



THIRD QUARTER 2017 RESULTS

10 NOVEMBER 2017

LUCA BETTONTE, CEO





DISCLAIMER

This document contains certain forward-looking information that is subject to a number of factors that may influence the accuracy of the statements and the projections upon which the statements are based.

There can be no assurance that the projections or forecasts will ultimately prove to be accurate; accordingly, the Company makes no representation or warranty as to the accuracy of such information or the likelihood that the Company will perform as projected.



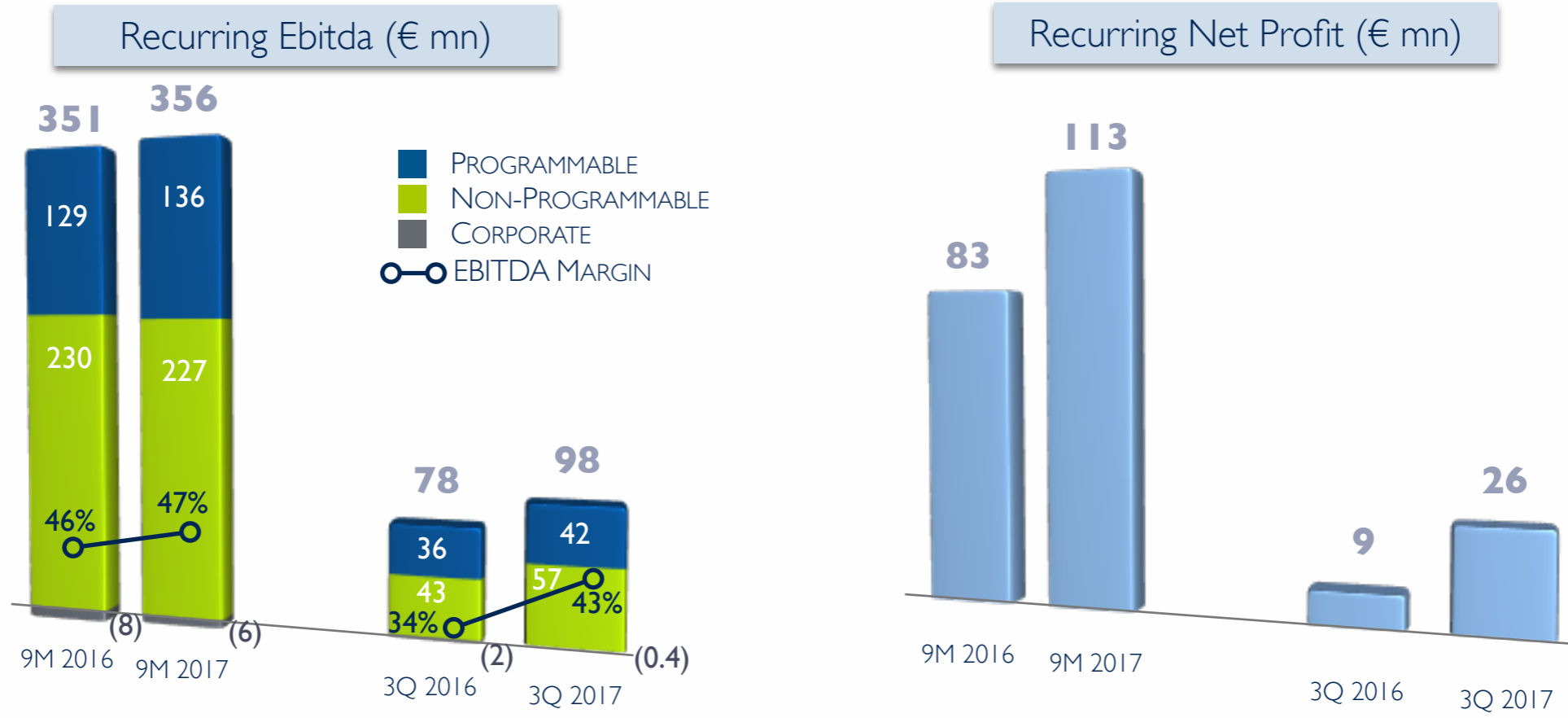
AGENDA



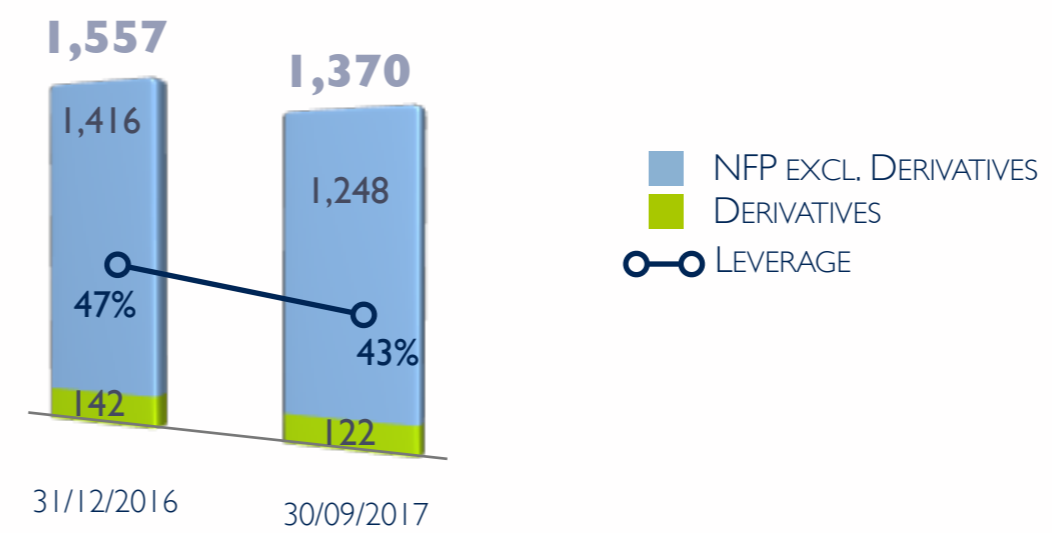
- 3Q 2017 Highlights
 - ✓ Key Figures
 - ✓ TotalERG Disposal
- Results Review
 - ✓ Business Environment
 - ✓ 3Q 2017 Group EBITDA
 - ✓ Results by Segments
- Key Financials
 - ✓ Profit & Loss
 - ✓ Investments
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HIGHLIGHTS: KEY FIGURES



NFP (€ mn)



Strong results and continuous deleverage



MAXIMIZED THE VALUE OF ERG 51% STAKE IN TOTALERG



TotalERG disposal process:

- ✓ On August 10, 2017 TotalERG finalized the sale of Restiani to Ambienta SGR
- ✓ On October 5, 2017 TotalERG disposed its subsidiary Totalgaz to Ugi
- ✓ On November 3, 2017 TotalERG approved the spin-off of its lubricants business unit in favour of Total Italia: ERG agreed to sell to Total its 51% stake in this company
- ✓ On November 3, 2017 ERG and Total signed a binding agreement with API to sell 100% of TotalERG
- ✓ Total equity value for ERG 51% stake disposal: €273mn, including extraordinary dividends distributed by TotalERG for €71mn and a deferred component of €36mn

Strategic rationales:

