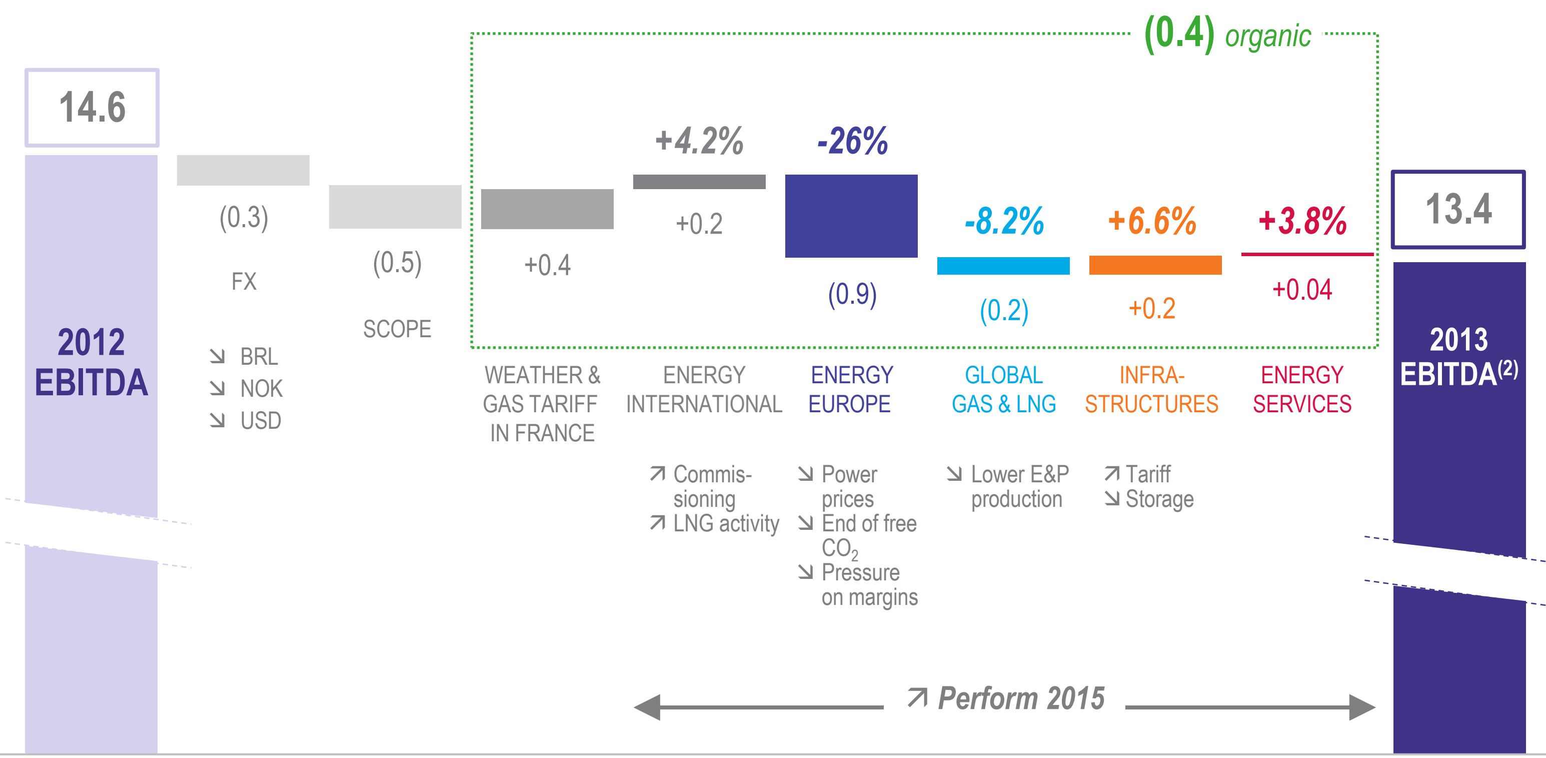
EBITDA evolution

Figures pro forma equity consolidation of Suez Environnement[(1)]

