INVESTOR DAY

6 December 2012

INTRODUCTION

Anne Ravignon-Chassagnette

Ladies and gentlemen, good morning to you all and welcome to the 2012 edition of the GDF SUEZ Investor Day. Today, our main objective is to show you that, despite a challenging market environment, GDF SUEZ continues its long term profitable growth strategy while increasing its flexibility. As you will see, management will provide you with an update on the overall situation of the group, and they will show you how our strategy addresses the current challenges in the sector.

To prepare for today's session, we've spent a lot of time trying to better understand your expectations, and this led, as you will see, to a very refined presentation of our value creation model. Specific presentations have also been scheduled during the day to improve your understanding of the group with a focus on European business line, on power generation in fast growing markets, on LNG, and on energy efficiency. Finally, management will provide you with our financial objective for 2013 and share with you the details of the new action plan.

We are committing to increasing value for all stakeholders and we hope that both the presentations and the Q&A sessions will convince you of our determination to succeed. I will now leave the floor to Gérard Mestrallet, our CEO.

ACCELERATING GDF SUEZ TRANSFORMATION

Gérard Mestrallet

Thank you Anne. Good morning ladies and gentlemen. I'm delighted to be with you this morning with my colleagues to our investor day. Welcome to this 2012 investor day of GDF SUEZ dedicated to the acceleration of GDF SUEZ transformation.
We are a key moment for our industry, facing very challenging market conditions for 2013 in Europe. In that context we have built an ambitious, comprehensive and determined action plan. We have called it Perform 2015, which we will present in detail today. Before we get there, I would like to give you a few words on what we are doing in this environment.

First GDF SUEZ has transformed itself deeply as the industry is transforming at a very quick pace. GDF SUEZ has mobilized its energies in order to adapt the challenges that the energy market are and will be facing. GDF SUEZ is confident in the future and in its strategy that makes us a unique global energy player.

So let me first comment on the way we see our environment and how things are transforming. We are living in a two speed world, in 2012 economic growth remained sound for one part of the world, in the emerging markets. In the same time, the situation in Europe has clearly deteriorated. Global energy markets have also rapidly and deeply changed recently. Several factors account in this turnaround.

First, the European energy market is in crisis, it is characterized by a low demand and continuous downward pressure on power prices, a drop in CCGTs load factors, and a more stringent regulatory framework, for example the end of the CO2 free allowances for 2013 is clearly an example of that. We expect the situation to remain difficult in 2013 and 2014.

Second, the shale gas revolution in the US has reshaped the energy market, in the USA of course, but also on a global scale. Non-conventional gas has displaced coal, pushing down coal prices in Europe and the USA could become self-sufficient in terms of oil and gas use by 2025.

And finally emerging markets are driving steady growth in energy demand, notably in Asia, a region that sees continuous LNG demand, but also in Latin America, in the Middle East and tomorrow in Africa. In total, we estimate that emerging markets require the addition of around 380 GW capacity by 2020, a huge increase representing more than three times, for example, the France current global installed capacity.

There is an immense appetite for energy, for power, for gas, for LNG in the emerging countries. 90% of the additional needs for energy of the world between now and 2030 are located outside OECD, that means outside Europe and North America.

In this very contrasted and challenging environment, we are convinced that the group has the right strategy and is right in strongly accelerating its transformation. This is the main message we want to convey to you today. We have defined three key strategic orientations, as well as clear priorities. Our three strategic orientations, which have been precise and confirmed by the board of directors a few weeks ago during a full day and a half seminar of the whole board.

These three orientations consist in, first the acceleration of our development in fast growing markets following two axes. First, through independent power production in which we are the global leader, and second through our positioning on the gas value chain, and in particular in LNG where we are with our portfolio among the top three in the world. This was the first orientation.

The second orientation, optimize and integrate our businesses in mature markets and especially in Europe. We are refocusing our portfolio of countries and we are preparing the future in two promising fields: energy efficiency, we'll come back on that, and renewable energies. And our third strategic orientation is to strengthen our activities that provide us with recurring results and reinforce our resilience.

To achieve these goals, we are defining for ourselves two fundamental priorities. The first one is to ensure we develop flexible business models that protect value when environment is difficult, but also allow us to seize opportunities as they arise. Flexibility is key in our business model. The second one is to continue to develop balance positions that mitigate the various risks the Group is facing. And we aim at having positions that are geographically balanced with growing exposure to higher growth markets.

We are running the Group, and we keep diversified and flexible energy mix. We want to enjoy diversified business models with contracted and regulated activities on the one side, and a merchant portfolio on the other side: two engines. To summarize, we are moving forward, leveraging on our competitive advantages, and we benefit from our diversified business profile and financial strength. We don't want to simply observe the deterioration in Europe, we have decided to anticipate, we have decided to react, to move forward, to accelerate the transformation of GDF SUEZ from a European utility it used to be in the past, to a global energy player.

To illustrate our strategy, let's first come back on what we have been achieving in 2012. We have accelerated the refocusing of the Group, notably through three actions. First, the creation of the Energy Europe business line, which consolidates all our continental Europe activities and integrates power generation, portfolio management and sales. It was a logical step in this mature area characterized by the increasing role of renewable energy and the convergence of the gas and electricity markets. It is also a major step that will allow us to extract higher synergies in continental Europe, and protect value of the Energy Europe branch.

All the teams of Energy Europe under the leadership of Jean-François, are mobilized on delivering the strong improvements that we target for this area in spite of the difficult economic environment and difficult regulatory environment too. And Jean-François will come back on this. The second action is the integration of International Power that we have now renamed GDF SUEZ Energy International, which accelerates our development in the fast growing markets. Our growth CAPEX programme gives the first priority to fast growing markets, with share allocated to these markets growing from 30% in the past to a range 40% - 50% starting now.

In the medium term also we have decided also not only to grow in countries where we have a strong presence like Brazil, like Abu Dhabi, Saudi Arabia, like Indonesia, Thailand, Singapore of course, Peru, Chile. We will continue to reinforce our presence there but we want also to penetrate new frontiers, where sometimes the competition is less strong like Mongolia, Kuwait, South Africa or India.

Thirdly, and this is a new development, we will waive the control of Suez Environnement while maintaining a long term partnership as we have always been. On this new development we have decided in agreement with the other members of the pact of the shareholders agreement of Suez Environnement, not to renew the shareholder agreement upon its expiry in July 2013. Therefore Suez Environnement governance will become autonomous. As a result financially we will consolidate Suez Environnement under the equity method. GDF SUEZ continues to fully support the strategy implemented by Suez Environnement management under the leadership of Jean-Louis Chaussade and we reaffirm our willingness to stay a long term strategic partner of Suez Environnement.

Operationally, we will extend the close existing industrial and commercial cooperations and formalize our links through cooperation agreements, commercial and technical cooperation agreements. Therefore in the future, GDF SUEZ figures, after the deconsolidation of Suez Environnement, our figures in terms of revenues for example or EBITDA will reflect at 100% the energy activity. By the way, we will have also a simplification of the organization of the Group, or the structure of the Group, after all the transformation made in 2012 and after the deconsolidation, we will have a simple organization with five energy branches, all owned at 100%. So it will be a compact organization, simple organization, very industrial organization.

A word on Suez Environnement, it was a business line of Suez in the past. It then became a listed company in 2008. Among the most visible listed companies of the French stock market, has belonged to the CAC 40, even today it is close to the CAC 40. Strategically and operationally we believe our businesses share common growth drivers, common client base, and also aligns social interest, therefore we would qualify the leadership of Jean-Louis Chaussade as dynamic and wise, and we support the strategy that has been defined within the board of Suez Environnement.

The future cooperation of GDF SUEZ and Suez Environnement will be based on strong commercial and industrial links. These will notably cover purchase and supply agreement, cooperation between industrial activities in waste energy production and commercialization, in construction of desalination plants, the success of the Group in the Middle East, where all the projects, the bids, international bids, are asking for combined power generation with CCGTs and desalination plants, using very often the reverse osmosis technique where Degrémont is a world leader, so the success of the Group is based on this close cooperation.

Also, the joint commercial offers that we have been doing in many cities, under the term of the cities for tomorrow, will of course continue in the future under the terms of this future commercial agreement. And Suez Environnement will remain the special partner of GDF SUEZ for sustainable development policy in the two Groups, and the two Groups will continue to cooperate on marketing and research & development.

So our transformation is fully consistent with our ambitious strategic objectives. So coming back on the three major developments of 2012, I mean the energy business line creation in January, I mean the full acquisition of International Power in April, and the most recent evolution of our relationship with Suez Environnement, they all serve our key objectives, our key central strategy. Indeed, all these three moves simplify the Group's structure. In one year time we have in fact replaced in our balance sheet the good Suez Environnement assets by the very good International Power assets, which means a terrific refocusing on energy and also the elimination of minority interests.

These moves also refocus the Group on energy markets and strengthen and reinforce the positioning in fast growing markets and all together we are moving towards these goals while preserving our financial flexibility. These three major steps in 2012 have helped to reshape our Group in a more compact organization, with the five energy business lines that you see on the chart that we control at 100%.

I will now share with you the key priorities that we have defined for each business line. Energy International will of course continue to grow, to develop in fast growing markets, to fuel the Group's growth and value creation. Energy Europe is currently optimizing its asset portfolio in order to increase operational excellence, reduce costs and limit the exposure to European merchant markets. This business line will pursue a selective and capital efficient development in renewable energy and in energy efficiency, notably jointly with the branch Energy Services.

Global Gas & LNG will further develop with upstream serving as an hedge, as well as capture and monetize gas spread opportunities between regions through a global LNG position. Infrastructures division provide a very stable pillar to the Group with a strong cash flow generation and with a very good visibility. Energy Services is focusing on growing energy efficiency business in which we lead the pack. We have 14 billion Euro of revenues in this division dedicated to energy efficiency. And clearly this is a growth relay in mature markets, especially in Europe, where this business line will develop jointly with the Energy Europe branch, will develop energy efficiency offerings to customers, industrial customers, municipalities, public institutions, and also retail.

I would like now to guide you through the ambitious action plan that we have defined in order to face the challenges imposed by the market environment. Adapting to our current environment begins with Europe where we have a clear roadmap to reduce our exposure to merchant markets. Contribution from European thermal assets is expected to decrease in 2013 and 2014, resulting from a challenging environment. Economic crisis and sluggish demand have been lasting for several years, and we do not expect any improvement in 2013 and 2014.

To illustrate that I would say that we have passed what I would call in Europe the power peak. You know, in the oil business, this business is looking for the peak oil, the peak oil is always in front and sometimes delay. But in the power activity in Europe, the power peak is now behind us. The power peak, the peak power happened in 2008, and because of the slow demand in Europe in GDPs and also the fact that Europe has decided to have a low energy content growth with a strong objective in a reduction in energy consumption with huge programs of energy savings, with energy efficiency being at the top priority in all countries. Therefore we have to live with this idea that the peak power in Europe is now behind us.

And therefore the commodity prices will continue to face downward pressure. The CCGTs load factors are dropping, the competition remains fierce, regulatory and fiscal pressure continued in lots of countries in Europe. And energy markets are also deeply transforming, redefining the energy mix with a shift from centralized power production, which used to be the system during the last 50 years, to decentralized and even individualized generation systems. Consequently we have decided to transform deeply our business model.

We are strongly focused on the performance of our European asset base with a constant review of profitability and arbitrages for capital allocation. We monitor performance and optimize our electricity and gas assets, we integrate and strengthen our portfolio management and trading activities, we reduce costs, scope and streamline our European operations. We have already decided to mothball or close low utilized assets for more than 5,000 MW in Europe since 2009, and we have already decided to do the same with an additional 2,000 MW. Finally, we also pursue dynamic gas renegotiations which will help to maintain the EBITDA of our gas supply business above +200 million Euro per year over the period 2013 – 2015.

And Jean-François will come back on the deep transformation of the Energy Europe division in his session later today.

But our roadmap also encompasses more than reduction to European merchant markets. We have three other key strategic orientations. We are also focusing CAPEX on development in fast growing markets. We will improve operational efficiency with Perform 2015, our extensive action plan. And we take advantage of our key competitive advantages, namely our strong presence in fast growing markets, and our leadership positions in LNG and energy efficiency.

These clear strategic orientations will support our core objectives to enhance value creation and reduce net debt. In order to support our transformation we have set four key priorities to adapt the Group in the current economic environment. First we will significantly reduce the Group net debt. The Group net debt was at 45.9 billion Euro at the end of Q3, and we want to cut one third in two years. Therefore we would reach a net debt of around 30 billion Euro by end of 2014.

This will be achieved thanks to the expansion of our asset optimization program with 11 billion Euro disposals targeted over the period 2013 – 2014, in two years. And mainly in mature markets, and also thanks to the equity consolidation of Suez Environnement and also thanks to Perform 2015. We confirm our plan to keep the net debt below 2.5 times EBITDA, over 2013 – 2015 and we confirm also our objective to maintain an A category rating.

Our second priority is to enhance the financial flexibility, reducing our gross CAPEX by 20% to around range 7 to 8 billion Euro per annum over the three year period 2013 – 2015, reflecting also partially the change in consolidation of Suez Environnement, the CAPEX of Suez Environnement are no longer included in this range 7 to 8. The priority given to fast growing markets in the CAPEX allocation, along with the disposals mainly in mature markets, will further contribute to reshape the Group's profile.

We are strongly improving our operational efficiency with Perform 2015, that targets a growth P&L contribution of around 3.5 billion Euro, and an optimization of CAPEX and working capital having a cash impact of around one billion Euro over the period 2012 - 2015. Most importantly, as a testimony of our financial strength and confidence in the future of the Group, the board has decided yesterday to maintain our attractive dividend policy, as in the past, and on top of that, it has immediately decided to propose to the next assembly meeting next year, a dividend of 1.5 Euro per share, which will be paid in 2013.