- ✓ Disposal of TotalERG represents the definitive exit from the Oil industry
- ✓ Deal structure allows to maximize the value of our equity investment
- ✓ Further strengthening our financial structure, sustaining our growth path in the Renewables



RESULTS REVIEW

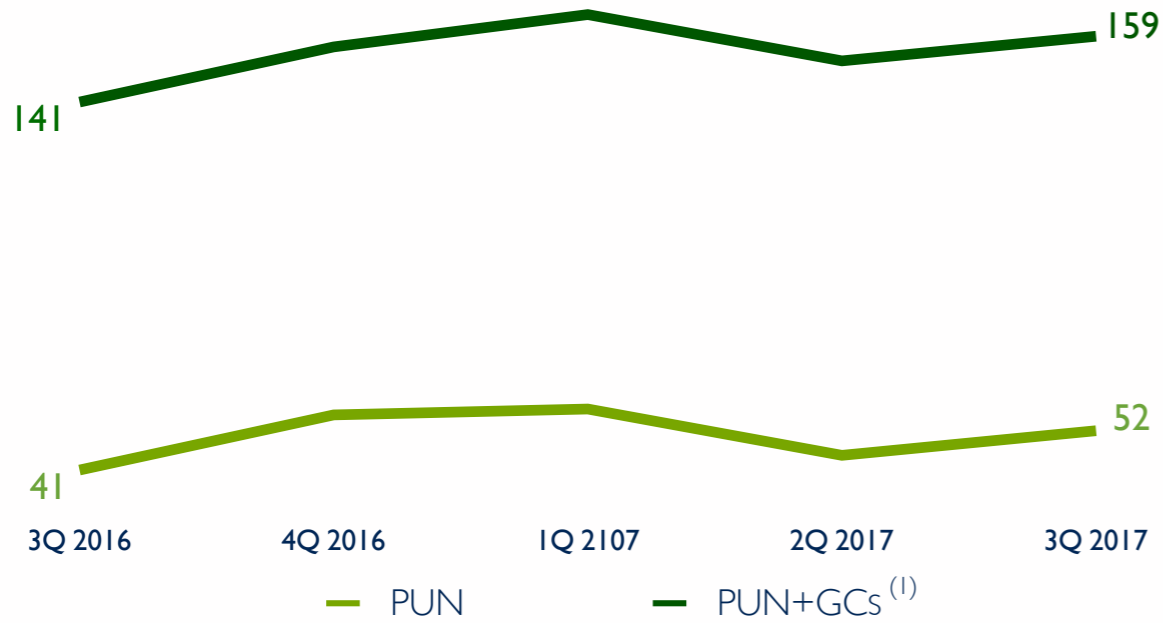
PAOLO MERLI, CFO



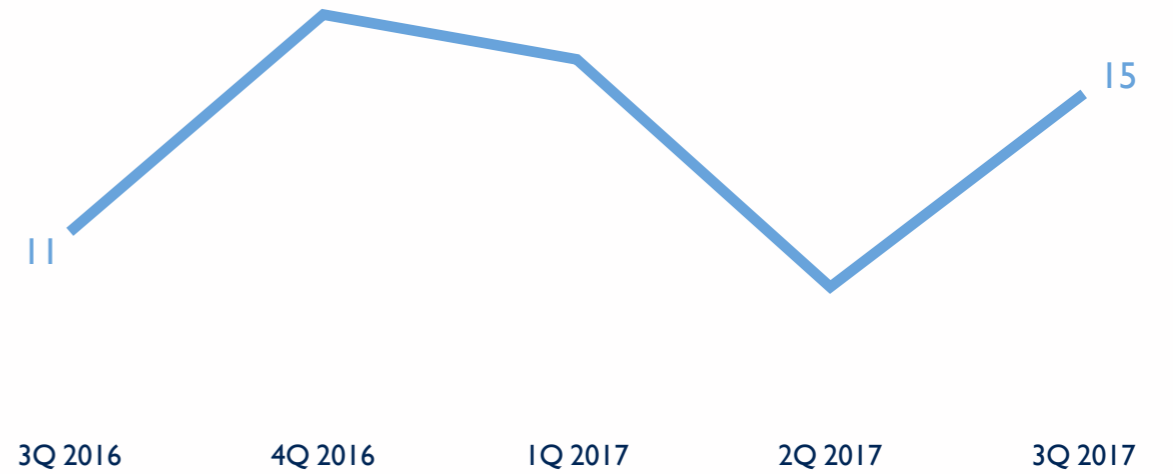
BUSINESS ENVIRONMENT



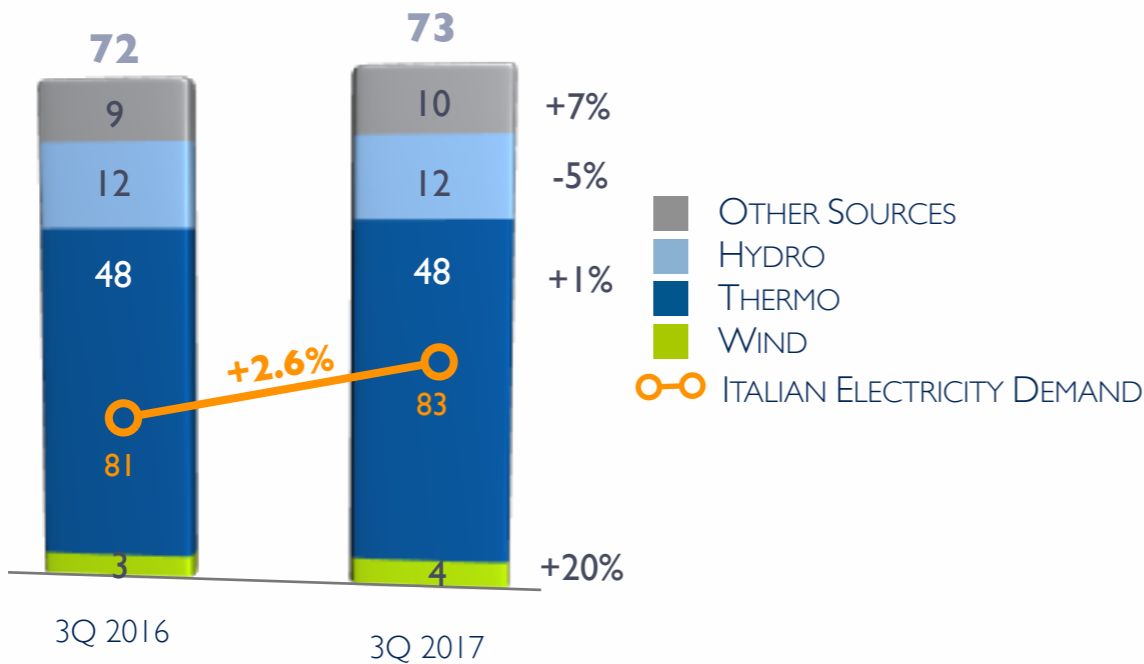
Electricity Prices in Italy (€/MWh)