-8.1% gross / -2.7% organic

-5.7% organic without weather and gas tariff impacts

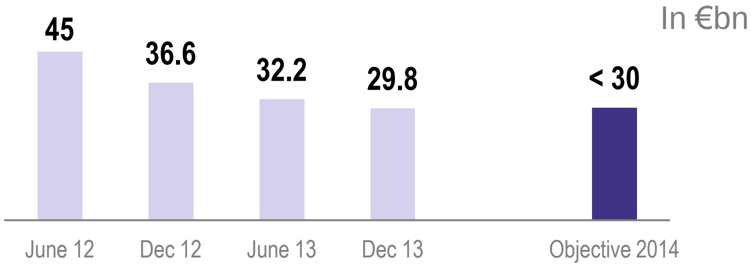
By business line
(in €bn)



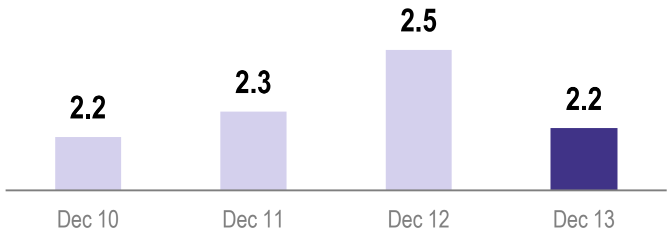
(1) Pro forma figures have been reviewed by auditors
(2) Including Others €(0.3)bn in 2012 and €(0.4) in 2013

Sharp decrease in net debt and financial cost

2014 TARGET REACHED ONE YEAR EARLIER



NET DEBT/ EBITDA ≤ X2.5



A CATEGORY RATING

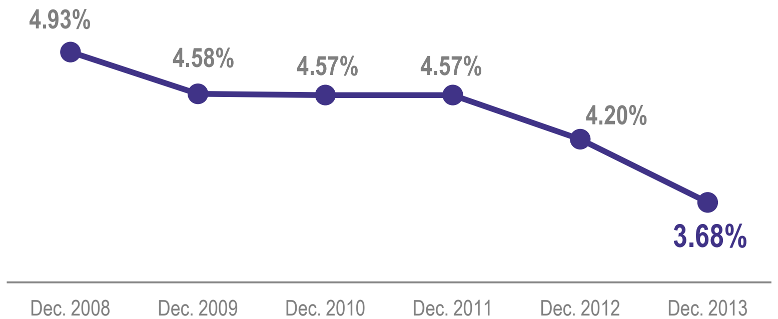
(as of 25/02/14)

S&P		Moody's	
AA-		Aa3	EDF (negative)
A+	EDF (stable)	A1	**GDF SUEZ** (negative)
A	**GDF SUEZ** (negative)	A2	
A-	E.ON (stable)	A3	E.ON (negative)
BBB+	RWE (stable)	Baa1	RWE (stable) IBERDROLA (negative)
BBB	ENEL (stable) IBERDROLA (stable) GAS NATURAL (stable)	Baa2	ENEL (negative) GAS NATURAL (stable)

BALANCE SHEET OPTIMIZATION

- **Portfolio optimization with €4.7bn impact on net debt** + €0.3bn received in January 2014 (Jirau)
- **Buy back of €1.7bn debt portfolio bearing an average coupon of 5%:**
  - "titres participatifs"
  - 7 bonds with maturity 2015-2020
  - First Hydro high yield bond
- **€1.7bn hybrid bonds** with an average coupon of 4.4%

SHARP DECREASE IN COST OF GROSS DEBT



€0.4bn reduction in cost of net debt in 2013

Upgrading *Perform 2015* targets following strong performance

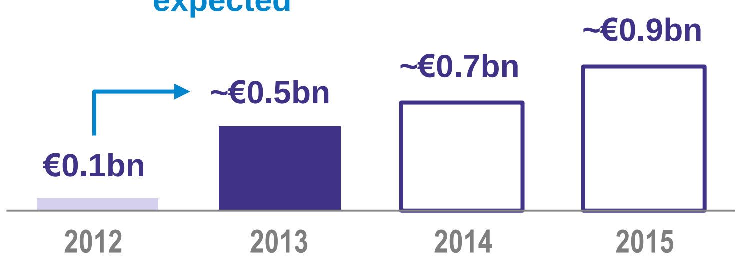
2013 CONTRIBUTION
with SEV equity consolidated