Now let's go into more details on the Perform 2015 plan. The objective is ambitious and we are confident in our capacity to reach it. The objectives of Perform 2015 are first to improve our competitive advantage by systematically aiming towards best practices in business operations and also to achieve functional excellence all across the Group. By functional excellence I mean the excellence of all our support functions, the HR function, the finance function, communication, legal and so on.

The objectives of Perform 2015 are also to reinforce the culture of performance within the Group by changing the way we work, developing continuous improvement initiatives. And also to ensure a collective contribution to the plan. All the divisions, all the business units, all the branches will have to contribute to the Perform 2015 plan.

Looking into the levers, that means 1.1 billion Euro savings in G&A , 1.6 billion in reduction of our operating expenses, and another 200 million of other expenses recorded below the EBITDA line, for example financial interest. The plan will also allow an increase in revenues of 600 million Euro. In total we target to deliver 3.5 billion gross contribution to the Group's P&L by 2015. And we expect another 1 billion additional cash savings with a split half and half between CAPEX optimization and working capital reduction.

Overall we planned that two third of these savings will be generated within our energy business and the rest will come from our services activities. Finally, in terms of timing and ramp up, we anticipate to generate half of the target savings by 2013, and reach the total of 4.5 on accumulated basis for the year 2015. We have deliberately split our target savings across our two fundamental set of activities, energy on one hand, and services on the other hand, as they have two different operating models.

Our energy business is strongly influenced by external factors, especially in Europe, such as commodity prices or regulation. These activities are quite capital intensive, and if we assume constant capacity, any change in cost is directly reflected in margins we deliver. On that part of our business, the planned cost effort is differentiated among our geographies, which are clearly in different phases, and we have to differentiate Europe and emerging countries of course.

We anticipate more than 4% cost reduction per annum in Europe and 2.9% in our other energy business lines. Across our energy services activities, operational excellence is the key performance driver. Indeed, these businesses are less capital intensive by nature, but they are, on the opposite, relatively more labor intensive. We are then focusing then on EBIT margin and as you can see we anticipate delivering over 50 basis points of margin improvement by 2015.

To realize Perform 2015, we have defined a dedicated human resources approach. Its principles are very simple, we adapt the hiring policy to regional dynamics, we reinforce internal mobility and we give the priority to internal mobility versus external hiring. And we pursue training policies that are focused on topics that will support our plan clearly. To give you a flavor of what that means, during the first nine months of 2012, it was the same for the previous years, because of the age pyramid and many favorable parameters, GDF SUEZ which is in progress has hired about 26,000 employees, of which about 14,000 permanent contracts. During this period we also have organized 6,500 internal moves, which have been made within the perimeter of the Group and 5,600 employees have voluntarily left the Group, and 2,200 employees have retired. So these are elements which give you a flavor of the huge flexibility we have to adapt efficiently and rapidly our human organization without any problem, by essentially monitoring and reducing the inflow of recruitments and monitoring the internal mobility.

Now a word on our project organization, the Perform 2015 organization. This program is organized around two phases. The first phase is to be completed now, by year end 2012, and by the way the Efficio targets will be over achieved in 2012, over achieved by 200 million for the year 2012. We also during this first phase are organizing the monitoring of the action plan, we have created a special team direction of group performance with the sole focus for this team is to check on the implementation of the plan.

The ambitions we have set up have already been cascaded across the organization and at the level of the business lines and business units. We have developed and improved our internal steering and tracking tools, and the Group management board that I chair personally, is committed to review implementation progress every two weeks. And it will do that during all the plan. We are making things faster and we will start the second phase next month. We will kick off the additional projects, we will appoint dedicated project managers and finalize incentive mechanisms that motivate the performance efforts.

Now let's move to the way we accelerate the Group transformation and prepare it for the return to rapidly growing profits for the future. We are focusing the Group on selected axes that are building on the Group's strengths. Power generation is a key area of our development in fast growing markets. We benefit from a strong and long term established presence, we benefit from a very solid experience of various technologies, hydro, thermal, CCGTs, coal, renewable, biomass. Also solid experience of various types of contracts. We benefit from the high quality and recognized teams everywhere in the world, engineers, legal people, finance people, HR people. We have the capacity to build very quickly a multi disciplinary team, multinational teams, for example in the Middle East we have 17 different nationalities in our teams.

As you know, GDF SUEZ's current construction program is in line with our priorities, because 80% is dedicated to fast growing markets, where demand for electrical power will increase most. Our installed capacity will grow by 10 GW, more than 20% in these regions under the current construction program. All fast growing regions are involved, Latin America, plus 5 GW, Middle East, Turkey, Africa, plus 3 GW, Asia plus 2 GW.

All in all we will have built in a few number of years, I would say 15 years in total, in 15 years, 55,000 MW in the emerging countries, which is, sorry to speak for the French colleagues, this represents the equivalent of the capacity of the French nuclear program. We have built in 15 years, we have installed in the world, only in the emerging world, I'm not speaking of North America, Australia or Europe, only in emerging countries, the equivalent in power of more than 50 GW of the French nuclear program.

Therefore our ambitious strategy is implemented in areas where the group have already built pioneering positions, which are countries like Brazil, Chile, Peru, Saudi Arabia, Abu Dhabi, Qatar, but also Indonesia, Singapore, Thailand. We are present there, with a very strong presence and of course we will continue. But we have also the idea to develop new frontiers in new countries where sometimes the competition is less fierce, such as South Africa, where we have already been selected as the first and leading independent power producer.

In Mongolia where we have been retained as preferred bidder for the first IPP in Mongolia. In Kuwait also, or in India, where we want to develop. We also are assessing permanently opportunities in new areas such as Eastern Africa, where we are not present so far. And Dirk this afternoon will give you a very detailed view on our strong positions to capture growth and profits and cash flow in these markets.

Now, as part of our core business and complementary to power generation, gas is a key area in which we accelerate our development in fast growing markets too. We have developed unique capabilities across the whole gas value chain to best serve the Group strategy and fully benefit from opportunities in this segment. Increasing upstream positions supports our strategy by securing procurement and reducing risk through diversification. This can take the form of E&P projects through partnerships, liquefaction projects, and exploration of non conventional gas opportunities, not in France of course, somewhere else.

For the E&P we target production of around 60 million barrel oil equivalent in 2014/2015. We developed LNG sales in a very profitable market, currently benefiting from high spreads between geographies. We permanently assess new partnerships in infrastructure projects such as LNG terminals, project of gas storage, either in India where we have two LNG terminal projects, in China we have one in Tianjin, and in storage in all the region. In gas storage which is very important because the gas is taking a more and more important role in the energy mix in Asia, it is in the twelfth plan in China, but also in the other countries of the region, and there is no development of a gas system for a big country without developing a gas storage system as a buffer. And we have a unique competency, we have a unique know how in this field.

Our focus is clearly on LNG and this is a key differentiating factor if we compare to our peers. This enables us to best capture the compelling outlook in LNG demand, particularly in Asia, after Fukushima. We have ambitious objectives by 2020, reaching 20 million tonnes per annum of supply, which is 25% above the June 2012 level, and also the doubling of external sales vs 2010 mainly in emerging markets.

And we are confident to achieve these targets that we are already working on, as shown by the shifting of 50 cargoes as you see on the right part of the chart from the Atlantic basin to Asian premium markets in 2013, which represent ten times more than in 2010. And Jean Marie Dauger will elaborate this afternoon on the differentiating edge that we have with LNG. So keep in mind that on the international markets we have two development priorities, power generation in emerging markets, and LNG development at a global scale, but with a special focus on the Asian Pacific Basin.

Now third field of development, energy efficiency. Preparing future growth and profitability in mature markets, not only means optimizing existing businesses, but also developing growing activities. We will leverage in particular on our competitive advantage in energy efficiency to improve the top line in mature geographies. You know, in Europe, even if the demand for cubic meter of natural gas, of megawatt of electricity would go down, the demand for energy efficiency in any case will grow, will be up. Because energy efficiency is today the priority in every country. The energy policy of every country starts by the energy efficiency.

That will be also the case for the discussions that the French government has just launched a few days ago to discuss the energy transition, energy efficiency is at the heart of all energy policy. So growing needs in energy efficiency in Europe are expected to translate in 80 billion Euro potential additional market by 2020, with a strong market expectation for energy savings and low carbon energy consumption. We are very confident that we are simply best positioned to capture significant opportunities in the coming years in that field. As we are currently and by far the leader in energy efficiency, with our branch, as you see 14 billion Euro of turnover, unique position among the utilities with 77,000 people fully dedicated to energy efficiency.

Our unmatched know how enables our Group to develop innovative offers, combining also the skills of several business lines. And we plan this to translate into an increase of 40% in revenues by 2017. And Jérome Tolot, the head of the energy service business line, will develop our strengths this afternoon.

Let me say now a few words on another key strength of GDF SUEZ, our financial strength. Our financial strength has always been the basis for healthy growth, low risk profile and allowing for attractive shareholder remuneration. We consider our financial strength as a competitive advantage especially in this more challenging environment. Among our European competitors we have the highest rating after state owned EDF, both for S&P and Moody's. This allows us to achieve repeatedly record conditions in our debt capital market transactions in 2012, and to reduce the cost of gross debt by 60 basis points compared to the level of end 2008.

It is also contributing to our business expansion in fast growing markets and to our ability to build strong partnerships and to select our partners. This A category rating is a consequence of our healthy balance sheet, our prudent financial policy, and our strong cash flow generation. We benefit from the highest cash conversion ratio in Europe, which enables the Group to combine significant CAPEX to fuel future growth while distributing high dividends.

Maintaining our attractive and sustainable dividend policy is a key objective of the Group. And this policy has been clearly and strongly reaffirmed yesterday by the board and this is the proof of the board's confidence.

And on top of that it has already decided to propose to the AGM next year a dividend of 1.5 Euro per share. Our ability to offer an attractive dividend policy, primary relies on our strong cash flow coverage of the planned dividend. Over the past six years, GDF SUEZ has been able to progressively increase the dividend paid out to our shareholders, and therefore as you see, delivering the best progression in the industry. And we intend to remain best in class in that front.

The roadmap described in the previous slides, in order to protect value in the short term and prepare future growth and profitability, translates into our financial targets. First of all we confirm all our financial targets for 2012, in spite of everything which happened during this special year. In 2013, we expect to face a challenging environment in Europe, but the first result of Perform 2015, as well as the benefits of our strategy, allow us to face this situation. We target a net recurring income group share between 3.1 and 3.5 billion Euro, considering average weather and stable regulation.

This objective reflects an indicative EBITDA range for 2013 of 13 billion Euro to 14 billion Euro, which means a flat EBITDA performance at constant scope versus 2012. Note that this range includes the removal of Suez Environnement, that will be equity consolidated and which contributed to 2.5 billion Euro to 2012 EBITDA and this figure includes also the impact of asset optimization on EBITDA for the year 2013, and this impact is about 700 million Euros.

As previously said, we focus on cash generation, and hence we plan to spend gross CAPEX in a range between 7 to 8 billion Euro, excluding now the CAPEX of Suez Environnement and we also confirm our commitment to a net debt to EBITDA ratio below 2.5 times and also we confirm the objective to have an A category rating. The performance expected for 2014 at the net recurring income group share is in the same range as of 2013. For 2015, we expect a rebound in the financial performance thanks to the development of our positions in fast growing markets, with the improvement of the profitability of our merchant asset fleet in the mature markets and also the full effect of our action plan Perform 2015.

Let me know conclude this introduction by giving you a glimpse of what GDF SUEZ will be in the medium term. We are confident that we have the right strategy in place to capture and secure growth in the medium term. We have the right mix in terms of geography and in terms of activities, enabling us to benefit from business opportunities worldwide. Hence the evolution of our recurring net income group share from 2011 to the medium term should look like this, while fast growing markets represented 23% of 2011 net income, we expect them to generate 40% of total in the future. In terms of risk profile, contracted and regulated activities will represent around two thirds of total net income in the medium term versus around 50% in 2011.

GDF SUEZ will continue on these two axes of developing in fast growing markets where growth exists, while retaining a resilient business portfolio that will allow this development. This business profile, together with an unrivalled strengths in promising businesses such as LNG and energy efficiency is clearly one of our differentiating factors. Hence I am convinced that we offer a unique business model with both resilience in the short term and potential to capture growth in the medium term. In one word, GDF SUEZ is on the move.

Ladies and gentlemen, thank you for your attention, and I let the floor back to Anne who will introduce Isabelle. Thank you.

NEW SECTION INTRODUCTION

Anne Ravignon-Chassagnette

You've heard Mr Mestrallet talk about our strategy, which as you can see, remains driven by both project development and portfolio optimization. Now we'd like to update you on the overall Group's financial strategy, as well as walk you through each business line, so that you've got a better understanding of the Group's business model. As you will see, our increasing presence in fast growing markets combined with a balanced business profile, is key to value creation in our view. As for our attractive dividend policy, it's sustained by sustainable cash flow generation and CAPEX flexibility.

For this section I will now ask Isabelle Kocher, our CFO. Thank you to welcome her.

A DISTINCTIVE BUSINESS MODEL TAILORED FOR VALUE CREATION

Isabelle Kocher

Thank you Anne and good morning everyone. I will cover five points during my presentation. First of all, I will go back to the financial targets Gérard Mestrallet rapidly described. Then I will illustrate the violent shock we see in energy activities in Europe, and to a lower extent in other mature markets. I will then describe the strong reaction of the Group to manage this situation and to protect the value creation.