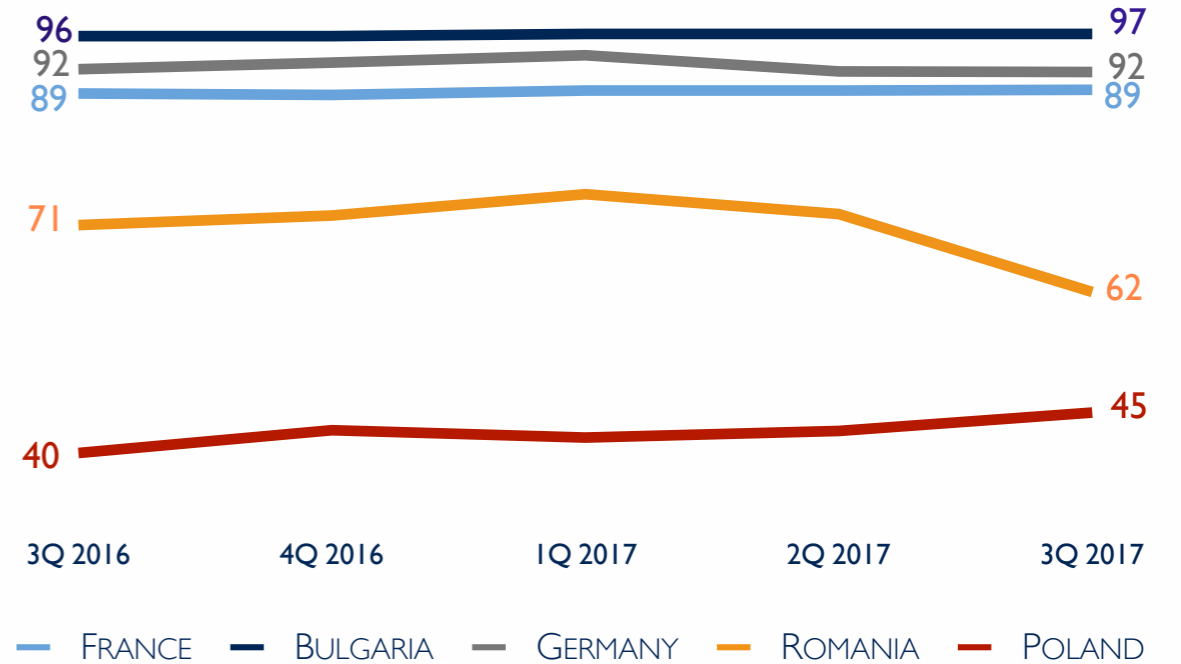
Baseload Spark Spread in Italy (€/MWh)



Italy: Electricity Production vs Demand (TWh)



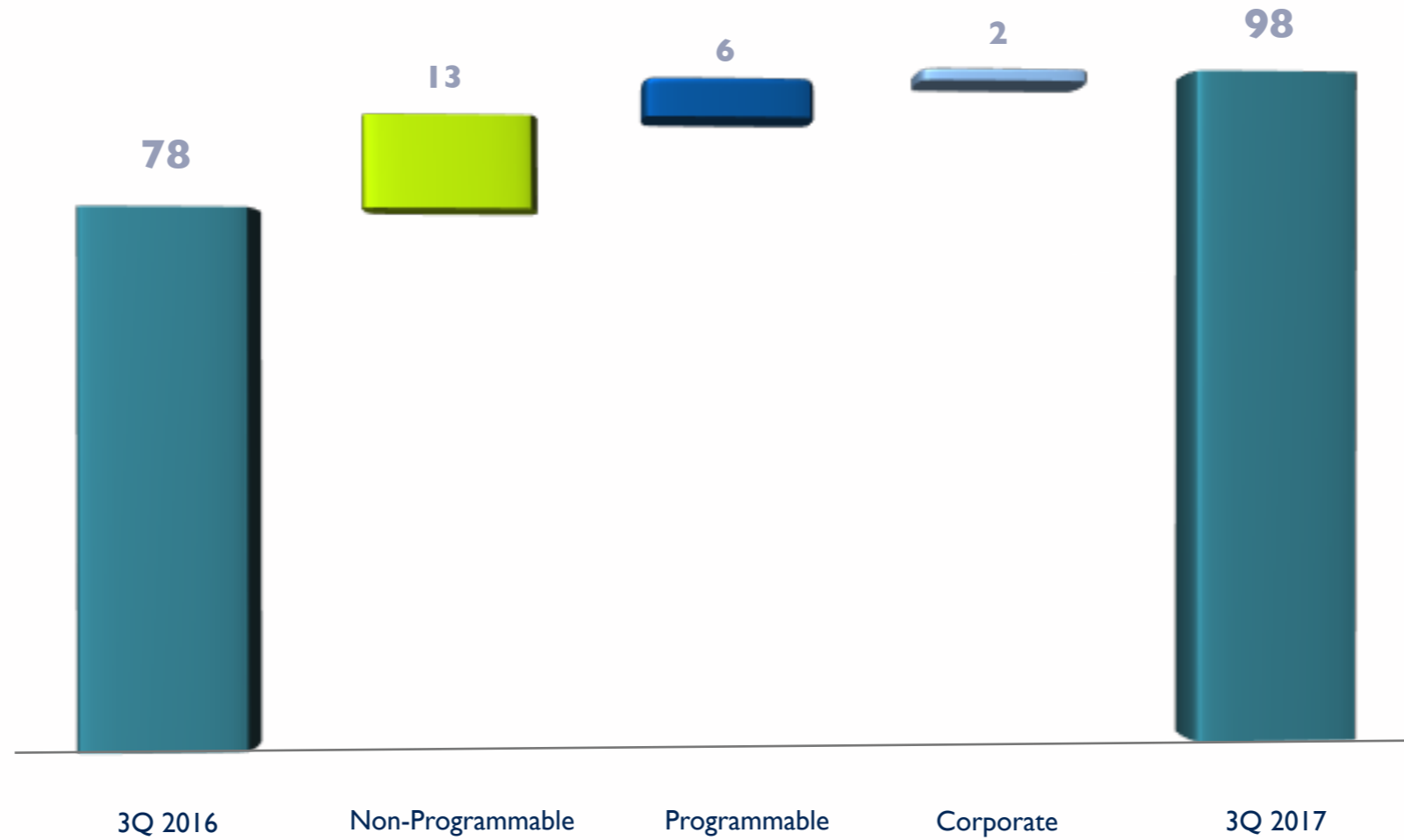
All-in Wind Prices abroad (€/MWh)



(1) Italian theoretical price based on National Average Electricity Price (PUN) in Italy + feed-in premium