In €bn

Gross EBITDA Contribution	**1.0**
Fixed cost drift in energy businesses	(0.4)
Estimated net EBITDA Contribution	**0.55**
Below EBITDA	0.15
Estimated NRIgs	**0.4**
Capex and WCR optimization	1.0

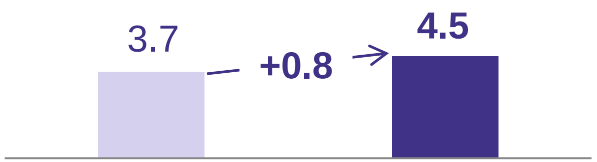
CUMULATIVE IMPACT ON NET RECURRING INCOME GROUP SHARE

Strong acceleration in 2013
+€0.4bn vs +€0.2bn expected



2015 TARGETS INCREASED BY +€800m

In €bn



Cumulative gross P&L contribution
(EBITDA & below EBITDA)
~€3.3bn in 2015

&

Cumulative Capex and working capital optimization
~€1.2bn in 2015

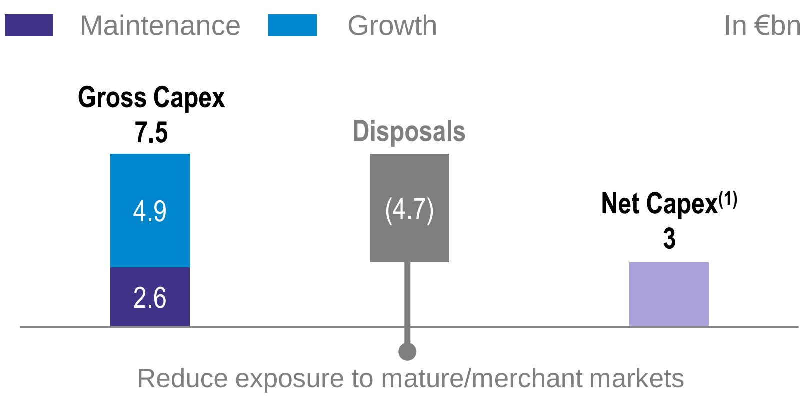
Rationale for increase
- Continued degradation of economic environment in Europe
- Strong & successful acceleration of program in 2013

Additional levers
- Increase in OPEX savings
- Improvement of operational performance in existing businesses
- Upgrade of procurement savings target

Reinforcing focus on growth

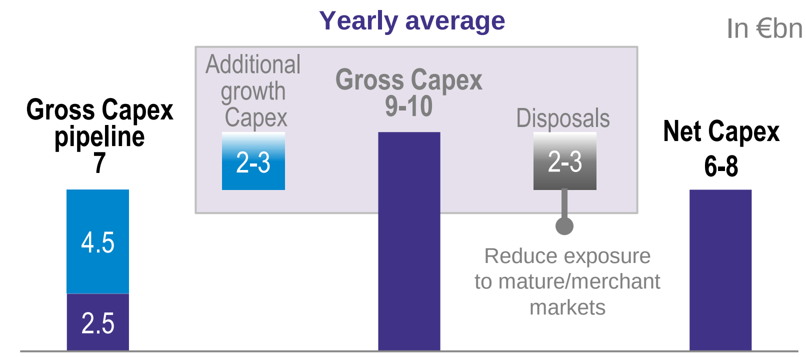
BOOSTING CAPEX PROGRAM

2013



Disposals utilized for debt reduction

2014-2016



Disposals utilized for boosting growth

MAINTAINING ATTRACTIVE DIVIDEND POLICY

2013

- €1.5 per share
- Interim + final dividend
- 100% cash

2014-2016(2)

- Payout ratio of 65-75%(3)
- €1 per share minimum
- Interim + final dividend
- 100% cash

