BY PEOPLE FOR PEOPLE

RESULTS AS OF SEPTEMBER 30, 2013

Analyst conference call

November 13th, 2013

GÉRARD MESTRALLET

Thank you. Good morning Ladies and Gentlemen, I am very happy to be here with you this morning to present our results as of the end of September, along with Jean François Cirelli, Isabelle Kocher and Geert Peeters.

So, what are the key take-aways of this period. I look at the slide number 2.

I would like to make three main remarks.

The first remark:

In a world which offers exciting opportunities as well as unprecedented challenges for our industry we diligently execute our strategy and we see it delivering results.

In Europe: in Europe, we relentlessly optimize our asset base and engage with all stakeholders to transition into a new future which is more sustainable for customers, grid operators and utilities. We aim to become the Energy Partner of choice of our customers providing cost competitive and reliable answers to their energy supply needs as well as innovative solutions to their energy efficiency goals.

Let me remind you that we start from a leadership position with our Energy Services division employing almost 80 thousand professionals.

We also continue to pursue operational excellence and organic growth in our regulated gas infrastructures.

In the rest of the globe, we harvest the multitude of opportunities. In the IPP industry, we continue to develop new power plants in response to contracted demand as emerging economies further build out the infrastructures to power or to fuel their economic growth. Along the gas value chain, the shale gas revolution has propelled gas as the fuel of the future and we capitalize on our long term expertise over the whole gas value chain, from production to delivery and essentially through LNG.

This was the first remark.

The second remark:

With the business trends as mentioned unchanged from the first semester, comes a financial picture similar to the first semester as well on the operational front. We see contrasts in the organic evolution of the EBITDA of our different divisions.

What I mean by contrasted evolution of EBITDA is the following.

On the one hand, we see our growth levers working well and comforting our strategic choices to prefer investments in fast growing markets and activities with more predictable revenues, contracted or regulated. The trends in our international activities continue to be positive. The contributions from our regulated gas business reflect increase in tariffs and the contribution from new investments. We also keep growing in the field of energy services.

On the other hand, we see continued downside factors quickly affecting the EBITDA contribution of power and gas activities in Europe. The thermal generation activities are particularly hard hit.

Finally, the trend of EBITDA contribution of the Global Gas & LNG division reflects the decrease of E&P production which is temporary until new capacity will come online in the coming months. The EBITDA contribution from LNG for its part shows the combination of lower arbitrage margins on LNG diversions whilst the number of opportunities and volumes of these have increased.

As I said, overall the financial picture today is similar to the picture of August, not only at the operational level but also further down the bottom line. We continue to book success in mitigating the impact to the net recurrent bottom line of some of the EBITDA erosion. This thanks to amongst others the significant reduction in the cost of debt, the good progress of Perform 2015 (our cost cutting and performance plan) and finally the totality of the asset optimization program.

This was the second remark.

The third remark:

As customary for the Group, we stick to our financial discipline. As was already the case at the first half, the Group's financial flexibility was further consolidated thanks to both the strong cash flows and the significant reduction in net debt. The latter as a result of those cash flows and also the successes of the portfolio optimization program.

Now, just to go to slide number 3, to have a look at the September 30th results.

I will now briefly comment the consolidated figures for the period which are presented here on a pro forma basis to account for the equity consolidation of SEV since January 1st.

The revenues for the nine months were up on an organic basis by 3.4% reaching almost 60 billion euro. This is a testimony to the strong operational and commercial activity driven amongst others by the commissioning of new power plants, increased LNG sales to third parties and the effects of a very cold winter in France earlier this year.

EBITDA on the other hand showed an organic reduction of 1.4%, reflecting the previously mentioned more challenging economic and regulatory environment in Europe and the resulting erosion of margins. When adding to these effects the impact of some of our recent divestments, many of which have been partial but with the deconsolidation of EBITDA as a consequence, impact also of the strengthening of the euro, the gross reduction of EBITDA sums to 6.5%.

The net debt is now under 30 billion, a significant achievement 15 months ahead of our target, set target date to achieve this goal, which was 30 billion euro at the end of 2014.

These results enable us to confirm our financial targets for the year and to be confident about the net recurring income target for this year.

On the other hand, we have witnessed a further worsening of the outlook of two activities in particular in Europe, that is to say the merchant generation and gas storage.