3Q 2017 GROUP EBITDA



Solid performance across all segments

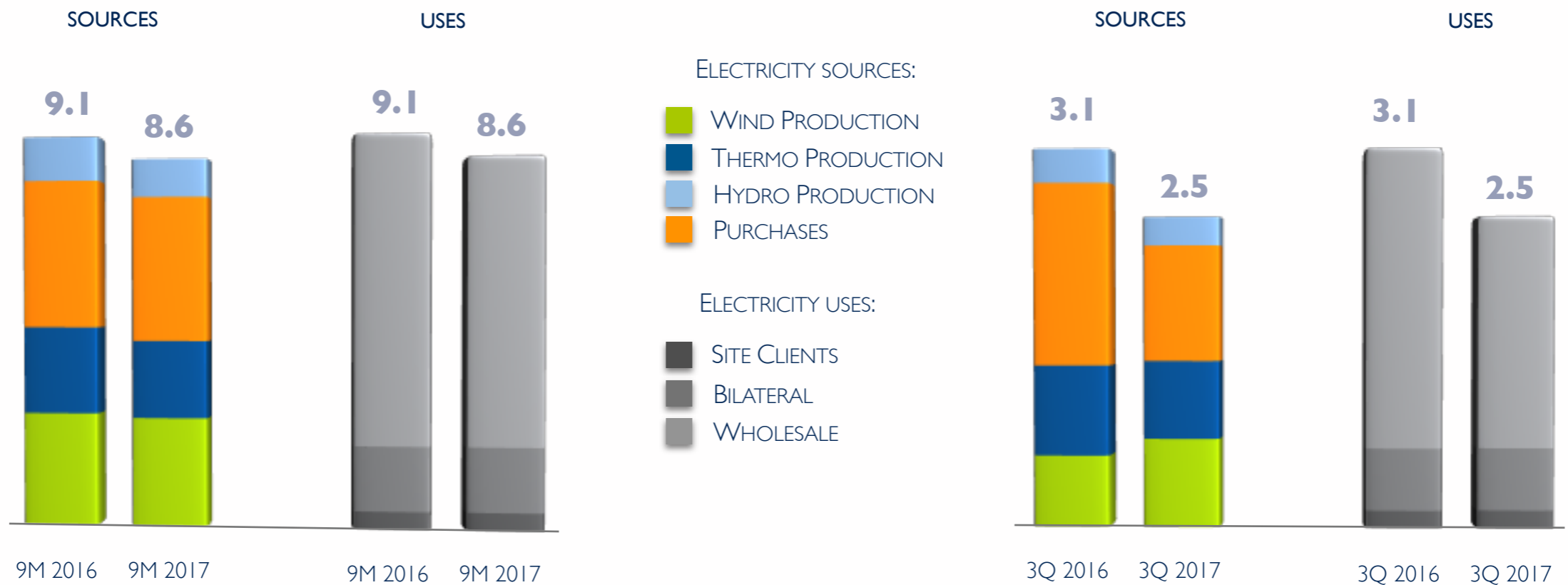


ENERGY PORTFOLIO



9M 2016 vs 9M 2017 (TWh)

3Q 2016 vs 3Q 2017 (TWh)



An enlarged and diversified electricity portfolio

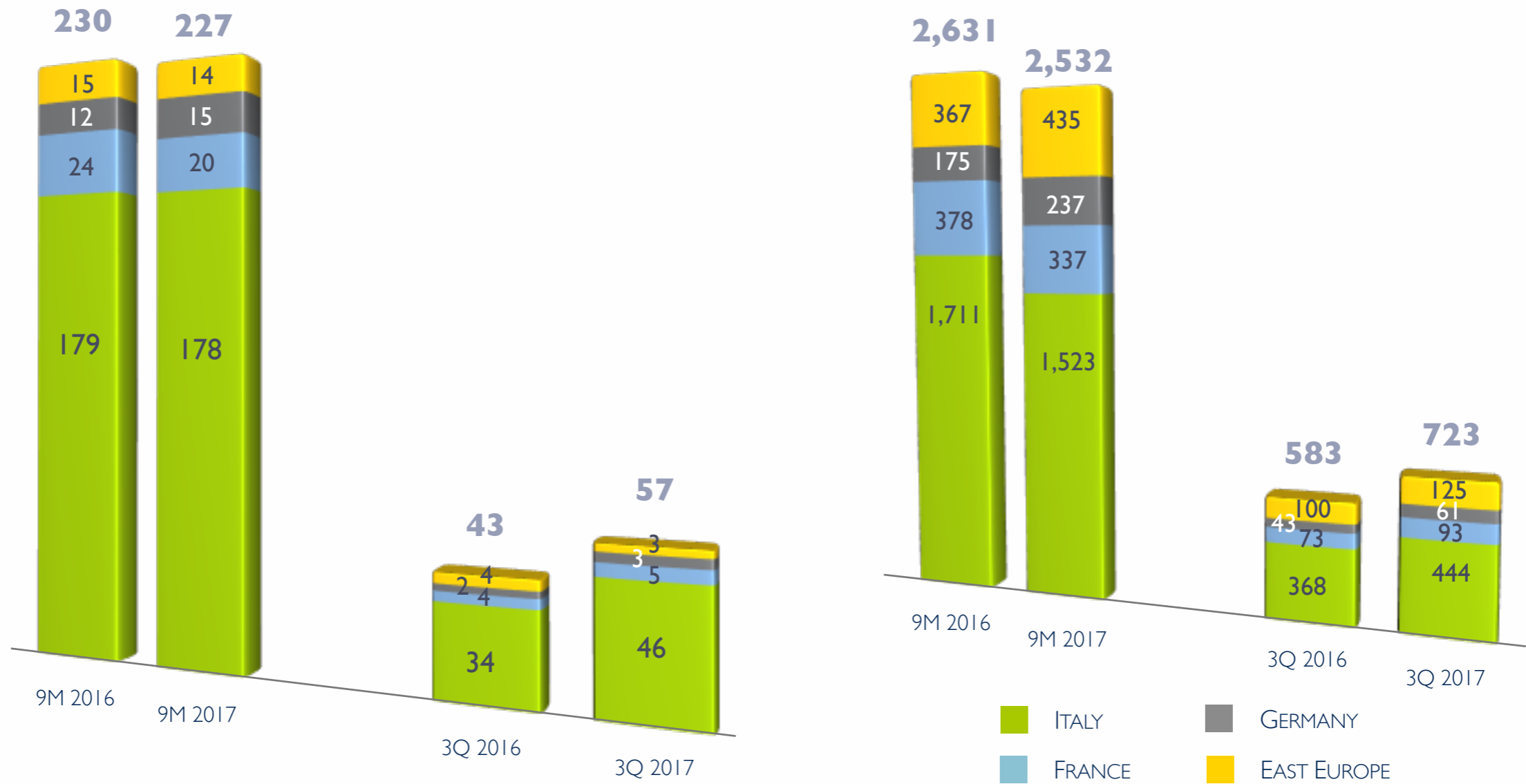


NON-PROGRAMMABLE RESULTS



Recurring Ebitda (€ mn)

Volumes (GWh)