(1) Including +€0.2bn net debt scope of Meenakshi acquisition (2) Dividend decided for year Y, to be paid in year Y + 1
(3) Based on Net Recurring Income group share

Capex program designed to seize growth opportunities

ENERGY SERVICES

~€2bn
- Energy efficiency projects
- …

INFRASTRUCTURES

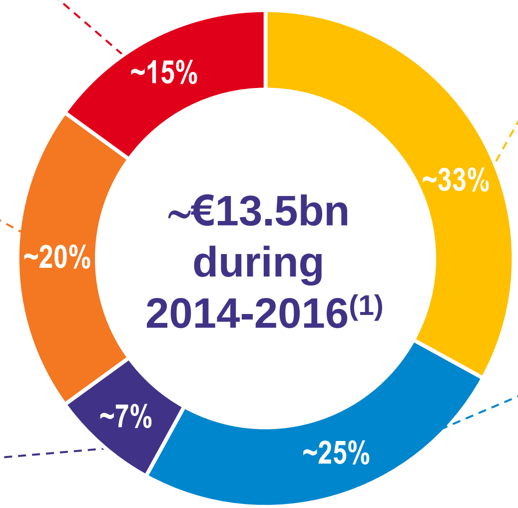
~€2.5bn
- GrDF
- GRTgaz (France)
- …

ENERGY EUROPE

~€1bn
- Renewable
- …

Strict and selective approach

Project IRR > project WACC + 200bps



ENERGY INTERNATIONAL

~€4.5bn
- Tarfaya (Morocco)
- Tihama (Saudi Arabia)
- Peakers (South Africa)
- Jirau (Brazil)
- Quitaracsa (Peru)
- Meenakshi (India)
- Az Zour North (Kuwait)
- Los Ramones (Mexico)
- Mayakan (Mexico)
- …

GLOBAL GAS & LNG

~€3.5bn
- Gudrun (Norway)
- Cygnus (UK)
- Touat (Algeria)
- Cameron LNG export project (US)
- Jangkrik (Indonesia)
- …

FID[2]

FID not taken

(1) o/w €10bn committed
(2) FID: Final Investment Decision

Pipeline of growth Capex over 2014-2016 ➔ ~€4.5bn/year

+

Additional growth Capex funded by disposals ➔ ~€2-3bn/year

Strong industrial ambition supported by growth Capex pipeline

ENERGY SERVICES

- Revenues organic growth = **GDP growth +2%**
- Reach EBIT/Revenues ≥ 5% in 2016
- Selective acquisitions in targeted markets

GAS INFRASTRUCTURES

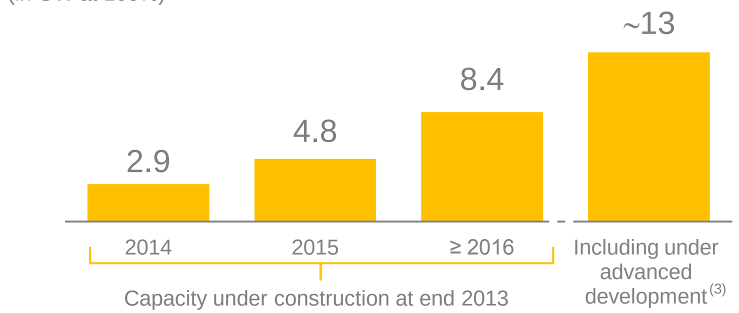
- **↗ ~+3.5%(1)** steady growth of ~€23bn RAB (France)
- Storage: to stabilize after low point in 2014

ENERGY EUROPE

- **2 GW** RES capacity commissioned by 2017(2)

ENERGY INTERNATIONAL

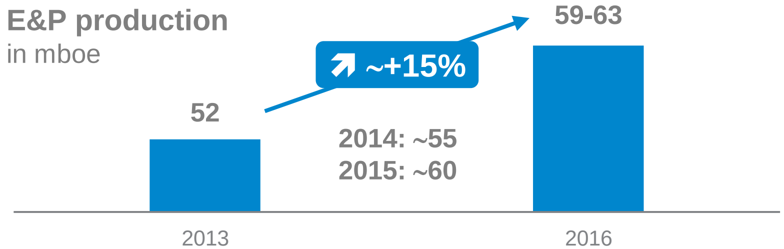
Expected commissioning of additional capacity
(in GW at 100%)