Forward power prices look increasingly weak and we are updating our medium to long term price scenarios. We also review the potential outcome of new regulatory actions and we explore a large range of far going organizational and industrial restructuring options.

As for gas storage activities, the weaker outlook of winter / summer pricing spread and the further erosion of bookings for gas storage capacity, force us here as well to update the scenarios and to consider appropriate measures.

In this context, we are in the process of performing our annual reassessment of our assets, and in particular merchant power generation and gas storage assets in Europe. We foresee that the outcome of this process will require non cash and non recurrent adjustments to the book value of some assets and negatively affect the final full year 2013 net income of the Group, but of course not the net recurring income Group share which is the metric of our guidance.

I will now hand over to our CFO, Isabelle Kocher, for a more detailed analysis of the results and underlying drivers.

ISABELLE KOCHER

Thank you, Gérard.

For the review of the business performance, I will start by commenting the revenues.

When readjusting last year's basis to reflect the change in scope and the strengthening of the euro, having respectively an impact of 1.5 billion euro and 0.6 billion euro, revenues increased on an organic basis by 3.4%. All but one division contributed to the growth:

First, revenues from our activities within Energy International are up by 0.4 billion on an organic basis, and this clearly reflects the achievements of our teams who have been successful in commissioning a sizeable amount of new capacities, amongst others in Asia and Latin America. To name just some of them, there was in Thailand the commissioning of Gheco One and SPP12 in July and December of last year, respectively; in Brazil the full and final commissioning of the Estreito hydro power plant of around 1 GW; and in Peru the start of operations at the Chilca and Ilo thermal power plants.

Revenues of the Energy Europe division increased organically compared to last year by 0.5 billion, mainly thanks to favorable weather conditions which I remind you have led to almost 30 TWh of windfall sales compared to those under average weather conditions. Last year had been – you remember that – a rather average year from a weather perspective. As you know, as a consequence of adverse market and regulatory conditions, margins in this division, in particular power generation margins, have not trended into the same direction, and I will come back to that in one minute.

Our Global Gas & LNG division shows a year on year revenues growth of 0.8 billion. This reflects mainly the dynamic activity of the global LNG business, with notably an increase in LNG sales to third parties of more than 15 TWh, that is to say an increase of more than 30% compared to the first 9 months of 2012. The number of cargos delivered to Asia, increased from 31 last year to 49 this year.

There was also organic growth in the revenues of the Infrastructures division for about 0.4 billion euro. This was achieved as the effect of increased tariffs, new investments and also favorable weather impacts. Then we booked an increase of turnover despite the lower commercialization of gas storage capacities in France.

Finally, compared to last year there is a small decrease in revenues for Energy Services of 70 million on a basis of 10 billion euro that is to say about 0.7%. This small decrease can amongst others be explained by the roll off of legacy cogeneration contracts in France. But thanks to tight cost control and focus on margins, thanks also to the very good dynamic of the different activities segments in this services division, EBITDA has grown despite this minor reduction in revenues.

Let me now turn to the EBITDA evolution. I am on slide 5.

The previously mentioned contrasted set of business drivers led to a modest organic reduction of the EBITDA of -1.4%. And I will successively describe, rapidly, the adverse drivers and the positive elements.

The main adverse drivers to highlight are the following:

First, there is as you know a continued economic and regulatory pressure on our power and gas activities in Europe. We are continuously and vigorously addressing the consequences of this trend and the very good progress of our performance program contributes to mitigate part of the impact. Second, you will recall the extraordinary outages which have impacted our two nuclear plants Doel 3 and Tihange 2 until June this year. The regulatory clearance was obtained in May and the plants have been operating very well since then. Finally, the lower margin contribution from the upstream activities reflects the impact from a temporary decrease of E&P production, as expected. The commissioning of new fields, expected to come on line later this year and next year, will bring us back to a more normative level of production and contribution. In this division, the margins captured on LNG diversions have understandably come down from post Fukushima extremes and this compensated the increase in the volumes of diversions.

On the other hand, several positive factors in our diversified portfolio delivered increased contributions to the organic EBITDA. There was the already mentioned favorable trends in emerging markets and the new contributions from the commissioning of new capacities in Thailand and Latin America. There was a strong contribution also from additional LNG diversions from our portfolio out of the US. And the increased EBITDA from our gas infrastructures assets in France reflected the favorable impact of higher tariffs and new investments. This, combined with the favorable weather impact, more than offset the negative effect of lower commercialization of the gas storage capacities I mentioned a few minutes ago.