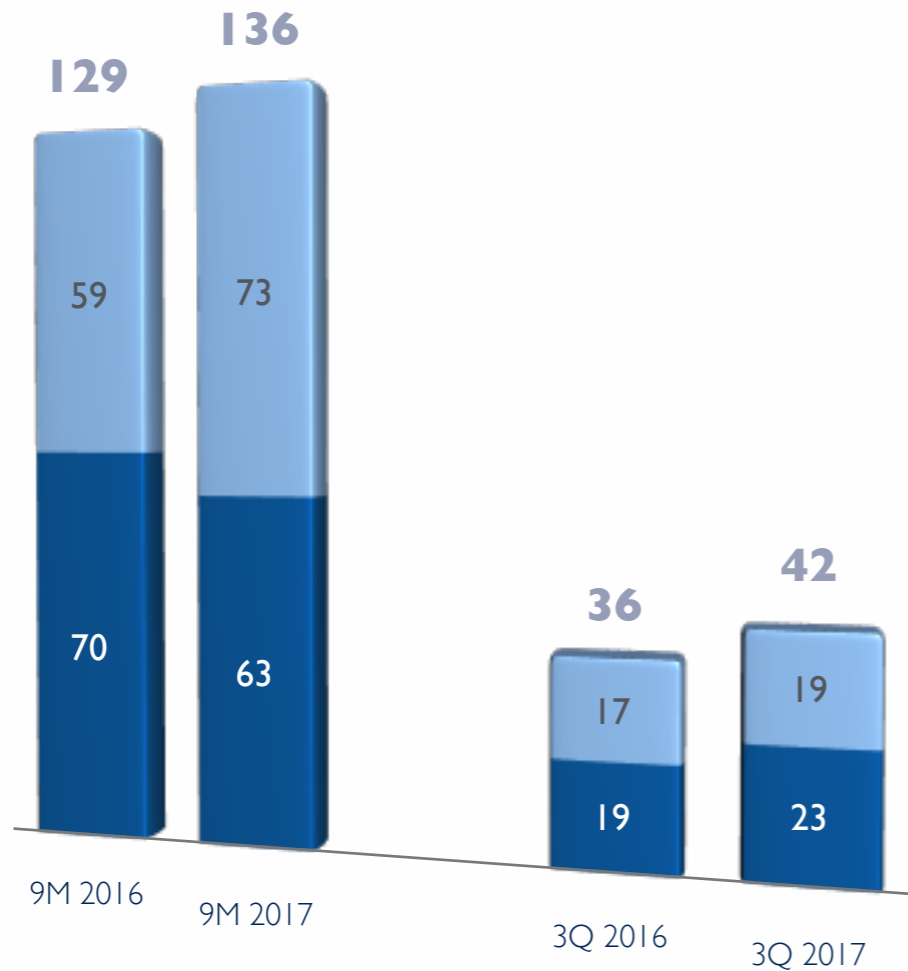
Improved wind conditions in Italy and abroad



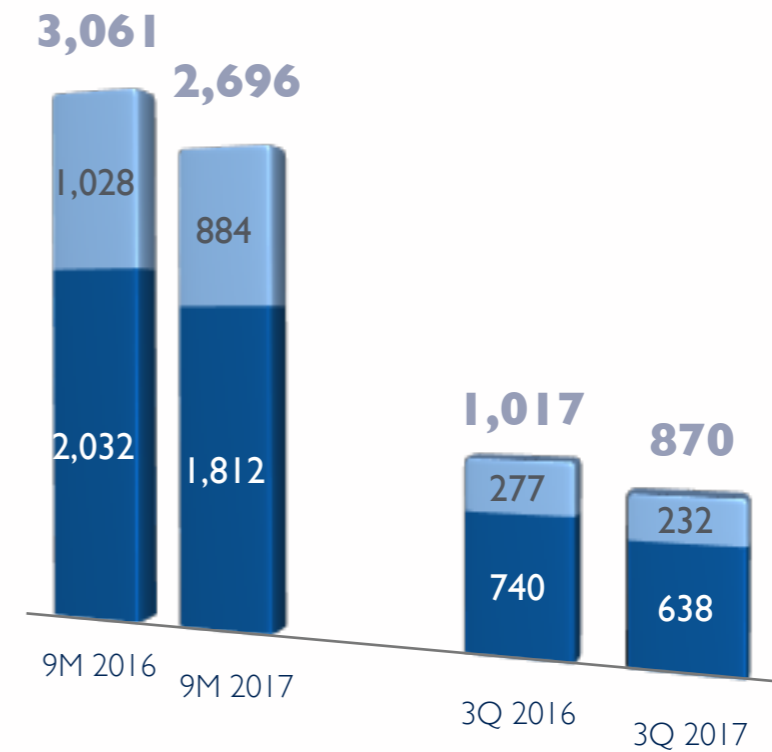
PROGRAMMABLE RESULTS



Recurring Ebitda (€ mn)



Volumes (GWh)

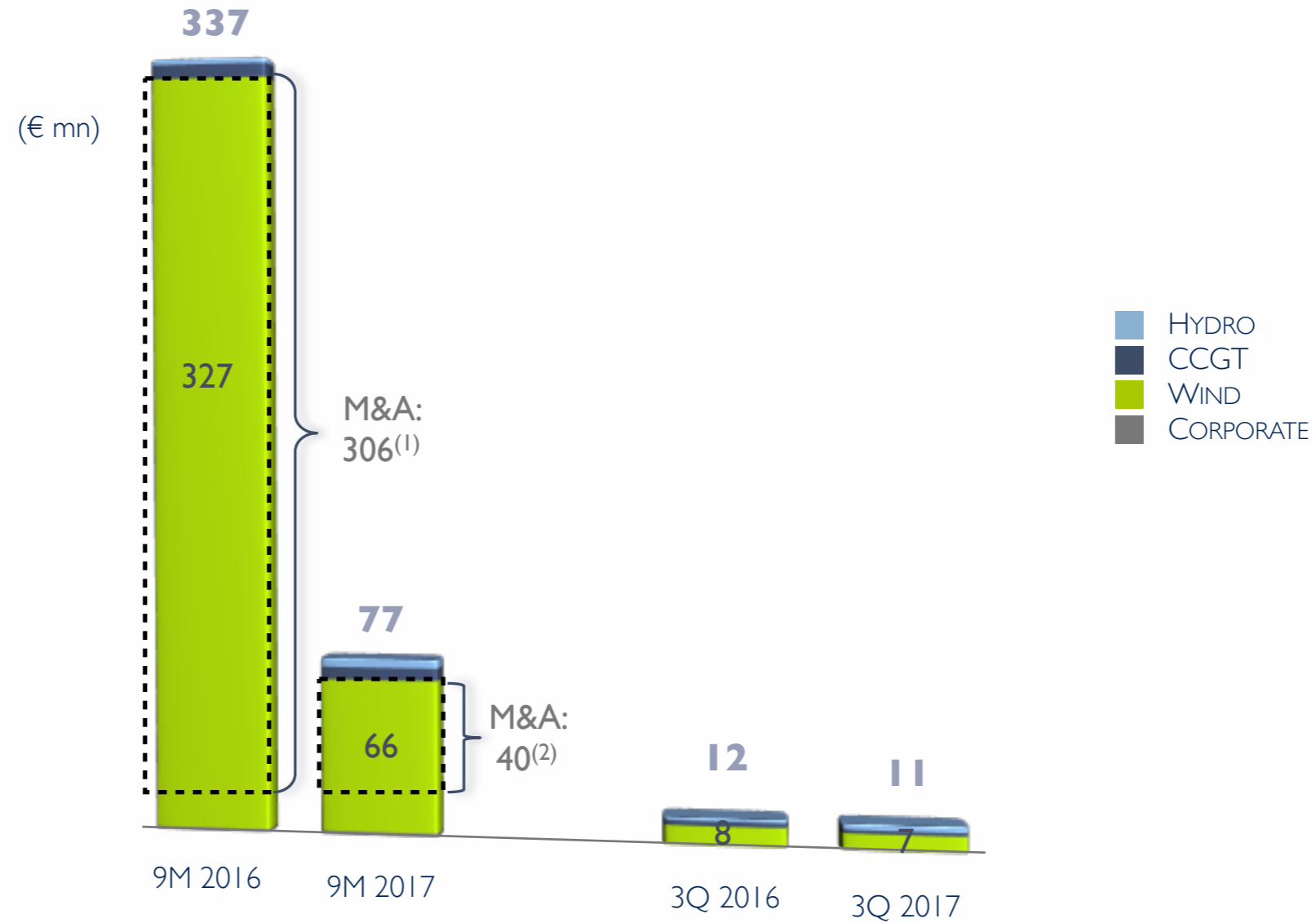


ERG HYDRO
ERG POWER

Weaker hydro production more than offset by better trading environment



INVESTMENTS



⁽¹⁾ M&A CAPEX related to the closing of IMPAX acquisition (which took place on February 2, 2016, amounting to €292mn) and Brockaghboy acquisition (€14mn)

⁽²⁾ M&A CAPEX related to the closing of DIF acquisition in Germany (€39.5mn), which took place on May 2, 2017.