- Selective acquisitions

GLOBAL GAS & LNG

E&P production
in mboe



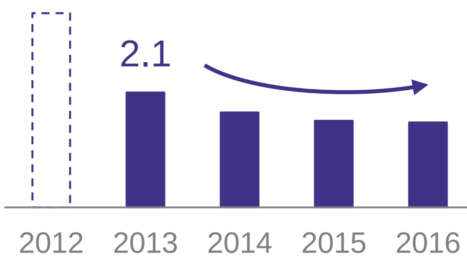
- **↗ +25%** LNG portfolio from 16mtpa (2013) to 20mtpa (2020)
- Increase LNG sales to premium markets
- Potential selective acquisitions

(1) CAGR over 2013-2016
(2) Over 2011-2017 at 100%
(3) Exclusive negotiations / preferred bidder or Investment Note approved by the Business Line Commitment Committee

Growth platforms boosted by additional Capex

Energy merchant activities in Europe

LANDING IN 2015-2016



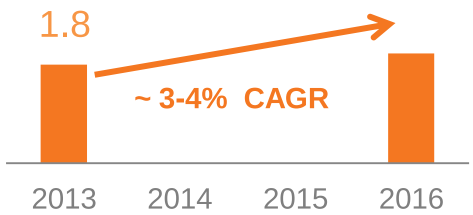
COI profile[1]

75% merchant, 85% €

- Energy Europe
- UK-Europe
- Gas storage

Regulated French gas infrastructures[2]

STEADY & PREDICTABLE CASH FLOWS



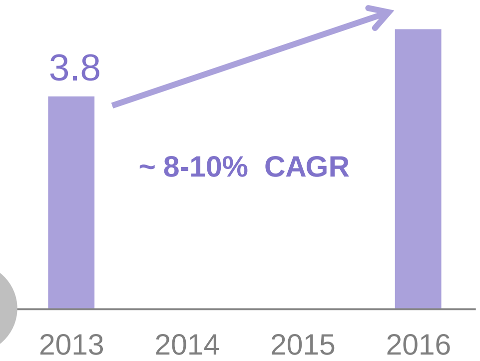
COI profile[1]

100% regulated, 100% €

- Distribution
- Transmission
- LNG terminals

Growth platforms[3]

ROBUST GROWTH PERSPECTIVES



COI profile[1]

70% contracted

~30% Europe, ~25% others OECD, ~45% emerging markets

- Energy International[4]
- Global Gas & LNG
- Energy Services

Back to growth

Portfolio risks balanced

(1) COI including share in net income of associates. Assuming average weather conditions, full pass through of supply costs in French regulated gas tariffs, no other significant regulatory and macro economic changes, commodity prices assumptions based on market conditions as of end of December 2013 for the non-hedged part of the production, and average foreign exchange rates as follow for 2014: €/$1.38, €/BRL 3.38, 2015: €/$1.38, €/BRL 3.42, 2016: €/$1.39, €/BRL 3.36
(2) Infrastructures business line excluding gas storage (3) Including Others (4) Excluding UK-Europe

Environmental and social targets well on-track

Delivering on objectives

	2013 level	2015 targets
CO_2 SPECIFIC EMISSIONS (emission ratio per power and energy production)	*New*	-10% (2020)
RENEWABLE ENERGY (installed capacity increase vs. 2009)	27%	+50%
HEALTH AND SAFETY (frequency rate)	4.4	<4
BIODIVERSITY % of sensitive sites in the EU with a biodiversity action plan	36%	100%
DIVERSITY (% of women in managerial staff)	22%	25%
TRAINING (% of employees trained each year)	69%	>2/3
EMPLOYEE SHAREHOLDING (% of Group's capital held)	2.35%	3%