We should also mention here of course that as it was already the case at the half year, our performance program continued to deliver very good results during the third quarter, across all businesses and also at corporate level.

Finally, let me remind you that the EBITDA earlier during the year benefited from a significant push from the weather conditions in France. The effect of this amounted to roughly 330 million, of which two third benefiting to the Energy Europe business line and one third to the Infrastructures business line.

A last word now to briefly comment on the non organic effects. As it was expected, the EBITDA evolution shows the effect from the disposals we have achieved in the context of our portfolio optimization program which has been very successful to date. The impact is roughly 350 million euro for the 9 months period. One can also note the impact of the strengthening of the euro this year which adversely impacted the EBITDA for about 200 million euro. Two thirds of this are attributable to the EUR/BRL exchange rate, the remainder mostly to the EUR/USD exchange rate.

Let me now move to the indicators reflective of our financial flexibility, which as Gérard highlighted at the beginning of this presentation have remained strong reflecting the strength of most of the Group's activities and our continuous efforts towards financial discipline.

Indeed, the main cash flow indicators, that is to say the cash flow from operations and the free cash flow, have both remained strong on an organic basis year-on-year. The variation compared to last year can indeed quasi fully be traced back to the changes in perimeter and the impact of currency movements.

On the capex side, we are in line with our objective of a total between 7 and 8 billion euro for the year. Let me remind you that more than half of the growth capex, which account for roughly 5 billion is directed to our activities in fast growing markets.

The net debt was reduced by almost 7 billion compared to last year, to a level below the 30 billion euro watermark we had initially set ourselves for the end of 2014. As a result, the ratio of net debt to EBITDA is now coming out at 2.2 times, well below the level of 2.5 times that we had targeted as an upper limit.

You will recall that we had already made significant progress on our portfolio rotation program by June. Since then we have closed two other significant transactions, namely the partial sales of power plants in Portugal and Australia, fully in line with our strategy. This contributes to the debt reduction but also to the strategic reorientation towards markets with higher growth potential.

I now hand over to Gérard again.

GÉRARD MESTRALLET

Thank you, Isabelle.

I would like now to spend some time going through our newest commercial and industrial successes around the world. As you can see on slide 7 and on the map, our teams keep on capturing growth opportunities in our targeted markets. I will only highlight a few of our recent successes.

Look at Mongolia. In Mongolia, which is a new market or a new frontier for GDF SUEZ, we have been confirmed as preferred bidder for the combined heat and power plant CHP5 in Ulaanbaatar under a 25-year PPA with the Mongolian government. Additionally, end of October we have signed a MOU with Newcom, a leading Mongolian conglomerate, relating to the development of future renewable energy projects in the country, which are a wind project. And we are also prequalified for another IPP project, the Tavan Tolgoi 450 MW project which is for Rio Tinto.

In Morocco, we have signed a 30-year PPA for our large new Safi IPP project, 1,400 MW thermal power plant, and we erected the first wind turbines for the new 300 MW Tarfaya project which will be the largest wind field of the African continent.

In Peru, we reached COD of the Ilo Cold reserve project, in the South of the country, which will provide security of supply, a critical factor to our mining customers. With the recent addition of these 564 MW plus the 270 MW of the Chilca CC project commissioned at the end of last year, our capacity in that country has nearly doubled and our company Enersur, our subsidiary which is listed, has now become the market leader. So GDF SUEZ is now the number 1 in Peru for power capacity and I consider that as a great achievement.

Our teams also booked successes in our activities along the global gas value chain. Early August we delivered our first LNG cargo to Dubai. Early October we announced the fast track development of Uruguay's first LNG import terminal. As you know we had already successfully developed such a project on the Pacific Coast of the continent in Chile, in Mejillones.

Three weeks ago, we announced our entering into 13 exploration licences with shale gas potential in the UK, with the Dart company. With this acquisition we position ourselves amongst the first movers on shale gas in the UK, since the French market is not open as you know. I remind you that we are already a significant player in the offshore of the UK. Regarding shale gas, we have decided to assess opportunities in six countries, three in Europe – the UK, Poland, and Germany – and three outside Europe – Brazil, China and Algeria.

Now if we move to slide number 8. Transformation in mature markets, in Europe. Let me give you an update on some key events of our businesses in the mature markets.