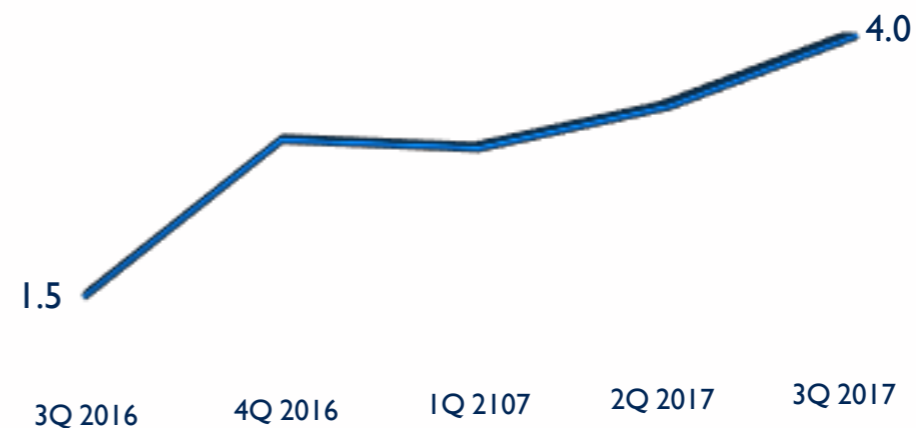
TOTALERG: KEY FIGURES⁽¹⁾



Industry Retail Fuels Volumes (M tons)



EMC Margin (\$/bbl)



9M 2017	9M 2016	Euro millions	3Q 2017	3Q 2016
133	97	Recurring EBITDA	45	44
79	42	Recurring EBIT	33	26
49	20	Recurring Net Profit	20	16
145	368	NFP	145	368
10.8%	10.9%	TOTALERG retail market share	10.7%	10.8%

⁽¹⁾ Figures refer to 100% of TOTALERG contribution



KEY FINANCIALS



PRO-FORMA RECURRING COST P&L

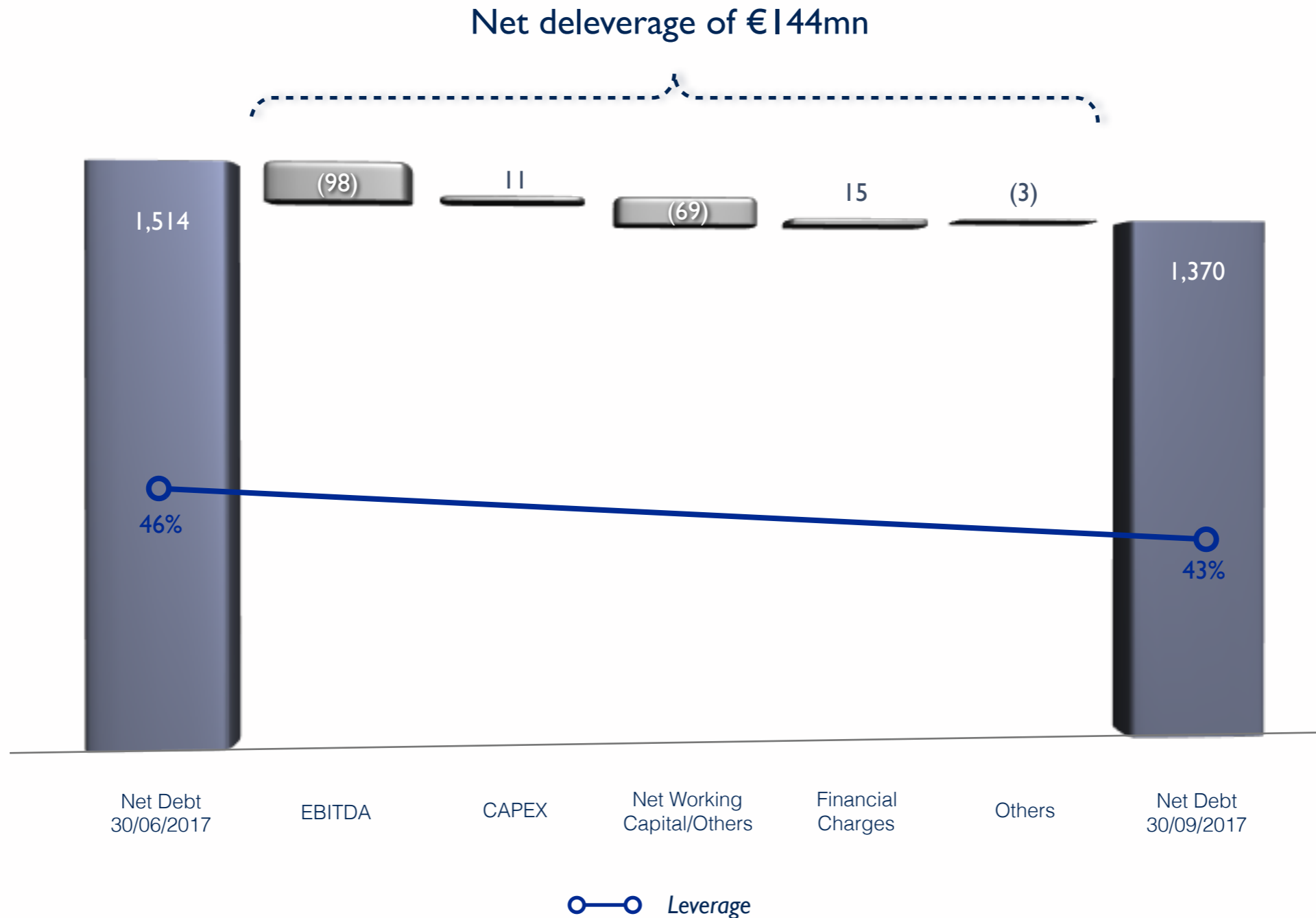


9M 2017	9M 2016	Euro millions	3Q 2017	3Q 2016
356	351	Recurring EBITDA	98	78
(188)	(193)	<i>Amortization and depreciation</i>	(62)	(65)
168	158	Recurring EBIT	36	13
(49)	(56)	<i>Net financial income (expenses)</i>	(15)	(18)
25	11	<i>Net income (loss) from equity investments</i>	10	9
144	113	Recurring Results before taxes	31	4
(31)	(27)	<i>Income taxes</i>	(5)	4
113	86	Recurring Results for the period	26	8
	(3)	<i>Minority interests</i>		1
113	83	Recurring Net profit	26	9
21%	24%	Tax Rate	16%	(100%)