After the break, because there will be a quick break of ten minutes, I will show you that at the same time we have also within the portfolio of GDF SUEZ and it is probably the most important competitive advantage of this Group, we have very powerful relays that allows us to maintain the cash flow generation. And finally, I will show you that this strong cash flow generation allows us to maintain the dividend policy.

But first of all the 2013 financial targets. These targets show well I believe what happen in our activities. We see the impact of the crisis in mature and emerging markets, with an acceleration in 2013. We see also how we are able to capture growth from our fast growing markets. You will see the impact of the ambitious action plan we have launched and finally you will see also the impact of the de-leveraging we have chosen through the upgraded asset optimization program.

As far as EBITDA evolution is concerned, a lot of figures on this slide but I won't go through each of them of course. The first important thing is that EBITDA is stable at constant scope. You have here two ways to look at this evolution of EBITDA between 2012 and 2013. In both cases, in the two breakdowns you have on this slide, one breakdown by main effect and one breakdown by business line, you see of course the impact of the equity consolidation of Suez Environnement.

Regarding the timing of this equity consolidation, we are still discussing with our auditors, but the most likely is that it will happen at the end of the current shareholder agreement, that is to say in July. Nevertheless, we have chosen to give you pro forma information to give you a better idea of the evolution of the GDF SUEZ businesses. But first of all the impact of Suez Environnement equity consolidation, that is to say, 2.5 billion Euros. Secondly, the scope effect. Scope effect is related of course to the disposal program. And you see that the scope effect in 2013 is significant, 700 million Euros. And then the pro forma EBITDA for 2012 is 13.8 billion Euros.

To look now at the stability and to explain the stability between this pro forma 2012 and the target 2013, I will use both breakdowns. On the first one you can see that commissioning continue to fuel the growth of the Group of course. You see also that the energy margins have a negative effect. It is true on power and gas spreads, and it is linked to the crisis we have mentioned. It is exceptionally true for 2013 also for E&P. I will go back to this point later.

You see also on the first breakdown the net impact, net positive impact of action plan, so gross impact, 600 million Euros, cost drift 300 million Euros. You see that in 2013 we have a net impact after inflation which is already significant. If we look now at the breakdown by business line, you see first that the EBITDA of Energy Europe and to a lower extent of mature markets within international are decreasing. I will go back in more detail on this evolution to explain this evolution.

You see that at the same time we have a strong increase of EBITDA in fast growing markets. You see that Global gas and LNG for 2013 see a slight decrease of EBITDA linked to a slight decrease of production. It is not a price effect, it is a question of level of production before commissioning expected for 2014. Infrastructures growth and energy service is stable, which in fact is a good performance since this division has to offset the impact of the end of specific electricity tariffs for cogenerations.

Now if we look at net recurring income group share, because you know that now it is the KPI we have chosen to give our guidance, this range of 13 to 14 billion Euros at EBITDA levels, translates in a range of 3.1 to 3.5 billion Euros in terms of net recurring income group share.

Now the dynamic we see in Europe. It is important to spend time on this very important issue. In Energy Europe we are one of the most important energy producer with almost 40 GW. One of the specificities of GDF SUEZ is the big part of CCGTs gas fired plants within this production portfolio. And then we are among the lowest CO2 energy producers in the sector in Europe, which is for sure on the long run a competitive advantage even if today the CO2 prices are extremely low.

We are also a gas midstreamer and we have uniquely diversified supply portfolio and it is again a key competitive advantage. Last but not least we have a large basis of final customer. Of course these businesses are extremely sensitive to energy prices since, as you know, in Europe the energy market is merchant, no power purchase agreement but on renewable.

When you look at the EBITDA breakdown, on this light, you see that, as expected, in fact the main part of EBITDA comes from generation. And you see on the box you see the corresponding energy margin, the S – P that is to say the difference between the cost of fuel that we use and the price of electricity we sell that is an energy margin, you see the corresponding part of S – P energy margin of outright power, that is to say nuclear mainly, and hydro also, and power spreads, that is to say CCGTs for the biggest part.

You see that in 2011, the situation is well balanced, that is to say the energy margin coming in from outright power is equivalent to the energy margin coming from power spreads. This situation will change. And I will explain that further. The second focus I will make is on our gas supply and marketing and sales activities. But first of all, energy margin on power spreads.

You see on the top hand of this slide, that the power demand in Europe is continuously decreasing for now several years. And we are then in a situation of overcapacities. And on top of that, at this moment the countries within the European zone have decided to build new renewable capacities. So the situation of over supply is extremely significant due to these two elements.

Our outright production, and especially the nuclear production, is less directly challenged by this situation that the spread capacities we have. And these spread capacities we have are forced to run less and at lower prices. The graph below represents the prices they are able to capture. You see the evolution of these prices between 2008 and 2012. You see that the decrease is extremely impressive. It is coherent with what you see on the top right hand of the slide. You see that the gas demand in Europe for power production decreases also significantly.

And the result of that is extremely simple. That is to say that the load factors of course decrease, you see the evolution between 2011, 42% of load factor for CCGT fleet, 2012, 33%, it is our best estimate today, and it will continue to decrease next year. On top of that, and you know that, we have already explained, that in 2013 we will see the ends of the free CO2 allocation, and of course it is an additional impact which for the Group is significant which account for roughly 400 million Euros.

It was my first focus, that is to say decrease of energy margins of thermal capacities. Second one, what happened on mid stream and downstream activities. It’s worth emphasising the severe competition we face in this depressed macroeconomic environment and this decreasing demand. We see a sharp decrease of gas sales to Giants in Europe, we see an increased competition in Belgium in particular, so we lose market shares, and then we have to adapt, to maintain these market shares, the prices we bill to the customers.

As far as gas is concerned nevertheless the goal of course is to balance the situation by obtaining prices revisions from our gas suppliers. There are no arbitration process at the moment, but nevertheless we negotiate hard with all our suppliers and we play on all levers of negotiations in a context where in fact 100% of the long term supply portfolio can be revised as far as prices are concerned by end of 2014. And then we expect to continue to achieve to be positive. That is to say in 2012 we announced a margin, an EBITDA margin in the range of 100 to 200 million Euros, expect to do the same, why not a little bit more, over the years to come.

Last point on the situation in Europe, the pressure we see also from local regulators and the fiscal pressure on top of that. For the main part you know these different items, I just would like to mention that the nuclear contribution is not in our net recurring income group share because as you know we are in litigation with the Belgium government. But we see on top of the issues you know already well, some little levy in different countries.

So at the end if we take into account all these effects, prices, regulatory, fiscal pressure and more severe competition, all these elements could have led to a decrease in 2013 EBITDA versus 2012 of roughly one billion Euros. But, thanks to Perform 2015, with a strong effort of this division to offset these effects. Thanks also to volume effects because we forecast Doel 3 and Tihange 2 to restart at the beginning of next February, we will limit the decrease to 600 million Euros.

For the future we expect that the European energy markets will be again in a difficult situation in 2014, but our assets remain in a very good position to take benefit from the rebound. Energy demand will necessarily restart with macro economy. There is by the way, any new project of thermal capacities, and we start to see a decrease on the pace of new renewable construction. So this situation of the energy sector in Europe is a challenge for all the players of course. And I will describe now the strong Group's reaction to manage this situation.

This reaction is threefold. First of all we will reduce cost and of course also optimize revenues with our action plan. We will reduce the net debt to 30 billion Euros by the end of 2014, and we will accelerate the Group's transformation. And I will review successfully these three chapters.

First of all, cost reduction. This cost reduction plan aims at improving performance in operations, all the operations. It is also a support to the implementation of the Group's strategy of course. This project is managed with a strong implication of the management committee of the Group as mentioned by Gérard Mestrallet. It is managed also of course day to day by a project management office. This project includes transversal initiatives, to leverage group scale. On G&A, on OPEX reduction, on procurement of course also. And the goal is to track cost in a big level of detail at the Group level.

I won't go back in detail on this slide because Gérard Mestrallet presented this slide, only maybe just to mention that the part of Suez Environnement in the 3.5 billion Euros saving, is 700 million Euros savings.

As far as cost reduction is concerned, I would like to insist on the ambition of this plan. If we look at the Energy Europe business line, the cost basis in 2011 is 4.5 billion Euros. The cost reduction we expect is above 15%. It is extremely important, it is much higher than inflation and cost drift . And you have on this slide a benchmark of the ambition of different action plans in Europe. And you see that we are, I believe, extremely ambitious in this cost reduction plan.

For other energy business lines, five billion Euros cost base, 11% cost reduction, that is to say again more than inflation. It is less than in Europe of course, because the situation is extremely different, but it is nevertheless important. For energy services we have followed another approach. And we have targeted an improvement on the level of our margins. And we aim to reach the highest player within the benchmark and to reach then 5% of margin of EBIT on turnover, which is again extremely ambitious.

I will just give a quick look on some items now, transversal items. G&A first. The G&A cost base in the **G**roup is seven billion Euros. We intend to decrease this cost base by 15%, as was said, to reach a level of cost savings of 1.1 billion Euros to allow GDF SUEZ to be which is today better than average, but not yet in Tier 1, and to be then in Tier 1.

As far as operational excellence is concerned, so these figures, 2.2 billion Euros covers both the savings on OPEX, operational OPEX and the improvement on revenues. So 2.2 billion Euros in total. Jean François Cirelli this afternoon will describe the action plan which is managed in Europe, so I will choose examples in other divisions. Just to mention for example, just an illustration, that we will mothball two storage sites in France, we have launched a process to optimize the logistics and the value of the supply chain in energy services and with a focus to improve temporary labor demand management.

On procurement, we believe that on this side we have a room of improvement. The cost basis is extremely important. Of course to improve procurement we'll contribute to G&A plan, to operational cost plan and even to CAPEX improvement plan. So it is a global figure, global target, to all in all decrease by 7% the amount of our procurement. And we will launch in December the first wave to review on a very systematic basis the spend we have and the way to improve our expenses.

Last focus on cost savings, a few words about our interest expenses. You see on this graph the evolution, the decrease, of the cost of our gross debt, you see that compared with 2008, we gain significantly and we managed to decrease significantly the cost of gross debt. We expect between now and 2015 to decrease by 200 million Euros the interest expenses, it is just a price effect, it doesn't take into account the fact that the volume will at the same time decrease and if you make your calculations you will see we gain another 200 million Euros with volume effects.

So it is the end of the focus I wanted to make on cost reduction. Second chapter of the action plan, to reduce net debt, three levers. The first one is of course the equity accounting of Suez Environnement. The Suez Environnement move we have decided is first of all a strategic move, but this strategic move has also an impact on our accounts, and a very significant one, since the impact of this equity consolidation is 7.5 billion Euros. First lever.

Second lever, we have decided to enhance the asset optimization program. So the equity accounting of Suez Environment is not in this figure of 11 billion Euros. In this figure of 11 million Euro, we have the usual asset rotation, that is to say between 1.5 and 2 billion Euros per year as we already do to continuously improve the asset bases within the Group.

And third lever, to have a more focused CAPEX program. Equity accounting of Suez Environnement first. So again it is a strategic move. On top of the impact of net debt, we have of course other impacts on our accounts. And in particular the reduction of minority interests on the P&L and in the balance sheet. But of course we have no impact on net recurring income group share, GDF SUEZ keeping 35.7% stake in Suez Environnement.

Asset optimization program. Do you remember that when we decided to buy International Power we announced a disposal program of 13 billion Euros to be done before the end of 2013. Where are we at the end of 2012 ? So we have done 6.6 billion Euros in 2011, we expect to do 5 in 2012. Some transactions are already announced, you may have seen yesterday the transaction we have announced with ERG to sell our wind farms in Italy. And some other transactions are ongoing.

That is to say that at the end of 2012, we will achieve 11.6 billion Euros roughly, that is to say the main part of the 13 billion Euros program, one year in advance. So now for the future, what we have decided is to again plan an 11 billion Euros disposal program, over 2013/2014. And again Suez Environnement impact is not in these figures.

Just a quick word to say that this optimization program is a way to accompany the strategy of the Group first. It is also a way to improve the financial profile of the Group. If you look at the assets we will dispose in 2012, you will see that the ratios are much lower, or not at the same level of quality as the average ratios of the Group. So we have for example an net debt on EBITDA up to six times compared to an average for the group of 2.5. The impact of this disposal programme on 2013 is, as I mentioned when I described the breakdown at the beginning of my presentation, 700 million Euros at EBITDA level. It is 100 million Euros at net recurring income group share level.

Then now CAPEX reduction. You see on this graph that we will move from an average level of roughly 11 billion Euros over the period 2010–2012 to an average level of 7 to 8 billion Euros for 2013–2015. Of course the equity consolidation of Suez Environnement makes part of this move to give you an idea the CAPEX of Suez Environnement in 2012 is 1.5 billion Euros, but even at constant scope you can see also that this effort to limit the CAPEX program is extremely significant. So our CAPEX program will be reduced.

A CAPEX program which is still flexible. You have in yellow, there’s a yellow line, year after year the level of CAPEX which is already committed. If you see that for next year, of course, the main part of the CAPEX program is already committed but it is not the case for the years after. Second point. Third point, this level of CAPEX will be significantly higher than peers if I except the other big French player for other reasons. But it means that GDF SUEZ will still be the biggest investor in the energy sector.

Last chapter to accelerate the Group’s transformation. If we combine the disposal program and of course in this disposal program we will choose for the big majority assets in mature areas and the fact that the profile of the growth CAPEX allocation changes significantly, you can see here the big part for the fast growing market and also the big part for global gas and LNG. Then you are in the situation to see, at the bottom end of this slide, that the spread of capital employed within the Group between 2011 and 2015 will change very significantly.

It is maybe time for a break. And then after the break I will show you that this change in the profile of the Group will allow us to maintain the cash flow generation.