A key lever in our transformation strategy is our asset optimization program. We have recently booked two notable new successes. We signed a new strategic-partnership agreement with Marubeni with the sale of a 50% stake in our portfolio of thermal and renewable power generation assets in Portugal, representing total installed capacity of 3,300 MW. The closing of the transaction occurred mid October. In Australia, we have extended the existing partnership with Mitsui to the whole generation and retail portfolio. As part of the agreement, Mitsui will acquire a 28% equity interest in four power generation assets and in Simply Energy, a retail business in Victoria/South Australia. The closing of the transaction occurred early this month.
Both transactions fit into the Group's transformation strategy to reduce footprint in mature markets in order to recycle capital and reinvest in fast growing markets. They also build on the successful track record of joint investment and cooperation for projects we have with our Japanese partners. And as you know we have already done some similar operations in power generation in USA.

Energy Efficiency is another field of transformation for GDF SUEZ. We stay clearly ahead of the pack and continue to develop our leadership positions, implementing our strategy of becoming our customers' Energy Partner. Three recent developments illustrate our successful developments in providing Energy efficiency solutions. In the UK, we have reinforced our positions through the acquisition of Balfour Beatty Workplace. We entered the Polish district heating market through the acquisition of EON heating assets. And we have won a 530 million euro, 6-year contract, covering the design, construction and maintenance of air conditioning, electrical and mechanical installations for the ITER international energy research project for the nuclear fusion.

In addition to reducing our footprint in power generation in Europe and building out our energy services business, we also diligently continue our three prone action plan to address eroding profitability of the power generation business in Europe. Let me remind you which they are. First, on the institutional front: we engage with the regulators, customers and national and European authorities to increase awareness and advocate changes to the system, to the European system.

On that field, first in Belgium, we are making good progress on the negotiations on the extension of Tihange 1, which is a 1 GW nuclear plant. We are now reasonably confident that we will be able to seal by the end of the year a satisfactory business deal, based on the economics recently disclosed by the Belgian government and the contractual framework currently still under review.

You will also have noticed that we are actively advocating for structural changes to the EU energy policy. As you know, I have taken the initiative, along with 9 other leading European companies in the energy sector, competitors, representing a total of more than 600,000 employees, more than 600 billion euro revenues, we are calling for a new energy policy in Europe. We have proposed a range of practical measures to European policy makers for their review and comparison to existing policies. This coordinated call for change is gaining momentum and the European Commission has taken last week some first decisions in the right direction.

Second, on the operational front, 'tactical' asset by asset front. We had already closed, mothballed or optimized a significant amount of capacity, namely 12 thousand MW by the half year. Since then, we finalized the optimization of 2 additional GW. And an additional 5 to 7 GW are now under review.

Third, organizational and structural actions. Other more far reaching actions are being analyzed as we speak, such as a further organizational, commercial and operational clustering of thermal assets in Europe to pursue a next level of portfolio synergies, commercial and cost.

Performance optimization and cost cutting is by the way not limited to power generation in Europe but a grass root effort throughout the whole Group under the banner of Perform 2015. It is making good progress across the board and continues to deliver according to our expectations.

Slide number 9 and as a conclusion. I would now like to give you a few final comments.

As evidenced by the financial as well as industrial sign posts of the past nine months:

Most of our assets deliver good operational performance and the grass root performance plan delivers good results. The cash flows and balance sheet are robust providing us with financial flexibility.

The Group successfully uses its growth levers, diversification and leadership positions to create long term value. Our teams are mobilized and continue to capture new growth opportunities around the world and the accelerated transformation of the Group reached several new milestones.

We are also stepping up efforts of our three prone action plan, tactical, regulatory and structural, in order to address the unprecedented challenges faced by the merchant power generation and gas storage activities in Europe. These challenges are by no means specific to GDF SUEZ but rather general for the sector in Europe amidst a very volatile economic and regulatory environment.

In summary, in this world with contrasted dynamics, the Group has during the past nine months performed well operationally, captured growth opportunities where they are and addressed challenges as they arise.

This enables us to confirm the 2013 full year operational targets and to now expect Net Recurring Income Group share, for the full year, to come out at the upper end of the 3.1 to 3.5 billion range.

Thank you for your attention. I am ready with Jean-François Cirelli and Isabelle Kocher to answer your questions.