Highlights 2013

- **New CO_2 objective:** to reduce the CO_2 specific emission ratio of power and associated heat generation fleet by 10% between 2012 and 2020
- **Start of commercial operations of Jirau:** first 75 MW turbine in September, 2013
  - IHA[1] Sustainability Assessment Protocol: "*very strong performer across its sustainability profile*"
  - Clean Development Mechanism (CDM) registration by the United Nation[2]
- **Bronze Class Distinction awarded in 2014 by RobecoSAM**
  - 2013 assessment: 73/100 vs industry average 53/100

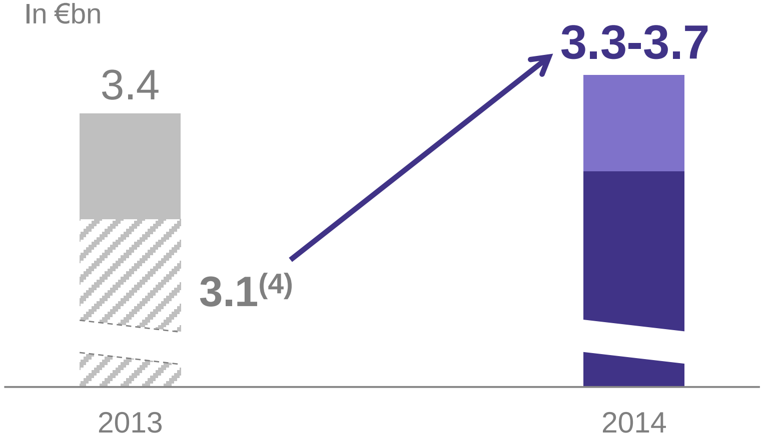
(1) International Hydropower Association
(2) UNFCCC: United Nation Framework Convention on Climate Change

2014 targets increased

2014 FINANCIAL TARGETS[1]

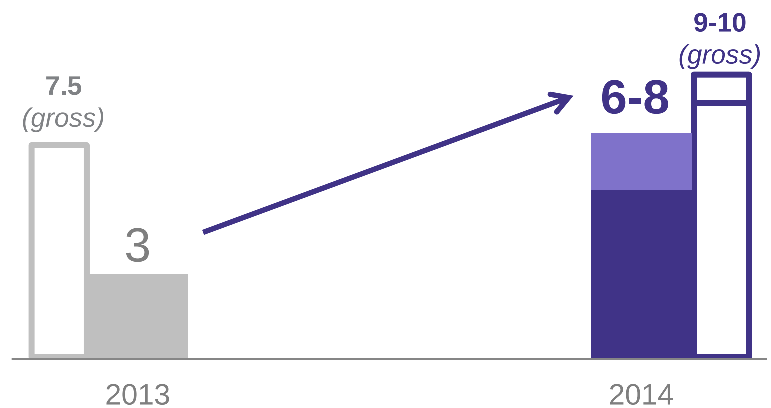
Net Recurring Income group share[2]

In €bn



Net Capex[3]

In €bn



Dividend

- **65-75% payout ratio[5]**
- **€1 per share minimum**

Net debt/EBITDA ≤2.5x

“A” category rating

(1) Targets assume average weather conditions, full pass through of supply costs in French regulated gas tariffs, no other significant regulatory and macro economic changes, commodity prices assumptions based on market conditions as of end of December 2013 for the non-hedged part of the production, and average foreign exchange rates as follow for 2014: €/$1.38, €/BRL 3.38.
(2) Excluding restructuring costs, MtM, impairment, disposals, other non recurring items and associated tax impact and nuclear contribution in Belgium
(3) Net Capex = gross Capex - disposals; (cash and net debt scope)
(4) Restated from 2013 weather impact, 2013 gas tariff, expected FX for 2014
(5) Based on Net Recurring Income group share

Conclusion

All 2013 targets achieved and 2014 guidance increased

Clear strategic roadmap

- Be the benchmark energy player in fast growing markets
- Be leader in the energy transition in Europe

Accelerate the Group's transformation strategy

- Pursue accelerated *Perform 2015* plan
- Implement new business model in Europe

Focus on growth to reinforce value creation

- New dividend policy
- Boost development Capex program


Mejillones, Chile


Chilca uno, Peru

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