So I described the strong reaction of the group to manage this situation, which is a difficult situation in Europe. So ambitious cost savings, ambitious net debt reduction and a real acceleration of the re-profiling of the group. Now I will show you that the relays are extremely powerful within this group and that these relays, these growth relays, plus the action plan allows us to maintain free cash flow and cash flow generation.

So I will give you a quick view of the dynamic of our different divisions. First of all International, I'll do that quickly because Dirk Beeuswaert this afternoon will go back in more details on these dynamics but nevertheless we have strong differentiating factors. We have a strong track record in a lot of areas with a presence for more than 15 years in significant countries. We have long-term experience of the relationship with partners with also financial partners and a real ability to get good and very competitive financing. The driver for the growth in this business of course is need for new capacities. Gerard Mestrallet insisted on this point already. You see that these needs are huge, you have here an estimation by region, and you see on the left-hand side of the chart the kind of economic profile we expect for these different region. For these businesses we don't use EBITDA and I remind you the way IP before the buyout used also this indicator which is not EBITDA but Adjusted COI, that is to say EBIT plus the contribution of associates. It is a way to take into account all the projects and also the projects we have in equity consolidation because in this activity we have a lot of partners and sometimes equity consolidation. So the goal here is not to give you a guidance, no figures, just a way to show you the kind of dynamic we have in our internal business development plan. And you see that these growth are significant in these three regions even in LatAm where we are already extremely powerful.

Now Global Gas and LNG. Jean-Marie Dauger this afternoon will go back on the LNG dynamic. So I'll just show you some elements on E&P production. As far as E&P is concerned we are not the biggest player in this sector. It is clear that nevertheless we have a high level of experience and know-how in this field and a very good track record. You see on this chart the evolution of the E&P production level and you will see that thanks to the commissioning of very important projects, Gudrun in Norway, Cygnus in the UK, Jangkrik in Indonesia and some others, you see that the profile is clearly and significantly growing which is also for the group a clear lever for development.

Now Infrastructures. The pace of growth is not the same but is nevertheless extremely regular and strong. And the main driver is the need for gas infrastructure in Europe. You see here that in conditions, which remain good conditions to invest, we expect a strong and regular increase of the contribution of these activities.

For Energy Services, I will go fast also, just to say that clearly the need for energy efficiency is a clear driver. It will be more and more the case in the future and again we expect for this division a significant -lower of course than for Energy International or Global Gas and LNG but nevertheless positive and regular growth for the future.

So all these elements lead to a real change of substance of the GDF SUEZ group and its economics. What you see here is the evolution of the EBITDA breakdown between the different business lines of the group. You see that progressively we will increase our exposure to fast-growing energy markets and also to recurring activities. It is extremely clear you can see that. We are on the year 2014, before the rebound. You can see the decrease of the contributions of Energy Europe and the mature markets, and on the contrary you see an increase of the contribution of all the other businesses with again a real change of substance in the group.

So this is the situation, which allows us to maintain the cash flow from operations. What is cash flow from operations, it is just free cash flow plus maintenance CapEx. If you look at this cash flow from operations you will see that this KPI will be stable over the years to come in 2013 and 2014 despite the very negative macro economic situation and the very negative situation as far as electricity and energy prices are in Europe. So it is another way to see the change of substance of the group. That is to say that nevertheless, despite this negative element the cash flow from operations of the group remains stable.

As of 2015 we will see an increase due to two things. First of all the fact that the growth relays continue to run and then of course we expect a rebound on merchant activities for the reasons I mentioned at the beginning of my presentation. It is important to understand that at the moment of this rebound we will be able to generate a lot of cash because we have no longer to invest, plants are here, we have just to wait until they run again with better prices than today.

So cash flow generation stable in 2013, 2014 despite the negative element I mentioned. This is the reason why the group has decided to maintain its dividend policy. This strong cash flow generation allows the group to maintain an attractive dividend policy keeping at the same time a very solid financial structure and I have explained what we intend to do as far as the balance sheet is concerned and at the same time keeping also the highest investment level in the sector. So this balance is possible since again the cash flow generation will remain extremely robust in the future.

Then the cash flow plus the usual asset rotation which corresponds in fact to the part of financial CapEx within the gross CapEx envelope will allow to finance both the growth CapEx plus maintenance CapEx and the dividend and when I say the dividend it is of course the group dividend but also the dividend we have to pay to our partnerships. It is the reason why on top of having confirmed the dividend policy the group will propose to the GDF SUEZ annual general meeting next April to pay a DPS of €1.5 per share.

So my conclusion is very simple. A real change in the substance of the group. We will accelerate this change using the different levers we have mentioned. The reaction of the group is strong, extremely dynamic. We will be in a situation to maintain cash flow generation in the future and then to maintain the dividend policy.

NEW SECTION INTRODUCTION

Anne Ravignon-Chassagnette

I hope you all had an agreable lunch and glad to welcome you back for the afternoon session. As a group, we are convinced that the European energy environment will remain difficult in the coming years. So we have designed a strong response to preserve value creation. I will now leave the floor to Jean François Cirelli who is the vice chairman and president of GDF SUEZ in charge of the energy Europe business line. He will provide you with an update on the challenges we are facing in the European energy markets and explain how we are addressing them.

ENERGY EUROPE TRANSFORMATION

Jean-François Cirelli

Thank you Anne. Good afternoon. A nice lunch but there is no free lunch in life so we have to restart and we start with Europe, which is nice. I will not dwell too long on as regards to the environment in which we operate, you know it. I will only mention three points first as you know we are mainly affected by the lower power prices and the CCS, Clean sparks spread, even if I should tell you I believe the bulk of theses decrease have already been taken in our accounts in this year and next year.

So, the second thing I want to say is that flexibility in the new European context is key and GDF SUEZ is really well positioned to take these new challenges of flexibility and we have already a very flexible fleet and we will do more and I will come back to that.

And the third point is that next year we will be mainly affected by the termination of the CO2 allocation, free allocation and year-on-year impact will be for the business line €400 million. So, overall in the EBITDA decrease that Isabel showed to you this morning for next year 600 million for the business line in Europe, 400 million are coming from the CO2 allocation that we have to pay, so I do consider that we are resisting pretty well to the deterioration of the environment and why? basically because in particular of the strong reaction we have engaged in Europe and that I will naturally comment.

So, in this current environment I have one conviction is that a diversified energy mix like the energy mix of GDF SUEZ is clearly a plus, a plus to stay and to be able to stay flexible and we enjoy this diversification of the mix and that will be a great asset in the future.

And I have two priorities, the first is operational excellence, and the second is to pursue our development in Europe but being highly selective and less capital intensive with less capital-intensive solution. Europe is not over for us.

So as far as the balance mix of GDF SUEZ you know what it was so I will not comment it but you can see the distribution and the diversification.

So let's focus on the performance plan, perform 2015, which is our answer to the current challenges and what we want to achieve is the operational excellence in every segment of the business line. So, we are fully mobilised to achieve our targets within naturally the framework of the group action plan and our contribution within the 3.5 billion, which has been mentioned this morning for BEE -Energy Europe business line - will be 1 billion from 2012 to 2015. This plan represents an effort of about 15% cost reduction a little bit above 4% a year, which is clearly an ambitious target in my view. The bulk of the effort will come from OPEX reduction including HR reduction, two third and one third coming from the S&P improvement.

All actions have been identified for the next year and we have already started to implement them we are in December so if we want results for next year we have to have already some implementations and we will have starting next year a net positive outcome of this plan i.e. after inflation, after wage increase and we will have a net in our business line which in my view is a very important challenge and very important objective.

So, you can see a little bit the breakdown of this action plan among our three main metiers: generation, energy management and trading, marketing&sales. As you can see in this graph an important part of the plan is also dedicated to G&A cost reduction with an objective to reduce the actual costs by 200 million until 2015 coming from 1.2 billion to 1 billion for G&A in Europe out of the global amount of 7 billion for the entire group. So, we want to be in terms of this action plan particularly in the G&A, which is an important tool in the first quartile of the best leaders in utilities in Europe.

So, what are we doing for instance in generation. As I was telling you it is important to keep the flexibility of the fleet with the renewables, with what is happening with the demand evolution in Europe. So first of all our objective is to reduce the operating cost and maintenance CapEx by 15% in 2015 i.e. for the thermal fleet basically to try to save €10 million per Gigawatts that is the objective that our operational people have in mind.

For the high utilised assets it is to improve the efficiency for instant in Polaniec in Poland we have changed the boilers and we have gained 2% additional efficiency. We are working on a very important plan to try to reduce the plant and not force outages which is very important in particular also for the nuclear fleet. We are trying to increase the flexibility of our gas fired power plants for instance working on both increasing the ramp up to the optimal level and limiting the minimum load required to keep the plan available and evaluate through the ancillaries. I'll give you two examples. First, this is one of two CCGTs that has been done this year. You have the first example to reduce the minimum load: it's a CCGT of 400 MW. The minimum load was 280 MW we have reduced it to 160 and the objective is to try to reduce it to 80 MW in the near future. The second example is the ramp up to be more flexible when there is a need to dispatch the initial ramp up of this CCGT was 10 MW per minute and the objective is to increase it to 16 MW per minute. These are the kind of things to illustrate what we are trying to do in the generation metier.

For the low utilised assets, you have a definition on this slide. As you know what we have done this year with the creation of the business line is to begin a full review of all our assets of generation fleet and I just want to remind you that we have already announced some closure of assets during the preceding years, you have the 3.6 on the slide which has been done between 2009 and 2011 and then the new closure we have announced for this year and next year and according to the review that I was mentioning. We have even gone above that, there is a new 2.1 GW which has been decided, that is the first time we are saying that to the market so you have the plans which are here on the slide particularly in the Netherlands and in Hungary.

So the 2.1 has been already either mothballed or closed and we are in the process of reviewing still 3.3 new Gigawatts and decision will be made in next month and what kind of decision are we taking when we are dealing with our fleet review, there are four possibilities. The first one is to close the unprofitable units, i.e for us when they are not cash positive this is a minimum for us. Second, to convert them to big units, which naturally will be less utilized but we are able to reduce the cost of the fix cost. The third issue is to mothball and the fourth is to believe that they could stay as they are and try and increase and optimize these assets like the others. So a lot of things have been done and as you see already some big decisions and new decisions to be made in the next weeks and months.

On the nuclear challenges I think we have discussed a lot already this morning. Just one thing to say is that, as you know we are not the sole owner, unique owner of the nuclear fleet in Belgium. Already one third of the nuclear fleet is shared with other competitors, as you can see on this graph that is naturally in one sense a drawback and in another sense it protects us also because we are not alone vis-à-vis the government. As for other challenges, which are ahead of us today, I would say first of all I think clearly the landscape is a little bit clearer than it was one year ago. Naturally we have decisions, which doesn't please us like the nuclear tax. I think the nuclear tax we will challenge it, that is for sure both domestically in Belgium and internationally, so we will see. There is one positive element of this increase of the tax is the link which has been made by the government to link in a way the tax with the output and as you see in next year according to the government the tax will be below the level of 2012, why because of the unavailability of Doel 3 and Tihange 2, so that is a good sign and the fact we have linked for the first time output and the tax, but clearly we are not happy and we are challenging it.

For the 2 Doel 3 and Tihange 2, may be you will have questions afterwards. I will say, what are we saying. We are saying and what was the dossier that Gerard told you that has been finally given to the authorities yesterday and now we will have one month to discuss with the safety agency and we expect a decision beginning of next year and a restart 15th of January, this is the assumption and what are we saying in this dossier that was transmitted to the safety agency. Three things, very simple, first the anomalies are due to the hydrogen when the vessel has been forged, so 40 years ago – a little bit less of 40 years ago-, second that these anomalies have had no evolution between 1982 and 2012. So, hydrogen, no evolution and the third element is that with these anomalies we can restart safely and we have we are sure that we can restart safely our two plants. That is the demonstration that the company has to make. If we were not confident that we could say that we would have never sent the file to the agency so now, we have given the elements of all the studies we have made, a lot of studies you can imagine, a lot of international experts, now it is up to the government, the agency plus the international experts to decide whether what we have said is right or wrong and we have in one month, in my view, the decision.

For the old plants, Doel 1 & 2, clear we will stop after 40 years and for Tihange 1 as you know the government has accepted the extension for 10 years but with a price for the output so we are discussing that currently with the government. Just to give you two figures, first of all Tihange 1 is shared between EDF and us 50-50 and the overall investment if we have to prelaunch will be of the amount of 600 million, 300 million for us and we will only do that if we are sure that the profitability of this extension is there and we have sufficient guarantees from the government of the scheme and the framework that he wants to apply.

So, leaving rapidly the generation issues, energy management and trading, which is very important part, also we are expecting a lot from our teams in EMT as we say in the company. We have done an impressive internal workstream this year since the creation of the BEE to see what kind of new value we can extract from our assets and the combination of our teams in trading in energy management which were divided as you know between Brussels in particular and Paris but also in the countries, so a new organization will be operational January 1st this year again we recommend the teams for the work that has been done which is just tremendous and this completely integrated new organization should allow for higher value creation. The objective for us is to increase our P&L by 250 additional millions by the end of 2015. You can see the objectives and our actions on this slide, I will give you two examples for instance. First, we have integrated which was not the case the power portfolio and gas portfolio in Italy and so a lot of savings already in our pockets since this year. We have launched an ambitious development plan to increase our coal business activities worldwide so there is a lot of enthusiasm, there is a lot of willingness to develop within our activities within a very strict risk mandate which is always a very important point as you know.

