Q1 2012 RESULTS

Conference call

23 April 2012

Gérard Mestrallet

Good afternoon, ladies and gentlemen. I am delighted to welcome you to this call. I will be sharing this presentation with Isabelle Kocher and, after it, Isabelle, Jean-François Cirelli (who is also here with us), Anne Ravignon (our Head of Investor Relations) and I will be ready to answer your questions.

Before starting, I just want to stress the fact that this call is consistent with our decision to interact more with financial markets and the investor community.

We have just finished our General Meeting and I thought it was the right time to update you on our Q1 2012 results.

Let's start with our key figures – which are good and in line with our FY targets.

- Revenues have reached €28,2 bn, up 10.5% compared to Q1 2011

- EBITDA has increased by 5.7% to reach €5.8 bn

- Our Net Debt amounted to €37.1 bn, down €0.5 bn from the amount of end-2011

As you know, we are highly committed to shareholder returns. In that light, I would like to tell you that we have just completed the €500 m share buyback programme that we announced in September 2011.

Let's now look at the main Q1 milestones.

The Group, obviously reached a major milestone with the project to acquire 100% of International Power and the agreement reached with the independent Board members on a price of 418 pence. This operation will definitely reinforce GDF SUEZ' specific profile.

The new organisation of our European activities, starting on 1 January, is also a very important step for us. As you know, we have been rolling this out since the beginning of the year. The goal is to further integrate and optimise our energy operation in Europe. Jean-François Cirelli has been this new Energy Europe Branch's Chief Executive since 1 January.

We have also continued our industrial development. I would like to give you a few examples:

- We have commissioned power plants in fast-growing markets (Al Dur in Bahrain and Paiton in Indonesia). We have also been awarded new projects (notably Az Zour in Kuwait)

- in Gas, GDF SUEZ was recently appointed as strategic partner to develop a floating LNG import terminal in India. This is an additional step in the building of our Asian-Pacific platform

- I would also like to mention a new and important success story, which we announced today: the extension of a large cogeneration plant we have with Saudi Aramco in Saudi Arabia (the Tihama project) from 1,000 MW to 1,500 MW

- in Services, I would like to mention the acquisition of Términa, a leading energy services provider in Chile. This will open a door into the energy-efficiency market, which is also a promising market in Latin America

- In Environment, we have pursued our successful commercial development with a new water and wastewater treatment contract in Australia.

All these developments are in line with the three pillars of our strategy, i.e.:

1. Accelerate our development in fast-growing markets

2. Optimise and integrate our operations in mature markets

3. Strengthen our recurring business lines (natural gas infrastructure, energy services and environment services)

I would now like to give you some feedback from our Shareholders' General Meeting, which finished less than an hour ago.

All the resolutions have been approved. Among others, the proposed dividend of 1.50 euro for 2011. As you know, our shareholders will have the option to choose between cash or shares for the remaining part of the 2011 dividend. Our two main shareholders – the French State and GBL – have already committed to take the shares option – on this and on any 2012 interim dividend payments if the transaction [ie. the buyout of IPR's minorities interests] is successful.

The scrip dividend option is not a change of our dividend policy. The scrip dividend paid in 2012 is clearly linked to the IP transaction in order to preserve the Group's financial flexibility.

As regards the final dividend for 2011, the price issue of the scrip dividend is €16.43, reflecting the 10% discount to the reference price.

Besides, it is also worth noting the reduction in the number of Directors from 22 to 19, in line with improving continuously our corporate governance.

I will now hand over to Isabelle, who will give you some details on our Q1 figures.

Isabelle Kocher

Thank you Gérard and good morning everyone.

So Revenues stand at €28.2 billion with a +10.5% gross increase (+8.4% organic growth), supported by all our business lines.

I would like to start with the three main factors driving turnover.

1. Energy International turnover saw double-digit growth. I will come back to this performance.

2. Energy Europe revenues increased by over €1 bn, notably with sale prices reflecting higher supply costs in our retail gas activity and return to average weather conditions in France in Q1 2012, impacting positively volumes of gas distributed and sold by 5 to 6 TWh.

3. Global Gas & LNG benefitted from higher commodity prices and volumes.

I would now like to focus on business trends and give you some indication about each business line's performance in Q1 2012.

First of all, Energy International benefitted from a positive scope effect (since we bought 70% of IP last February 2011) and from new asset contributions, especially in fast-growing markets.

Performance in Latin America improved, principally due to higher average achieved prices in Brazil, driven by inflation escalation and the commissioning of new Brazilian hydro capacity in Estreito.