Note: figures based on NO GAAP measures



3Q 2017 CASHFLOW STATEMENT



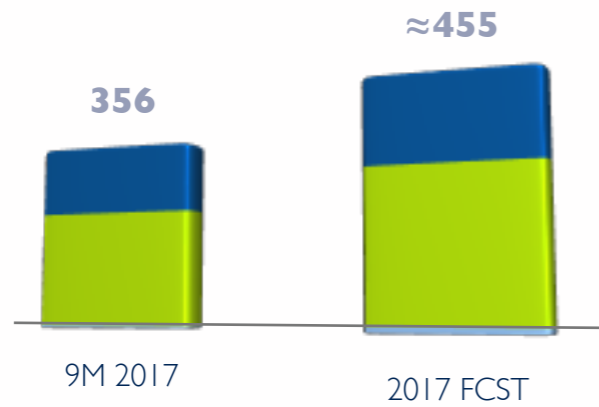


2017 GUIDANCE AND CONCLUSIONS

LUCA BETTONTE, CEO



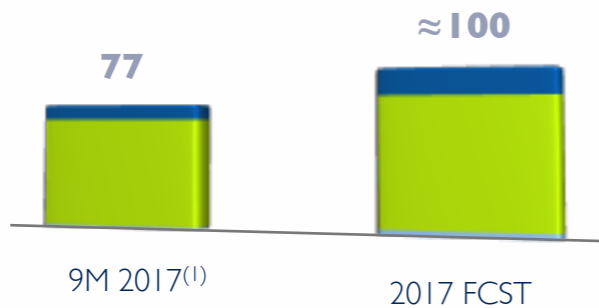
2017 GUIDANCE



EBITDA:

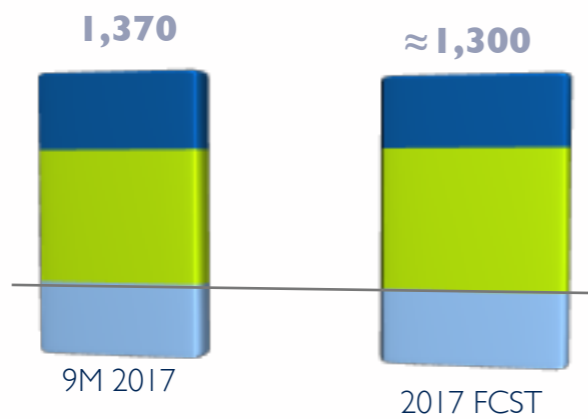
- ✓ Guidance increased to €455mn (previous at €430mn) due to:
 - more favourable pricing scenario
 - stronger contribution from Energy Management

PROGRAMMABLE NON-PROGRAMMABLE CORPORATE



CAPEX:

- ✓ New guidance at €100mn (previous at €140mn)



NFP:

- ✓ Guidance improved at €1.3bn (previous at €1.45bn) due to:
 - higher cash generation
 - €50mn extraordinary dividends received from TotalERG

LIQUIDITY PF OTHER AT MLT

Due to recent transactions, Business Plan presentation to be postponed to the first months of 2018

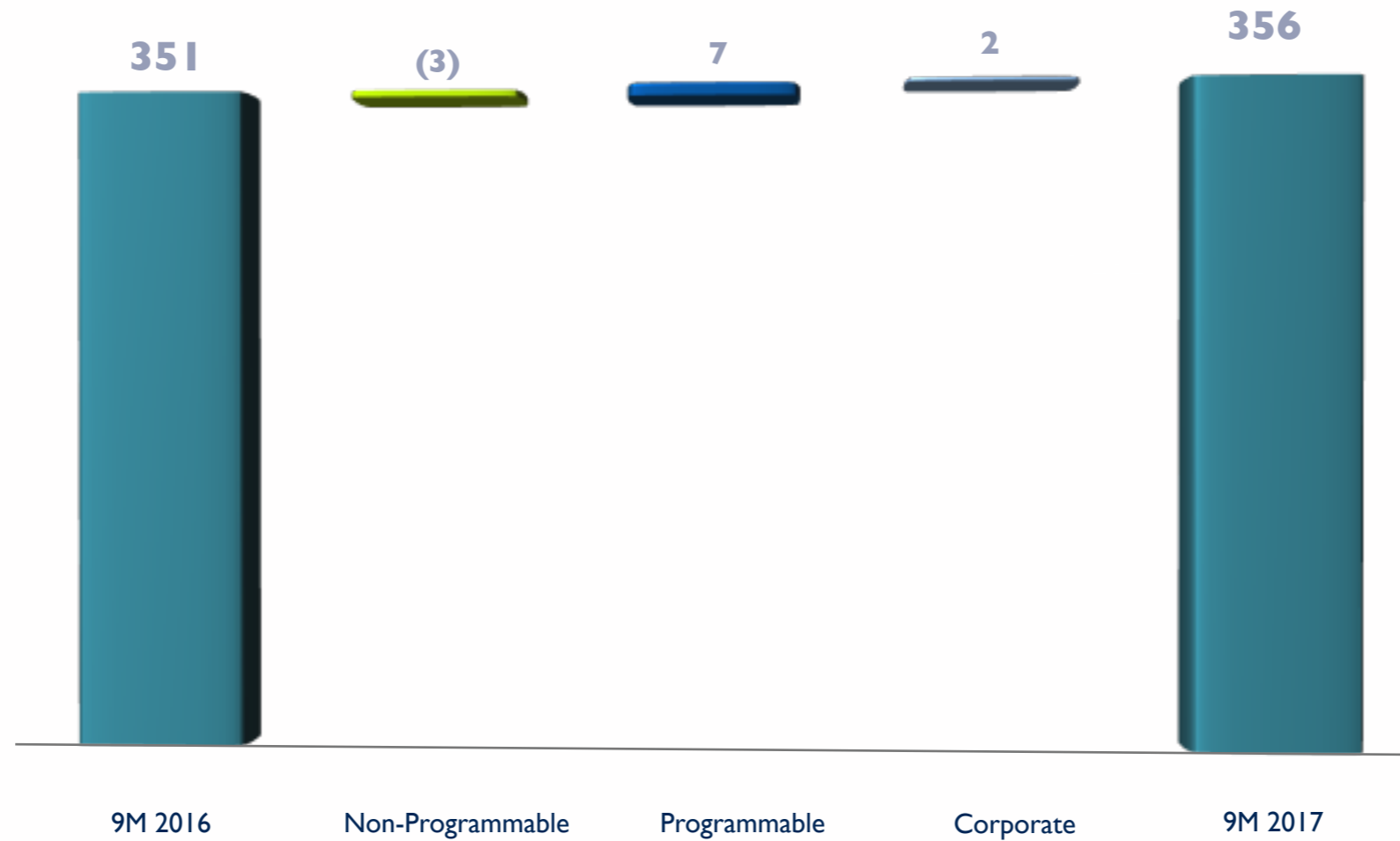
⁽¹⁾ It includes €39.5mn referred to the closing of DIF acquisition in Germany, which took place on May 2, 2017.