In EMT, they are also dealing with the long-term contracts so I will not spend too much time on this issue just to say to you that is the same slide I presented in February. The main message I want to pass on to you is that what we have said in February we have achieved it. We have had two major renegotiations, one with Gas Terra, which was already done and I am confident an agreement is within reach with our main supplier which is Norway – Statoil - substantial agreement so it is not as you know concluded but I'm quite confident, so we will achieve what we have said, we will continue to do that and as Isabel was saying this morning a good fact for us is that after this agreements everything can be reopened for negotiation in 2014, i.e. if situation changes and we want to keep this possibility to renegotiate very frequently to adapt to the market conditions and evolutions so if everything changes we have all the possibility to renegotiate with our main counterpart, so that is very good. We will remain positive. We have always been positive with the gas supply activities and we will remain so. We remain so thanks to our gas and the diversity of the gas supply, the possibility of optimization and thanks to also our LNG activities and I should say that we enjoy in GDF SUEZ may be one of the best LNG teams in the sector. So, we are very proud of what we have achieved there too. So, altogether we can remain positive and even more than we thought in February we gave you a range we will be on the upper range of the range that is in my view a very positive sign too.

So, given the time constraints I will not speak about the actions that are undertaken also in our downstream activities what we call, marketing & sales but also just a message. We will certainly come back to these issues next time. A lot of under way there with three priorities, cost reduction - costs to serve, cost to acquire - focus on customer satisfaction and innovation through new businesses and particularly as Gerard Mestrallet mentioned this morning, new offers combining energy and services. So you can see that despite the current difficulties which are a fact of life, Europe will remain an important contributor to GDF SUEZ revenues and that we want to keep and even to reinforce our footprint in Europe even if energy demand will be flat. Don't underestimate the fact that Europe is still the biggest energy market of the world. So we will continue our development that is important for us with less CapEx and more innovation in terms of solution, utilization of CapEx naturally. You know where we want to invest in the future, it is priority in the renewable sector clearly - prudent on offshore, prudent on solar-. We have already under construction 600 MW, we are re-affirming today our ambitious targets that we have in this context.

So, to conclude what I want to say to you today is that the European teams in GDF SUEZ are fully mobilized, that we are proactive, that indeed the economic environment is not fully supportive to say the least but I can assure you we are determined first to strengthen our performance with ambitious targets and second to take the necessary measures to be a winner in the current competition. And I am quite confident that we will achieve our objectives thanks to the really high quality and capacity of the BEE business line teams and I can tell you that we have 27,000 really professional to be a winner in the next months and years. That I wanted to say to you today. Thank you .

NEW SECTION INTRODUCTION

Anne Ravignon-Chassagnette

Thank you for your update on the group strategy in mature power markets. Let's have a look at high growth markets, which remain a key priority for the group. We want to provide you with an update on the multiple growth opportunities which come from these markets be it in Greenfield development, through expansion of existing sites or through selective acquisitions. There is no doubt in our minds that these opportunities are clear differentiating factor against our peers.

I'll now hand over to Dirk Beeuwsaert the executive vice president in charge of the Energy International business line. Dirk the floor is all yours.

POWER GENERATION IN FAST GROWING MARKETS

Dirk Beeuwsaert

Thank you Anne. Good Afternoon. Speaking about the international business it is perhaps always good to look some minutes at the past experiences and the results of it to give a little view of what has been able in the past. So, globally that activities present today in about 30 countries with significant power generating business but next to that also several activities in LNG, in power retail, gas transportation and distribution. I think we have delivered strong financial performance through the growth in capacity but also through the commercial activities around it and this forms really the platform for our future activities and future growth.

In today's presentation I will walk mainly through the generation in our fast emerging countries, fast-growing countries like Latin America, Middle East, Turkey and Africa and Asia but we also have interesting prospects in some other markets and it is clear that the strong reindustrialization of some countries in North America also creates opportunities for the future for our businesses.

Globally, I would say, expanding and fast-growing markets is important and it is important part of GDF SUEZ history and its future. The contribution of those markets to the overall group profitability has been increasing steadily as you have seen in the previous light and we are ambitious and optimistic about the future.

These markets are a key priority for the group and we are strongly positioned. We have experience across multiple technologies and contract types. We are very proud of the relationship and the positions we have built over the past and of our strong local teams and we are considered in a lot of those markets as a reference player and that is an important position because that gives us credibility. In this presentation I'll look first at our performance across the value chain I'll then outline our current position in the fast growing markets and finally we will review in detail the pipeline of opportunities for further growth and development.

The key to our success in our high-level performance is the experience of our local teams across the whole development value chain. You see on the graph the different elements of those were we will pass through in some minutes.

Let's us first look at the first part, the project initiation, successful Greenfield development and financing. All of them are critical in creating value. I think we have an excellent track record in all of them. We are able to negotiate those contracts. We are able to deliver attractive rates and we have been working and we have very good relationships with a lot of partners and stakeholders. And we have as I mentioned before our highly experienced local development teams and project managers who make in the end the success of what we are delivering and what we want to deliver.

We also make some selective acquisitions and historically they have often been an entry point in new markets. Next to that our experience in project finance is in the sector the second to none. Our teams have worked with multiple projects type with both local and international banks and it is clearly in the banking environment there has been a lot of change over the last 10 years from American and European mainly to local banks, Asian banks and we have strong relationships with the agencies like GBIC, KEXIM, US EXIM to deliver our projects. We are also working a lot more in the environment mainly in the Middle East with local banks and in this area complying ones.

Next to that to deliver and create our value we can count on the team of Tractebel engineering to fine-tune our projects and the corporate services to optimize our financing activities.

Next to that, another value creation of our activities is of course our commercial activities we create around our projects. It's not only building capacity is also selling it in the market at the most interesting returns and at the best moment.

Now, we will look at the second part, it's construction and operations. I think there we can say we have the consistency performing at an excellent level. We have commissioned 15,000 MW of new capacity since the end of 2008 and we still have a further 10,000 MW to enter in service. We have a very modern fleet with an average age lower than 15 years and with the experience of our group and our presence in 120,000 MW worldwide we are able to capture a lot of experience and operational experience that enables us to deliver operational excellence.

You can see on the graph right down that when we compare our unplanned availability with the benchmark of the North American Electric reliability Corporation that we are performing better on all of those where we have a strong position.

And I would say next to that, another part of our activities is commercial activities and portfolio around our assets. We aim to maximize value across the whole of our portfolio. It is a very important thing it is also a part of the action plan that has been announced this morning. It is something we will further work on but it is something that has been in our DNA as a competitor in an international environment for years. Our purchasing power is significant and is a part of this. We leverage our buying power and you see an example here is creating value to combining our purchasing power and to buy turbine parts and to buy maintenance at a lower cost than what the actual standard supplier could deliver to us. We also use our actual positions to be in a better position to capture new opportunities, to expand around positions we already have, to expand power plants, to create new projects around them. Not only new power plants but also commercial activities and that we can do in a better way than a competitor because we already have and we can capture additional synergies but not only that we are focused on our customer satisfaction and the fact that the customer is satisfied for working with us for years gives us a competitive advantage when he is launching new projects and we can give several examples of that .

And next to that of course we have a global portfolio. We have a lot of plans around the world, we have a lot of positions, and we are always and continuously looking at how to rotate them and how to create most of the value out of it. What should we divest, what should we perhaps structure in another way to have them consolidated or deconsolidated depending on how we can improve our returns.

Once we have a successful project we want to outperform. We want to do better than what has been foreseen in the investment case. We want to extract additional value, that we do through our financial capabilities but also to the operational optimization we just spoke about and you see here some case studies and you can say that those are based on several contracts, on several projects we have done in the last years and you see globally that through those different levers we have been able to increase the expected IRR of those projects with an additional 2 to 3% compared to what was foreseen in the investment case and I think that is an important part of our value creation.

Globally another question that always comes up, ok it's an interesting track record but what is possible in the future? There I think it is important to look at what are the drivers for the future demand and if you look at around and look at some of the countries where we are active you can see there is a lot of possibilities for the future. We clearly have the experience, we have the possibility of an important expansion for the future and you see that for the countries that we have used on this slide, Indonesia, Brazil, Mexico and Saudi Arabia that the growth is important on the demographics also their economic growth is important and next to that you see that even today the consumption is extremely low per capita compared with some developed countries. An example is always indonesia about the same size and population as the US but 24 times less installed capacity and it is a fast growing environment with a lot of young people, higher and higher educated, so there are a lot of possibilities for us.

I'm proud to share our success in a number of important fast growing markets where we have established presence over the last 10 years. Our track record here is solid, I believe. We have positive long-term relationships with our customers, with our local partners and with the local authorities and an example given by Gerard Mestrallet this morning about how we are accepted in Brazil is very important but that is not only in Brazil there are other countries where we have the same relationship and we are seen as a local player and where we are seen as a reference player for the market and really accepted by the local authorities and where we through that have some credibility when we speak with them and we discuss with them about how to structure the electricity sector .

So, we are and we want to be in the markets where we are a local player but one that benefits from the strength of a global group. Where we can create synergies throughout our global portfolio. These markets are attractive to us not only because they create opportunities but also because those opportunities create at the same time a protection for us. It is always better to invest in a country that needs new investments every year than if they only need you every 20 years. They can screw you for 19 years and then create a model so that you are again attractive come the 20th year but if you want to have sustainable business and predictability it is better to be in a country that continuously needs you. So they give visibility, stability of returns and that is what we are looking for.

And to give you some examples that what we have done has created value. It is based on the strategy we have followed. It is based on world-class delivery and it is also based on an expansion of our client base. That has made it possible for us to move from some initial small positions in some countries and you see some examples here, to being that reference player where I would say we move from a foothold to a stronghold in a country. And we have been able to repeat that in many markets. Great examples you see it here, Thailand, where we are the largest IPP player. Brazil where we are by far the largest private player and Saudi Arabia where with operate the country's largest power projects and where we are also the largest private player.

So I think that with that we can prove that we have delivered good value for all stakeholders in the projects we are in and that creates a very attractive situation when we attract new partners for the future. They know that they have a better chance with us or a good chance at least to create value and to capture value by teaming up with us as a company.

There is continued growth in those existing markets. We have commissioned a significant value, a significant amount of new capacity through a major construction programme you see it on the slide. But we do not only focus on adding capacity, the focus is also to create value around those capacities and to make a significant meaningful contribution to the group profitability. It is not only the adjusted current operating income that you see here from those markets but it is also the free cash flow and in 2011 we generated in those markets about 2 billion of free cash flow.

We have grown significantly in these markets. And as those markets are also growing by 4 or 5 even some of them 7% only following the growth of the market is already an important growth for our business. So, we are growing our business by expanding existing assets, by targeting new projects but also and mainly also in those countries by targeting commercial activities, inventive proposals to our customers around our assets.

Next to those we are of course also looking at new opportunities. We have strong presence in many high-growth markets but not in all but that does not mean that we want to be in all, we want to be very selective in where to go and that you see the different elements or factors we asses when we enter a new market. Based on those factors we have been moving on and we made important progress in defining some main countries for the future. I would say we are focusing a lot of our attention and we are working actively and hope to close in the following weeks and months in power projects in Morocco, South Africa, Mongolia and Kuwait and we will of course update the market when those projects come to a financial close.

We consider a number of criteria, you have seen them, they include economic, political, legal, market structure and financial criteria. We of course consider also our industrial competitiveness and the industrial competitiveness of the country that we are investing in because it is important for the sustainability of the need for new capacity, the need for growth and attractiveness for us. Of course, next to those criteria, there is always also the acceptance of foreign investments and on our side also to become a local good citizen and to become a player that is accepted in that market and we can do that through different structures. We can do that through a local listing, partnering with local pension funds, there are different structures to do that, to be accepted in the market but it is an important part that we also always have in mind to create sustainability for our business.

Now, I want to focus on some examples, the Middle East, Asia and Latin America including Mexico. This does not take away that in the other regions we don't have possibilities. I already mentioned that today there is not only Mexico but there is the whole North American environment that has today a very important reindustrialization boost based on its low energy costs, competitive labor costs and access to commodities and that is important and it is moving very fast, it is even becoming a very big competitor to watch what happens and to those industries which are today based in China, a lot of them or several of them are moving. It is something that we have to track and follow because that determines a little the places to invest in the future.

First of all if we look at the Middle East, Turkey and Africa it is clearly a place where we have a lot of success. It is clearly a place where you have a specific model certainly in the Middle East to do our business, it is a very capital light development based on long-term secured contracts. We have been clearly the most successful project developer in that region and you clearly see on the dots on the map that we have a lot of positions but as a whole they only represent about 1 billion of capital employed. Nevertheless we have been the developers, we have been doing the construction of those plants and we are operating them on the long-term and we are managing in that way 27,000 of GW capacity in that region and that creates value in those different elements in the development, in the construction and afterwards as operator and co-owner. It is clear that that success rate attracts a lot of partners and we are in a very good position to attract the best EPC contractors, the best partners to continue that process and we continue to build on that success for our future projects.

There is still a healthy pipeline of future projects. Demand for power in the Middle East region but also in Turkey and also in South Africa is driven by strong economic fundamentals and initiatives to diversify the economy to become not only producers of oil and gas but to become an industrial environment producing complete chains, of not raw materials but more complex petro chemical products and so on.

The results of all that is that a lot of new capacity will be required between now and 2020 across those regions and we believe we have a very good position to be able to capture a lot of it. The future pipeline is important and we believe it will work and here you see some more focused evolutions on that. You see some granularity on types of projects where we are currently working on. This is not always possible in all the regions but not only because it is not always possible in other regions in some cases it is also commercially sensitive to give that information because of course we always have competitors and they are also looking at what we're presenting. Today we can say in META we are in exclusive negotiations for just about 3000 MW of capacity. We are close to a bid stage for about 2000 MW and we have an active development pipeline that means a development pipeline where we are spending money on of about something like a little more than 4000 MW. So the projects you see here on the graph are only those in which we are spending money today to get them powered to bring them to closure that means that besides that there are a lot of others of course where we have ideas on where we are following but where today we don't spend really development money.