Operations in Chile benefitted from the contribution of two new plants (around 300 MW for both plants), which started operating in H2 2011.

In North America, market conditions were characterised by low gas prices, mild winter weather but, on the other hand, profitability in the region benefitted strongly from a contract settlement for the gas transportation business in Mexico and from the ability to divert more LNG towards Asia.

In the UK and, more generally, in Europe, market conditions remain weak. This has led to the proposed closure of two plants. Profitability nevertheless benefitted from improved wind yield in Italy.

In the Middle East, profitability increased from last year with the contribution from Shuweihat II in the Emirates and from Al Dur in Bahrain.

Overall performance in Asia was slightly ahead of 2011, benefitting from the first contribution from Glow in Thailand. In Pakistan, we reached agreements at the end of

March to sell out an 18% stake in HUBCO and to buy an additional 20% of Uch I. Both transactions are expected to close in May 2012.

In Australia, despite low electricity spot prices and lack of volatility due to cool summer weather, our highly contracted generation portfolio contributed to the performance of all business areas.

Globally, the Energy International business line's Q1 EBITDA growth is in line with our expectations.

For the Energy Europe business line, we observed lower load factors – as expected – for our gas-fired power plants. In Benelux and Germany, this has been offset by higher nuclear, coal and renewable load factors.

As I have already said, Q1 2012 was also marked by a return to average weather conditions and to more normal situation for our regulated gas retail activities in France.

My last point for this branch is that the gas supply portfolio made a global positive contribution over Q1 in line with our expectations for the year. All in all, we observe a slight increase at EBITDA level for the Energy Europe business line.

E&P activities performed well with both positive volume effect and price effect. Positive volume effects thanks to the contribution of our Gjøa field in Norway. Commodity prices were also well oriented.

On the other hand, our LNG external sales increased with a doubling of the cargoes shipped to Asia from 6 over Q1 2011 to 12 in Q1 2012. So Q1 performance for Global Gaz and LNG business line has been very strong. We don't expect such a pace to continue over the rest of the year, especially because production pace is not regular over the year. We confirm finally our E&P production in 2012 to be roughly 55 mboe.

The Infrastructure business line benefitted from normalized weather conditions and the contribution from the German storage assets acquired late August 2011. On the other hand, performance has been negatively impacted by lower sales of storage capacity in France. Overall, Infrastructure EBITDA decreased slightly over Q1 2012.

In a tough market environment, Energy Services demonstrated its resilience.

For Suez Environnement, the waste activity in Europe was affected by a decrease in volumes treated and unfavourable climate in February.

I would now like to look at the Net Debt. Thanks to the sustained cash flow generation over Q1, Net Debt decreased by €0.5 bn to €37.1 bn. Free cash flow was affected by a €1.4 bn variation in Working Capital Requirements, which is usual at this time of year, but it has been emphasized by the cold spell in February.

I would also highlight the disposal of Eurawasser in Germany and Choctaw in the US, which are part of our €10 bn disposal programme over 2011 to 2013.

I am now going to hand over to Gérard Mestrallet, who will conclude this presentation.

Gérard Mestrallet

Thank you Isabelle. The accretive impact on Net Income Group share of the IP full integration for six months has allowed us to upgrade our 2012 guidance for a range from €3.7 bn to €4.2 bn versus €3.5 bn to €4.0 bn previously.

We confirmed the other 2012 financial targets, which are not impacted by the transaction:

- An indicative EBITDA of around €17 bn including around €600 m positive contribution from our Efficio II performance programme

- Gross CapEx of around €11 bn, excluding the IP transaction

Finally, the financing structure for the transaction allows us to reinforce the following targets:

- Net Debt/EBITDA around 2.5x

- An A category rating for the Group

- 2012 dividend at least equal to 2011 dividend

Before answering your questions, I would like to insist on a few key messages.

Our solid Q1 results allow us to confirm our 2012 guidance, and enhance the net recurring income Group share post the IPR minority interest acquisition.

Through the full acquisition of IPR, GDF SUEZ will have an increased presence in fast-growing markets with 40 to 50% of growth Capex in the medium term. It is therefore clear for us that this operation is industrially and strategically meaningful and allows GDF SUEZ to become the reference energy player in the emerging countries.

We also aim at maintaining our strong financial structure and, as we have already mentioned, target €3.7 bn to €4.2 bn net recurring income Group share in 2012.

Now let us leave the floor to your questions.