APPENDIX



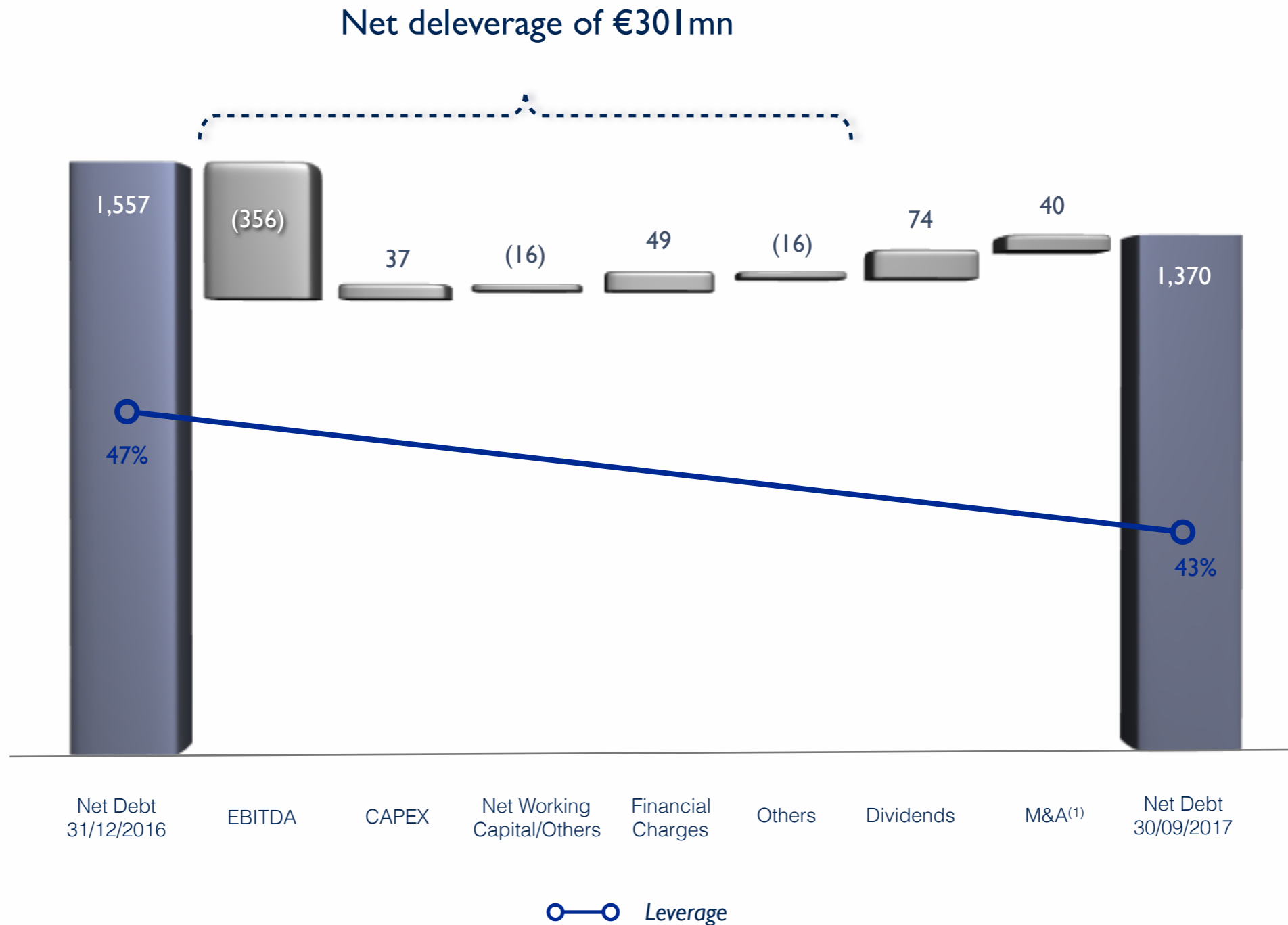
9M 2017 GROUP EBITDA



Generalized slowdown in production, offset by rising prices



9M 2017 CASHFLOW STATEMENT



⁽¹⁾ Equity consideration for DIF acquisition (€39.5mn) in Germany



9M AND 3Q 2017 RESULTS



	9M 2017	9M 2016	Euro millions	3Q 2017	3Q 2016	
	765	757	Revenues	227	227	
↑	356	351	Recurring EBITDA	98	78	↑
↓	227	230	- Non-Programmable	57	43	↑
			<i>of which:</i>			
	178	179	- Italy	46	34	
	49	51	- Abroad	11	10	
↑	136	129	- Programmable	42	36	↑
			<i>of which:</i>			
	63	70	- Thermo	23	19	
	73	59	- Hydro	19	17	
↑	(6)	(8)	- Corporate	(0)	(2)	↑



NON-PROGRAMMABLE: KEY FIGURES (1/2)



9M 2017	9M 2016		3Q 2017	3Q 2016
1,768	1,720	Installed capacity (end-period, MW)	1,768	1,720
		<i>of which:</i>		
1,094	1,094	- Italy	1,094	1,094
252	252	- France	252	252
216	168	- Germany	216	168
82	82	- Poland	82	82
70	70	- Romania	70	70
54	54	- Bulgaria	54	54
2,532	2,631	Electricity Production (GWh)	723	583
		<i>of which:</i>		
1,523	1,711	- Italy	444	368
337	378	- France	93	73
237	175	- Germany	61	43
166	138	- Poland	45	35
153	127	- Romania	42	38
116	102	- Bulgaria	38	26



NON-PROGRAMMABLE: KEY FIGURES (2/2)



9M 2017	9M 2016	Euro millions	3Q 2017	3Q 2016
Recurring EBITDA:				
178	179	Italy	46	34
20	24	France	5	4
15	12	Germany	3	2
2	3	Poland	1	(0)
6	6	Romania	1	2
5	5	Bulgaria	1	2
227	230	Total Recurring EBITDA	57	43
(119)	(125)	Depreciation	(40)	(42)
108	105	Recurring EBIT	17	2



ERG POWER: KEY FIGURES



9M 2017	9M 2016	Euro millions	3Q 2017	3Q 2016
1,812	2,032	Electricity Production (GWh)	638	740
63	70	Recurring EBITDA	23	19
(23)	(22)	Depreciation	(7)	(7)
39	48	Recurring EBIT	16	11



ERG HYDRO: KEY FIGURES



9M 2017	9M 2016	Euro millions	3Q 2017	3Q 2016
884	1,028	Electricity Production (GWh)	232	277
73	59	Recurring EBITDA	19	17
(44)	(44)	Depreciation	(15)	(15)
29	14	Recurring EBIT	4	3



INVESTMENTS



9M 2017	9M 2016	Euro millions	3Q 2017	3Q 2016
66	327	Non-Programmable ⁽¹⁾	7	8
9	8	Programmable	4	3
		<i>of which:</i>		
5	6	- Thermo	2	2
4	2	- Hydro	2	1
1	1	Corporate	0	0
77	337	Total	11	12

⁽¹⁾ M&A CAPEX for non-programmable include:

- in 9M 2017: investments related to the closing of DIF acquisition in Germany (€39.5mn), which took place on May 2, 2017
- in 9M 2016: investments related to the closing of IMPAX acquisition (which took place on February 2, 2016, amounting to €293mn) and Brockaghboy acquisition (€13mn)