If we move to Asia. We have increased our capacity in the last five years extensively in Asia. You see here on the slide what we have done between I would say what was our position in 2007 and what it is now in 2012 and you see an important growth in capacity based on mainly Greenfield projects some selective acquisitions and we see a lot of opportunities in the future to continue that. The capital employed in this region is more important. It is another structure, a big part of it is in our listed company in Glow. It is about 4.5 billion capital investment that we have in that region.

If you look now at the prospects for the future. It is clear that Asia needs a lot more new capacity between now and 2020. Based on its economic growth, based on its demographics which are clear and I mentioned the example of Indonesia and the need for new capacity they have based on their industrial development but also on their demography.

That doesn't mean that we will be able to capture all of that. First of all we have to be aware that something between 30 and 40% perhaps at the maximum 50% of those new projects would be available for IPP investments. Others will be done by local governments or government linked entities. You see that nevertheless is still a very important pipeline. India in that perspective offers significant opportunities and we are closely monitoring that market because we think it could be the moment to make a move. China is absent for a very simple reason that there are a lot of local active big players who have strong positions, strong links with the federal government and that is not really an environment and place for us to make money.

Of course we are in Asia compared to the Middle East where most of our activities are based on natural gas, in Asia we are developing our activities in a lot broader range of fuels types and that is where our deep experience in those different technologies gives us a competitive advantage. We can really propose the best technology that suits any country and any environment. In that respect we have recently secured three PPAs based on geo thermal projects in Indonesia based on long term PPAs and our first drilling activity on the first project is very promising and we believe it will be a very successful projects. We are targeting further development in Indonesia and Thailand and Laos and as I mentioned before we are looking at entering India but also we are focusing possibilities in the Philippines and Vietnam. Of course all that is based on stringent criteria for our investments.

Now the last region I want to focus on is Latin American and Mexico it is of course a region where we have a very strong position. We have the capital employed in that region of about 10 billion. The scale of our presence is very important and we are the main players in several of those markets. Most of those cases are our activities are backed by long offtake contracts and we have, I would say a financial visibility on the medium and long-term of our businesses there. We also have a number of gas activities in that region, they are not shown on the map but they are important and they are part of the value chain of our generation business in those regions and we believe that the synergies with them are important for our actual and future business.

In Latin America about 75,000 new capacity will be needed. It is clear that the main country there is, and will stay, is Brazil but don't forget that Peru has been growing at levels of 6 to 7% over the last 15 years and we don't see an end of that. So globally there are several opportunities and we see also a lot of possibilities to more and more have commercial activities linked with the important mining industries in those regions. We are already a very strong player in that perspective but we still believe that new investment are ongoing and we are very well placed to capture an important part of it and don't forget that if only we grow with the market that will mean a growth of about 5% every year on itself even to keep our position it is already a challenge and an interesting opportunity.

We are developing a number of projects across Brazil, Chile, and Peru. We are studying some opportunities in Uruguay, Colombia, and Central America. The project pipeline we have today in those regions exceeds 10,000 MW and it includes a range of hydro, coal, wind and biomass projects. It is clear that we have the operational and commercial experience to turn a lot of those projects in the reality and to make attractive returns out of them.

Globally as a conclusion I would say I think that as an organization we are strongly positioned to capture growth but not only growth also value and I think that the previous track record that I showed in the beginning of growth and profitability is a good basis for that. We are highly focused on those fast-growing markets to find and to capture new opportunities both in existing and new markets because it is important for us also to try and capture continuously those countries that will be I would say the Brazils of tomorrow and perhaps the Peru's and the Chileans of tomorrow.

So we continuously evaluate our opportunities, we have a material pipeline and we believe that based on our experienced local teams that we are able with our track record and reputation to capture a lot of it.

The pipeline is significant and we recognize that we will only be able to capture a part of it but we want to capture the most attractive ones and we will not compromise on our investment criteria where we want to create value for our stakeholders and I think that globally based on what we have done in the past we are very well organized and prepared to do that.

NEW SECTION INTRODUCTION

Anne Ravignon-Chassagnette

Welcome back. With its Cofely brand, the Group is uniquely positioned among its peers to take a significant share of the energy efficiency market. Jérôme Tolot, who is the Executive Vice-President in charge of the Energy Services business line will now update you on our specific Energy Services business mix, which is expected to deliver sustainable profitability with low capital intensity. Monsieur Tolot.

ENERGY EFFICIENCY, A PROFITABLE GROWTH STORY

Jérôme Tolot

Thank you Anne. Good afternoon everybody. As Gérard said this morning, energy efficiency is a key differentiator for GDF SUEZ. I will give you some colours of our strategy and of our strong opportunities in this business. Today I will only speak about B2B business. You know that the B2C business is managed by another division of GDF SUEZ.

Energy efficiency is about consume, sorry I must…voila! What do we mean by energy efficiency. I want to be very simple. Energy efficiency is a concept about consuming less and consuming smarter. By less of course we mean cost savings, reducing of cost of energy. And by smarter we mean more renewables, we mean more IT, I would say support in order to monitor the consumptions, more decentralized energy and so I will present all these achievements we have done in the branch.

Maybe I will take only one example of this chart, the 20 years contract, it's a public private partnership we signed two years ago with the Alsace region. It's about the energy consumption of 14 high schools in Alsace and our commitment is to reduce consumption of energy by 35% on the period, and to save 65% of the present greenhouse gas emission. What do we do?

We are installing six biomass boilers. We are also installing 5,000 solar square meters of photo-voltaic panels. And we have completely changed all the equipment of this – of course energy equipment – of the 14 high schools in order to optimize the consumptions and we have put in place some pilot equipment in order to monitor these high schools. And so far we're exactly on the target, so we'll do what we promised, we'll save 35% of energy.

The topic of energy efficiency as you all know has become in recent years a key concern all around Europe, and I would say all around the world. And with Gérard Mestrallet six years ago, a lot before what we are discussing today, we decided to create a specific division with 80,000 people, dedicated to energy efficiency business for B2B customers.

What are our key drivers? You see the key drivers on the chart, I want only to select three of them. The main one of course is strong client appetite to benefit from cost savings. I will come back on this point later. The second one is a regulatory framework. You all know the energy climate package in Europe, where we are committed to reduce our energy consumption by 20% within 10 years. So of course it helps our business, and I can say that we have the same kind of regulations outside of Europe. And the third key driver, in all this I would say smart solutions, smart energy, where we now use a lot of smart equipment in order to monitor the consumption of our clients.

If you want to have an idea of this energy efficiency market, of course it's difficult to define exactly. But with some colleagues, we think that this energy efficiency market is around, I would say today, 100 billion Euros in

Europe, it may be 80, it may be 110. And what we are expecting is a growth of this market by at least 50% within eight years. So it's of course a lot of opportunities for GDF SUEZ.

Let me come back on the client expectations. We made a survey in Belgium and we found – it's not a surprise – we found that this topic of energy efficiency is a top priority for more than 70% of our clients. It is true of course for the client from tertiary sector, it's true for the client in industry, in local communities; everybody is now very keen to achieve energy savings. What do they want?

Our clients first want to save money. But not only. They want also, and more and more, especially in developed countries, but not only in developed countries, it is true now in China, it is true in India. They want to have a green image. And when you go to Beijing, you see a lot of pollution, and we have very important discussions in China not only to allow our client to save cost, but also to be more and more green.

So they want to save of course cost, they want to become more green, but they also – and that's very important now – they want to be our partner in this business. What do I mean by that? More and more, especially the big cities, the big industries, want to share with us this ambitious cost reductions. And more and more we are obliged to have what we call, to put in place what we call tailor made offers. It's all about what you know in France with CPE, it's, I would say, energy performance contract, where we agree with the client on a cost reduction, on a CO^2 reduction and we have a mechanism of malus or bonus in order to be the partner of the client.

Energy efficiency is a compelling business with strong growth potential in Europe, as I said. And maybe you are not completely aware that GDFSUEZ, through its energy service division, with its brand name Cofely GDF SUEZ, is without any contest the number one in Europe with roughly, on the chart it is 14.2 billion, but Isabelle will allow me to say that this year we will be close to 14.8 billion in this business. And we are clearly the number one.

If I take only one of my competitors – we have a lot of competitors but we like that – only one, is Dalkia. The turnover of Dalkia will this year be 7.5 billion Euros. It's not exactly the same scope of business but okay, we made choice five years ago and we agree with what we have done. GDF SUEZ when you compare to other utilities is rather specific and I think as I said, it's a very important positive differentiation for the Group.

We put on this chart our market positions in the main, I would say main European countries. If you take France, now we are number one on the energy efficiency market in France, with roughly 4 billion Euros in this business. For installation we are number two, just after Vinci. In Benelux, in Belgium, in Netherlands we're number one, clearly number one for energy service business and all the installation business linked to energy efficiency. We are number one in Italy, and I could say that we have very strong position, you will see that later on, very strong position in other European countries.

Since five years, we have built a very unique business model, and you have three main characteristics of this business model. First we are active along the entire value chain of the energy efficiency business. We are very strong in engineering, and we'll come back on that. We know how to install, sometimes we subcontract of course, but we know how to install, and you know that the technology is coming through installations, and that's very important for us to know how to install. We know of course how to maintain, and how to operate.

This business, as you see in the left side of the chart, this business is for 80% of the total amount of business, is a non capital intensive business. And for 20% of the business – not a lot – but we are more capital intensive. This is very good for this growth strategy because we don't require from the Group a lot of CAPEX. And you will see our profitability later on, but we can grow, we can develop ourselves without demanding too much CAPEX from GDF SUEZ Group.

The second characteristic of the business model is our client portfolio. We are very strong in a lot of industrial segments of course, but we're also very strong for all the tertiary business and for the local community business. And the third characteristic is that we have a lot of expertise. We know how to do some technical installations for HVAC but we know also to be…I would say we are very expert for electrical equipment for the public lighting in the cities, we know how to build and operate district heating and cooling networks. So we have a lot of expertise.

And we do think it's very important. For example, when you are in private/public partnership, when you work for hospitals, when you work for I would say universities, when you work for prison, you need to be able to do everything in the private/public partnership. You need to make the conceptions, to have good engineering capabilities, you need to install, and you need of course to operate. So that's very important, and so far the energy service division is very active in more than 70 big public/private partnerships, especially in Europe.

Just an example for engineering, and I can't of course comment everything, but you may know that in our engineering company we have more than 3,000 engineers, specialized in engineering for energy. And you have no competition in this field. We have of course a lot of big engineering companies, but they are not so much specialized.

So we offer to our clients I would say high value added solutions. You will see in this chart a lot of what we are able to provide to our clients. Let's take an example for a city. You see the city of Bougival, which is not a very big city, it is close to Paris. We signed a contract – it's a 15 years contract, a long duration – and we will allow the city to make a saving of 67% of the energy consumption for its public lighting. And for the schools, we take care of course of the energy issues of schools, we will decrease the energy consumptions by 80%. So you see we bring real value to our clients. That's of course very important.

If you take another example, what we called the green data centers, I'm sure that you know that there is all around the world an explosion of the demand for building and operating data centers. And everybody wants not only data centers, but everybody wants green data centers. An example, we are, I would say, in France, in Belgium, and in Holland, we are the partner of IBM for the big data centers. And this year, but it will be the case next year, the savings made by IBM on its data centers in Europe, will be close to 20% due to what we bring to the data center in terms of course of engineering, but not only engineering, in operating the data centers.

By the way we operate in Europe roughly 500,000 square meters of data centers. And I think that we are now becoming one of the main operators in data centers. And you know that we estimate that 2% or 3% of the total electricity consumption in the developed countries is consumed by data centers. So we have of course a very big target.

Where do we are? I told you that we are very active in Europe and you see on the map that we have very strong positions in the big countries in Europe. But we are not only in Europe and we are very much willing to go with the Group internationally where the Group is active. And Dirk presented the map of international division, I could say that we have rather the same map.

Coming back to Europe. What do we intend to do? First, we want to consolidate our leadership in France, in Belgium, in Netherlands, in Italy, where we are clearly the number one. It is our domestic market where we have, again I told you we have a lot of opportunities to grow. We want also to develop new leadership in the UK. The UK is a very important country, and they externalize a lot, and the externalization in the UK is very important. But we want also to develop our business in Germany. So far our turnover in Germany is close to 500 million. Five years ago it was 150 million. So it's a very big growth in Germany. We also want to develop our business in Poland, as Jean François told you in other division of the Group.

But we want also to seize opportunities in other countries of Europe, and by that I mean especially in Eastern European countries. We are now quite strong in Slovakia, in Czech Republic. We have some footholds in Poland, in Hungary, but we intend to develop our business. And outside of Europe, our commitment is to double our sales within five to six years. Today, we are mostly European, 92% of our revenues are coming from Europe. And we intend to double the share coming from countries outside of Europe within five years.

And I indicated on this chart the countries where we are active or where we want to develop our business, so far we are number two in Canada. We bought a company specialized in energy efficiency services two years ago, and now we are clearly number two in Canada. In Brazil, we are very strong at least in engineering, with 800 engineers in Brazil, and we want to develop our service business.

We bought in Chile at the beginning of this year, a company specialized in energy services business, and we employed 200 people, which is not so bad, so we want also to be very close to the Group and we have a lot of opportunities, especially in the mining industry for all this energy saving business. We have a lot of discussion, and I was in Chile two months ago, and I met a lot of, I would say, companies specialized in mining industry. I think we have a lot of opportunities in mining industry.

We are also quite active in the Middle East, in Dubai, in Abu Dhabi. We decided to make a joint venture with Besix, with a construction company coming from Belgium, and now we are gaining a lot of new orders in the Middle East. And of course we want to be active in South-East Asia. We are in Singapore, in Thailand, we are just signing a contract in Malaysia for a big cooling district. And we decided to open two small offices in China and we tend to develop in China. We have signed a contract for cooling district in Tianjin. It will take some time but I'm quite confident.

So of course we can talk but we have to deliver. So let's talk about now our financials. We're quite proud but we want to keep modest because we have to be modest because we are in the service industry. But when you look at the chart, we decided with Gérard Mestrallet once again to create this division, it was in I would say 2005/06. At that time, our EBIT margin was 3.7%. This year, I think we'll do a little bit more, but okay. It is indicated, we have to be cautious, we are only in the beginning of December. So this year we'll post 4.4% EBIT margin, and clearly we intend to, we agree with Isabelle of course, we always agree with Isabelle, and so we agree with Isabelle to reach a 5% EBIT margin within three years. It's not easy. It will depend a little bit on the economic situation of Europe. Our guess is that next year it will be rather flat, but we hope that in two years from now, or at least in three years from now, the European situation will improve and we will benefit from improvement and we hope also that our international development will bring something in order to meet this target.

What do we do? As I told you, we try to develop high value added solutions with of course better margins, but we want also to be very strict on our cost basis. And you see on the chart that the proportion of our ratio, between SG&A and revenues was roughly 11.2% in 2009, last year it was 10.8%. I hope that this year it will be 10.6, I don't know. So we are very much willing to be more efficient. And thanks to the action plan of the Group but not only, because of course we started before, we will reinforce our action plan in order to optimize our cost basis. That's very important in our markets.

You all know that in this service business the margins are not so high of course. When you're very good you do between 4.5 and 5.5%, so that's very important to monitor closely your cost basis. As I told you, we – and we're quite proud about that – because we don't demand too many assets to GDF SUEZ Group. Our total capital employed is about 3 billion Euros, and you have said on the brochure that the total capital employed of GDF SUEZ Group is around 80 billion, if you don't take into account Suez Environnement, is 88 billion.

So you see that we employ roughly 3.5% of the total capital employed of GDF SUEZ Group and I hope that we will post something like 10% of the net recurrent result. And as far as return on capital employed is concerned, today it's around WACC plus 4%, our target is to be at least WACC plus 5%. But I'm quite confident.

So key strategic priorities. I don't want to be too long because of course you understood by my presentation that we are very active in energy performance solutions of course. We are very much involved in urban renovation, with our district cooling and heating network, our public lighting, our mobility infrastructure. We are at the heart of what we call new cities, which is for us very important. We are also very much involved in renewable, not for electricity production, but for engineering and installation, and maintenance. And we are also very much concerned by facility management.

I will focus only on two examples. Let's take the district heating and cooling network. Today, we operate 180 district heating and cooling networks in the world, in Paris, Barcelona, London, Tianjin very soon, in Eastern European countries, in Lisboa, in north of Italy. So it's a very important business for us. We decided, it was four years ago, so it's not so long, we decided to enter the UK market. We bought a small company, very much specialized for heating network management, and today we are clearly the number one on the UK market, we operate 12 district heating networks, the most, I would say, the most famous is the heating district for the Olympics, where we got a contract for 40 years, and when we'll be… There's always a curve you know, but in five years from now, we think that it will generate at least 30 million Euros per year of revenues, with a "sympathique", I would say, profitability and we will stay in this district of London for 40 years.

The second focus I would like to do is on facility management. Facility management is all about the management of course of very big buildings. And you know that the most complex building to manage is the towers. And we are quite proud. We made a brochure, I can give it to you, but you know, it's a brochure about towers. It will show you… I will give you too, you don't see it, but okay.

So on this brochure you have the ten highest towers in the world, that we take care. The first one is, I don't want to name all them, but the first one is the Burj Khalifa in Dubai, 828 meters, we've got a contract for five years. In order to operate this tower we have more than 100 people every day on site. We just have been awarded for the Shard, which is a new tower in London. You know we like very much UK, in district heating, in towers…okay? So we got this big contract, you may know that the Shard is the highest tower in Europe, it's higher than Eiffel Tower, it's a pity but it's like that, so it's 320 meters, so it's the highest tower. And we got the contracts for something like eight years.

Okay, my time is over, and also now I have to hurry up. But I'm coming to the… I'm going to conclusion. So my conclusion is obvious, you know. We think that we have strong expertise in our business, we build it by the way in five years. We are posting a return, I could say high return but I don't dare, but we are posting a reasonably good return. I would also say that we will implement a lot of synergies with other divisions from GDF SUEZ. We do believe that it exists synergies, and so our next target now is not only to do all I've explained, but it is also to maximize the synergies with other divisions of GDF SUEZ.

Okay, so in conclusion I would say that energy efficiency is a good business, and with my team and the support of Gérard Mestrallet, we are rather proud of what we have achieved, but as I told you I think that we'll do more and I hope better in the coming years. Thank you.

NEW SECTION INTRODUCTION

Anne Ravignon-Chassagnette

Thank you Jérôme for your update on the Group strategy to capture an increasing share of energy efficiency markets in the coming years. Let's speak about LNG now. LNG by now has become a critical differentiating factor for the Group, which let's not forget, has been a successful pioneer in this field. I'd like to welcome Jean Marie Dauger, the Executive Vice President in charge of the Global Gas and LNG business line, who is going to update you on our activities around LNG. I mean by that, liquefaction, sales and supply, shipping and re-gasification. Mr Dauger.

LNG, A DIFFERENTIATING EDGE FOR GDF SUEZ

Jean-Marie Dauger

Thank you very much Anne. As you have noticed, each and every of my colleagues before I stand have mentioned LNG at least once. I would say except one, which was Jérôme, but he could have, because he could have mentioned the role of Tractebel Engineering to our LNG business which is quite a very promising one too.

So LNG is as a cross border of many of our activities, and really is a very promising one. So I will just first commence by the quick outlook of demand and supply. First of all if we come back a little from a certain distance point, we should say, and if we forget about the European mood for a while, the outlook for natural gas has improved very very significantly along the last recent path and recent years, if we compare what was said about natural gas a few years ago.

And I suppose that you have been looking at the recent publication of IEA, which is not the only sources of information on gas, but they have published their annual, and they really reconfirm even more stronger their view on the future of natural gas worldwide. So natural gas is improving, as an outlook and its share in the global energy mix is really meant to rise very significantly from the 21% today to something like 24% by 2030 or 2035 according to IEA again.

But of course, and it has been extensively said this morning, the growth for natural gas demand will vary extremely depending from one region to the other. And it’s fair that most of the growth for natural gas will come from the Asia Pacific regions, with an annual growth which is generally accepted to be in the range of 4 to 4.5% per annum. North America, no need to recall what is happening on the natural gas demand, but it’s clear that it’s meant to increase quite significantly. And of course we know that in Europe there are various scenarios which I don’t have time to discuss, but the pace for growth is of course meant to be much more modest.

But the conclusion is that growth of natural gas demand will automatically translate into a rise in global natural gas trade, international trade, and in particular, in international trade of LNG. Trade of LNG that should reach something like up to 13% of the total gas trade by 2025. So, when global gas, when global LNG demand should increase by something like 4 to 5% per year that is twice as much as the total gas market. And that would translate into doubling the size of the LNG demand between today and 2025. To be more precise, the LNG market will grow from 220 million tonnes per annum, to 430 million tonnes, doubling, it’s a huge perspective.

Of course LNG demand will be sensitive to a number of factors. What will be the real impact on Fukushima, what will be the impact of non conventional gas in China, and so on, what about India? There are some uncertainties but there is absolutely no doubt that LNG demand will grow and that new importing countries will come, including in the Middle East. So there is no question whether we are in an upward trend or not. The only question is the pace and time.

So doubling LNG demand by 2025 will also go together with a significant structural change of the LNG market. The number of importing countries is of course expected also to rise, more countries will import LNG and produce LNG. So the number of importing countries will grow from 23 to 40 in the next coming eight years, while at the same time, there will be more new countries exporting gas, but to a lesser pace. On this ground, it is extremely likely that the LNG market will continue to be determined by the importance to access to resources.

The structure of the LNG supply will also be moving on. Today as we all know, Qatar is the first LNG producer in the world, with nearly 80 million tonnes of LNG out of the 300 annually, but this is going to change. There is

61 million tonnes of capacity presently under construction, two thirds of them being in Australia, which is meant to become one of the first exporters in the coming decade. I will come back to the US later on, but we all know that there are, together with the shale gas revolution, there are a number of projects that are proposed for exporting LNG, very significant number of projects, with of course very high competitive advantage, given the fact that at least the first ones will be Brownfield.

I don't think I have much time to enter into the details, but we are really confident that the US will export more LNG. We are also quite convinced that there are much more projects than the one that will come, that will see the light of day. And our basic analysis is based on something like about 40 million tonnes being exported at the end of the decade from the US and about five to ten outside of Canada. I will tell you why it has a certain significance.

So what will be the impact of that on the LNG prices. It has been said many times, but the gas prices dynamics are very different, the market has not become global but it's even more regional than we thought it would be. We have three regional markets, Asia, Europe and North America, with a spread that is at present historically high. In Asia, the oil indexation has been very much favoured by the policy of the Asian buyer to displace oil from the power generation, but also to rely upon commodity which is traded worldwide, and which manipulation is less.

In North America, of course natural gas is priced on Henry Hub, everybody knows, while in Europe, market prices are emerging in parallel with oil-indexed contracts which are still coexisting. Of course the question is whether Asia will move to a more liquid market and whether price of LNG would turn in the same way as it is, and whether the price of LNG in Asia could be influenced by a connection with the US market.

I would say we do expect in our analysis that the price differential which exist today between Asia and the US are simply not sustainable at the present level. However, we do think there are solid reasons to think that they will maintain in the medium term to a certain level because the fundamentals that drive the price formation on those different markets are not likely to evolve so dramatically. And indeed, the conditions to see a liquid market emerging in Asia do exist but still is far away from now. So even if the Asian buyers are very keen to diversify their risk by contracting US LNG volumes at Henry Hub prices, US volumes should not be sufficient to modify dramatically the prevalence of oil indexation in the Asian market.

So LNG market with a very robust perspective for demand, where access to supply is still a key issue and will still be a key issue for a long time. And where price differentials between the various regions offers additional value creative arbitrage opportunities for the ones who are able to seize them. We think that in the LNG business, GDF SUEZ has been a prime mover and it still holds very significant presence on the value chain to seize the benefit of this moving market.

So, GDF SUEZ's strategy is that one of a relatively integrated view along the whole value chain, from our perspective of course, with differential, relative of course, but significant, even somewhat very strong positions from upstream to downstream. This is a comparison of our LNG positions in the various segments of the value chain, just compare that to some of our peers. We are the third importer of LNG in the world. By the way, by the volumes of LNG that we have into our portfolio, I just would like to recall you that we rank number three after Kogas and Tepco.

So we are the third importer of LNG in the world, with a very diversified supply portfolio of 16 million tonnes coming from six countries. And LNG for us is counting for 30% of our long term gas supply commitment. We also operate a fleet of 17 LNG carriers to support our trading, and we have some significant position in re-gasification capacity in six countries, including France, Belgium, UK, USA, Chile and Puerto Rico. By the way we are also the number two operator of LNG terminals in Europe.

The LNG from an aggregated position has contributed to 800 million Euros of EBITDA last year, 60% of which out of the sales and supply activity, but of course spread into three business lines, of course Global Gas and LNG, but also Energy Europe and Energy International.

The footprint of GDF SUEZ in LNG activity, and that's now my next point, is becoming more and more global. Historically we had developed our LNG business on the Atlantic basin, but more recently we have initiated a very rapid and effective shift to higher value market in the Pacific Basin. All of the major projects under development within the Group in LNG would allow potential future development in the Asian.

In liquefaction we are presently contemplating three projects, in North America, in West Africa, and in Australia. On the supply side we can rely on a very diversified portfolio of LNG supplies from many countries, and the development in re-gasification terminals are also located for a part in Asia Pacific Basin with position in India in two terminal capacity and some other places.

Development in LNG is designed through a balanced integration along the whole value chain. This integration indeed is already allowing us to capture additional value thanks to better synergies between the three segments, between the whole segments of the chain. First, GDF SUEZ has decided to reconsider and to foster to a certain degree its presence in the upstream part of the value segment, including LNG production to better secure flexible LNG volumes and support its ambition to developing into very high growth markets such as Asia.

Liquefaction and LNG production are natural hedge for the sales activities of the Group and to reduce exposure to commodity prices. But it also provides some recurrent revenues, I will come back to that later, in case liquefaction is performed as a tolling agreement like the one we may contemplate with Sempra in the US.

Second, in the supply and sales, a portfolio optimization approach is the one we have, both on the supply side and on the sales side. Combines margins generated from the Group primary market, and arbitrage opportunities through diversion and optimization of markets. Even more so additional value can be created through portfolio coordination, not only between our LNG sources, but also with our pipeline gas, in particular in Europe. This approach allows us to optimize deliveries to our customers, but to expand at the same time into premium markets, which is one of the priorities of our strategy for LNG. By the way, our fleet of 17 carriers gives us the flexibility we need for such optimization between markets.

Third, in LNG receiving terminals, value is mainly based on recurrent revenues, specifically in France where access to LNG regas terminal are regulated, and in addition our global re-gasification capacity also allows us to optimize our deliveries in the other part of the world.

In general, I would say that both our presence in the shipping and in the downstream LNG could even be more a key asset to access to downstream market to support the supply of our power business, of our downstream business. Finally, our expertise to develop and manage re-gasification terminals from the engineering phase, that is the case of Tractebel Engineering to operations, the case of Elengy, gives us the necessary know how to create innovative solutions to enter into new markets as a first mover for the Group.

Back to LNG production, our objective is to access, to equity LNG with flexible destination as this is the most value creative option to develop our sales portfolio. Particularly in premium or high value markets. To do so today we have three alternative options with very very different business models in liquefaction which we are now contemplating.

On the one we have today, we are considering today the Bonaparte project in Australia, the one I would say that you know, with a two million tonnes floating liquefaction unit, which is a fully integrated project from gas production to LNG trading. Second option we have is of a fairly different nature, we are presently finalizing the pre-FEED of a liquefaction project in Cameroon together with the state of Cameroon, for a 3.5 million tonnes globally.

And in that very case we would act as the aggregator of the feed gas, which means we would not be the producer of the gas, but we would be aggregating production of several producers, but we would operate the plant and be in charge of marketing the LNG. This kind of option would secure recurrent rate of return on the infrastructures part, the liquefaction part from the feed gas to supplier, but of course would also fuel our trading business.

Third project, on which I will come back somewhat later on, is the Cameron, not Cameroon, Cameron LNG with Sempra where, in that case, we would have access to liquefaction capacity through tolling agreement with possibility to invest, but where the gas would simply directly accessed on the very liquid market. So three different options for three different business models, and the geographical diversity of projects, the variety of the business models, offers to the Group a balanced portfolio of risk exposure.

I want to be clear, no investment decision has been made on that stage to the size and direction of our investment in any of those three projects. But they are expected to come on our agenda in the very coming years or months, possibly next year for the US one, end of 2014 for the Australia one, and end of 2014, beginning of 2015 for Cameroon. The bottom chart on the slide gives you an overview of the cost of liquefaction project, but what we do expect in the liquefaction stage, is a return, depending on the project, which is somewhere between 10 and 18%.

By the way I would maybe just focus on Cameron LNG project for a moment. Because we have signed a commercial development agreement with Cameron LNG, a unit of SEMPRA LNG, to jointly develop a liquefaction export facility in Hackberry, Louisiana, at the site of an existing import terminal, brownfield project as we say. So through this commercial development agreement, ourselves and SEMPRA and other Japanese companies, would fund development including design, permitting, engineering of the plant on the one hand. And having a 20 year liquefaction service contract with the company, tolling agreement if you could call it.

There will be three liquefaction trains with production and export capacity of 12 million tonnes per annum would be operated by Cameron LNG. And we would in that case, from the beginning at least, commit for 4 million tonnes per annum through a tolling agreement, to access fully flexible LNG. SEMPRA was granted the DOE authorization to export the 12 million tonnes of LNG. At least they have already been granted the authorization to export those LNG to FTA countries, that is to say Free Trade Agreement countries, and that was done early this year.

And we are now in the process for filing for non-FTA approvals and we are pretty confident that the outcome would be positive. I have not been through the report yet, but yesterday the Obama administration has published a report which was expected to come after the election, where they have given their view on the evaluation of the benefit for the US economy of exporting or not exporting LNG. I've not been through but I understand that the conclusions are that under the 13 scenarios that have been studied, the conclusion is always that export of LNG at least to a certain degree, would be beneficial for US economy. And from a political point of view it seems that it opens the door to green lights given to some of the LNG projects for the time, for exporting, including to non-FTA.

Not all of those projects which I've described will come to FID or if they come to FID they may come from a different perspective, but we will elect the one or the ones with the highest fit with our strategy, and of course with the highest rate of return.

Last year, about 80% of the 16 million tonnes of our long term supply portfolio were dedicated to optimizing sales within the Group to our primary market for power generation and for end users. Value in the LNG business, in our LNG business, is generated through what we call, sorry for the word, the "intrinsic" margin.

That is the price difference between our supply portfolio and the sales to our customers, to our primary customers, if I may say.

These intrinsic margins are variable, different, but they are typically in the order of 0.1 to 1 US dollar per Mbtu. But thanks to the flexibility of our portfolio and many other things, we are able to use that portfolio and to divert those volumes from our primary market, in order to take advantage of the price difference between markets and to create additional value. That is what we call, the extrinsic margin, which sometimes has to be shared with the producers.

On the right hand side of the slide you can see the graph showing that the market spread can be as high as 5 to 8 dollars per Mbtu and that is what you can try to gain by optimizing your means. Of course, those spreads you have to discount them by shipping costs, which depending on where you want to go, may vary for 1 to 3 dollars per Mbtu. That needs to be subtracted to give you an order of magnitude of the extrinsic margin that we can dream to access to, and we can access to for the time being.

So in that perspective, our ambition is clearly to develop our sales also to third parties, to at least 20% of our portfolio by 2020, mainly in the emerging countries, and mainly in Asia. To reach this objective, our first step has been to structure midterm deals with major LNG buyers in Asia. Asia is a core region for development for our LNG business, with very strong growth prospects for LNG demand.

As early as 2009, we have concluded medium term LNG sales agreements with major LNG importers, such as Kogas, CNOOC, Petronas, Petronet, PTT, Gail, for volumes representing about 10.8 million tonnes of LNG, and accounting to an average turnover of more than 1.2 billion US dollars per year between 2011 and 2016. But these agreements are a first step of our development strategy in these high growth markets. We have been successful enough in our ability to provide bridge volumes to these LNG buyers with our portfolio approach.

There remains very strong appetite for Asian buyers to enter into long term contract agreements to secure their LNG supply. We estimate the un-contracted demand for 2025 in the order of 150 million tonnes of LNG per annum in the region, which is roughly 35% of the LNG global demand. To secure the supply of our markets, to take advantage of the arbitrage opportunities and to stand as a reliable counterparty in LNG, GDF SUEZ is also operating today its own fleet of 17 carriers, which includes 4 owned or co-owned carriers, very modern in technology with an average age of 9 years. 9 out of the 13 chartered LNG carriers joined the fleet in the last 4 years. And I would say the fleet is not only modern, it’s rather green with seven carriers operating on dual fuel diesel electric technology.

We do expect the shipping market to remain tight, for the short term, even if in the very next coming years, LNG long term charter rates may slightly decrease thanks to new ships that are coming on stream after 2013. Hence, operating a fleet and optimizing the chartering duration from a few days up to as much as 20 years, guarantees for the Group a delivery at an optimum cost.

In re-gasification, GDF SUEZ can also rely on regulated activity in Europe, which generates a fixed regulated return on investment from sales of capacity, and on non regulated assets where our presence in equity and operation of LNG re-gasification with long term contracts also secures recurrent margins. Moreover, re-gasification terminals, equity, or capacity, give access to downstream market, and constitutes a gateway to new high growth markets for all our business lines including power generation. We already mentioned the project of LNG imports in India, which could be a kind of example where LNG would be the door opener of new market for the Group.

And finally, a few examples of our expertise in engineering and our ability to innovate, which allows us to develop new solutions for our customers and possibly to tap into new markets. The case of Mejillones in Chile is I would say much well known of most of you, where we have built a fast track floating storage and where thanks to the assistance of Tractebel Engineering, and through the supply of an LNG floating storage unit, LNG Mejillones was commissioned in April 2010 as a very fast track project to develop an LNG receiving facility at a time when the country was short of gas.

Small scale LNG or LNG for transportation fuel is also something where we are starting to look at seriously. Within the scope of this, two main markets are targeted. The first one is maritime bunkering which is the main market with a potential of up to 180, let's say 200 million tonnes of LNG per annum if all the conventional fuels were substituted, that will of course not be the case. But that gives an order of magnitude of what could be bunkering for maritime transportation contribute for the LNG market. Our view is if we take a reasonable share of that, in totality that could amount to something like 30 million tonnes per annum of LNG in a totally new market. And also heavy duty trucks where the potential can be estimated to some 15 million tonnes per annum. We are already present in that sector in Europe with GNVert and LNG Solutions, but also in North America from our Boston, not only Boston, but from our Boston facility.

And we are starting developing several small initiatives, such as LNG Solutions which is a joint venture made between Cofely and GDF Suez and LNG Nederland, and which is combining our expertise and our forces from different business lines, from Energy Europe and Energy Services and Global Gas and LNG, for LNG sourcing and development of the fuelling stations.

In order to maintain our leadership position and to capture the growth potential of the higher value LNG markets, our strategy has been on three main lines of action. One, invest a reasonable share in liquefaction to secure access to flexible LNG volumes, with a balance of risk exposure. Second, to increase our portfolio of LNG up to 20 million tonnes per annum by 2020. Three, double at least our external sales into high growth markets, particularly in Asia Pacific from 2 million tonnes to more than 4 million tonnes in 2020.

Four, develop and operate re-gasification assets in new markets in South Asia or Latin America, to secure recurring revenue and give access to new markets for the Group. In addition, but to a much lesser extent of course, we do intend to participate in the development of the retail LNG and small scale LNG business, and use LNG as transportation fuel.

To conclude, the LNG market represents a very robust outlook and a very strong growth perspective, particularly for the high growth markets. It is a vector of growth also for the Group, but it can also be a gateway to opening new markets for the other business lines and combination. We have made the choice of an integrated development along the LNG chain where we currently hold already very significant positions. We are, as was illustrated by the various deals and initiatives that have been taken in the last coming months, we are on route to our 2020 objective. Thank you.

CONCLUSION

Gérard Mestrallet

Okay, thank you Jean-Marie. We had promised you to close at five, so we are not only close to this end but we have overpassed. But before making some closing remarks, I would be sure that you have no questions left. So if you have any questions left, either for myself, Isabelle or my colleagues, head of business lines, do not hesitate.

Okay. So let me now conclude with a few words on this investor day. I hope that this investor day was comprehensive for you and gave you some new insights of our Group. I hope also that after the disappointing first reaction of the market, the stock price will recover soon. That's what we will try to do very strongly.

We have presented to you our current situation very completely. We have presented the roadmap to face the current challenges, and also how we prepare the future. We know where we are heading to and we are fully committed to achieve our goals. So I would like to sum up some of the main messages of the day.

GDF SUEZ is strongly accelerating its transformation. We are on the move. We have simplified the Group's organization and refocused on energy. Finally in 12 months we have replaced in the balance sheet the environmental assets by the International Power assets. Today 100%, after the deconsolidation, 100% of the revenues of the Group will be in totality in energy, as it will be for the EBITDA.

We have also accelerated our development in fast growing markets. We did that in independent power production as Dirk Beeuwsaert explained to you. We did that in the LNG business and Jean Marie explained to you, and we will continue to do so. We also have accelerated our development in the energy efficiency field, and I'm sure that the description by Jérôme Tolot of what we have been building from scratch in a few years was probably a little bit new for you, and this gave to us a very special competitive advantage.

We are strengthening our activities also in the fields of the future. We have not developed that so much today, but you have to know that in bio energy, in the city of tomorrow, by the combination of several branches acting for different municipalities, in the field of storage of electricity, we announced recently the production of hydrogen, it's a way to store electricity, in the field of smart energy and also unconventional gas.

We have also built up an ambitious action plan, Perform 2015, that I have described with Isabelle, to face a depressed environment in Europe. The target is 3.5 billion for the P&L, plus 1 billion in cash, so it's a total plan of 4.5 billion Euros. And Jean-François demonstrated our commitment to react, especially to the adverse situation we are facing in Europe by cutting cost and optimizing our organization.

We have confirmed all our targets for 2012. 2013 and 2014 will be two difficult years in Europe, also with the impact of our enhanced asset disposal program. The net debt will go down by one third, starting from 45 to 30 billion Euros at the end of 2014, and we will reduce our CAPEX by 20%, with our annual envelope for the years to come of 7 to 8 billion.

Therefore we expect the rebound in financial performance for 2015 and I remind you that the board has confirmed its dividend policy which is very clear: every year a dividend equal or higher than the previous one. And on top of that, it has already decided to submit to the next AGM in 2013, 1.5 Euro per share and it took that decision even before closing 2012 books. As an expression of confidence.

GDF SUEZ has transformed and we are now transforming even faster. Let me remind you of what we believe are the highlights of this transformation. The axis number one is our unique business profile. It is fully exposed to growth areas in the coming years, fast growing markets, LNG, and energy efficiency. And this is the springboard of our strategy.

Axis number two, our plan, our Perform 2015 plan, we have already started to implement this ambitious action plan at Group level, which in my view responds to short term challenges and prepares as well the future value generation.

Axis number three, our prudent, shareholder friendly financial policy. We reaffirm our commitment to attractive dividend policy and strong balance sheet. The 1.5 Euro per share dividend for this year is approved proof, and I repeat that it will be a cash dividend, not a scrip dividend. And I repeat also that we have a strong free cashflow to finance the dividend and we have also the flexibility to adjust if it would be necessary, it is not in our mind, but we have the capacity to adjust the CAPEX in order to maintain the dividend. By the way it is exactly what we did this year.

The combination of all these initiatives puts us in an unparalleled position to capture growth in the medium term in the new world energy landscape. Our strategy makes us more than a traditional utility player. We are an energy player that is a leader in the most promising segments that we have described today. That gives GDF SUEZ a unique business profile that is 100% focused on value creation.

And I would like to express that we are very confident in our capacity to deliver. Our group has demonstrated its ability to adapt quickly and strongly in the past. I can tell you that we are confident collectively, and I am confident personally in our capacity to repositioning GDF SUEZ as the reference energy player in the emerging markets, and to deliver growth and profit.

In the name of the management of GDF SUEZ, in the name of my colleagues and myself, I would like to thank also Anne and her team for the organization of this investor day. And I would like to thank you all for your attention and your presence. Thank you very much.