

29 JULY 2011

H1 2011 results: A further improvement in operating performance 2011-2015 objectives and outlook

- **EBITDA:** €8.6bn, +6.2% organic growth
- **Recurring net income:** €2.6bn, +12.5% organic growth
- **Net income (Group share):** €2.6bn, up by 139% at constant scope and exchange rates
- **Net financial debt/EBITDA** improved to 2.0x
- **2011 financial objectives reiterated** and 2011 nuclear generation target revised upward to between 411 and 418 TWh

- **2011-2015 objectives: ensuring profitable growth**

EDF SA's Board of Directors, meeting on 28 July 2011 under the chairmanship of Henri Proglio, approved the Group's condensed financial statements for the half-year ended 30 June 2011.

Henri Proglio, EDF Chairman and CEO, stated: "Despite an uncertain environment, we achieved outstanding operating results in the first six months of 2011, thanks mainly to higher nuclear output in France and the UK. On the basis of these results, the Group reiterates its financial objectives for 2011. EDF is determined to build on what it has already achieved to generate profitable organic growth. Whatever transpires in the area of energy, EDF, its women, men and know-how will be a force to be reckoned with."

EDF's first-half results

<i>In millions of euros</i>	H1 2010 restated	H1 2010 adjusted to 2011 perimeter	H1 2011	Organic growth at constant scope (%)
Sales	33,538	32,640	33,464	2.7%
EBITDA	9,557	8,141	8,616	6.2%
EBIT	4,685	3,793	5,256	38.9%
EDF net income	1,659	1,078	2,554	139.4%
Recurring net income	2,969	2,360	2,629	12.5%

	12/31/2010	06/30/2011
Net financial debt <i>(in billions of euros)</i>	34.4	29.2
Net financial debt / EBITDA	2.2x ¹	2.0x ²

Scope information

Restated figures: The financial disclosures presented in this press release are taken from the EDF Group's condensed financial statements for the half-year ended on 30 June 2011. In accordance with generally accepted accounting principles, H1 2010 figures were restated to take account of the following developments:

- The impact of the application of IFRS 5, "Non-current Assets Held for Sale and Discontinued operations",
- The change in the presentation of SPE's optimization activities with no impact on EBITDA.

Adjusted figures: As part of an analysis of the Group's results, 2011 organic growth was measured against adjusted 2010 data, i.e. assuming a comparable scope of activity in 2011: excluding RTE, EnBW, UK networks and the Eggborough plant in the UK.

Recurring net income adjusted to the 2011 scope includes net proceeds on disposals, which, as a principle, has been assumed to generate a 1% pre-tax return.

¹ 2010 ratio with numerator and denominator on a comparable scope of activity: for the denominator, 10-month EBITDA from UK networks and 12-month EBITDA from RTE have been subtracted from 2010 EBITDA; EnBW was removed from the numerator.

² The H1 2011 ratio is based on combined EBITDA from H2 2010 and H1 2011.



A further improvement in operating results in H1 2011

Despite volatile international energy markets and challenging macroeconomic conditions, the Group's operating performance improved significantly, with 6.2% organic growth in EBITDA to €8,616m.

Such growth was driven by solid operating results in France (€5,688m, i.e. an 8.3% increase in organic terms) and in the UK (€1,172m, i.e. an increase of 20.7% in organic terms).

In France, nuclear output rose by 15.5 TWh compared to H1 2010, a solid performance that was due mainly to the low number of unplanned outage days, down by 371 days compared to H1 2010. Based on this H1 2011 performance and assuming that the planned 10-year plant inspections go as expected in H2 2011, the Group has raised its full-year nuclear output target for 2011 to between 411 and 418 TWh.

The very strong performance of the French nuclear fleet offset the 7.6 TWh decrease in hydropower output (-35.2% compared to H1 2010), which was due to poor hydrological conditions.

In the UK, nuclear output rose by 6.2 TWh (+25% compared to H1 2010), which accounts for most of the organic growth in EBITDA.

The results appear more uneven in other areas. Italy is still negatively impacted by shrinking margins in Edison's hydrocarbon activities. EBITDA in "Other International" achieved organic growth of 10%, primarily driven by Belgium. EBITDA in "Other Activities" stood at €900m, including a slight improvement in the results of EDF Trading and a reduced contribution from Dalkia, which benefited from a positive effect in H1 2010 that did not occur in 2011.

Net income (Group share) was €2,554m, compared to €1,659m in H1 2010 and €1,078m on a constant scope of activity, which had been hit by a €1,060m provision for risks related to Group's US activities.

Excluding net non-recurring items, recurring net income amounted to €2,629m, up by 12.5% compared to H1 2010.

Two events that lay the foundation for the future

The success of the simplified alternative public cash or exchange offer for EDF Energies Nouvelles, with EDF owning 96.71% of the share capital and voting rights as of 16 June 2011, bolsters the Group's position as a leader in low-carbon energy, which is a major pillar of its strategy. The total cost of the transaction after finalisation of the squeeze-out will be close to €1.5bn. The average cost price comes out at €38 per share, i.e., a 5% premium on the quoted share price of EDF Energies Nouvelles prior to the announcement of the offer.

Meanwhile, the NOME Law took effect on 1 July 2011. The ARENH price will be set at €42/MWh from 1 January 2012.



2011 financial objectives

EDF reiterates its objectives:

- Organic growth in EBITDA³ within a range of 4 and 6%.
- Net financial debt/EBITDA⁴ within a range of 2.1x to 2.3x, including the 0.1x impact of EDF Energies Nouvelles transaction
- Dividend for 2011 at least equivalent to the one paid in 2010

Main Group results by segment

France: growth in EBITDA reflecting a further improvement in operating results

<i>In millions of euros</i>	H1 2010 adjusted to 2011 perimeter	H1 2011	Organic growth on a constant scope (%)
Sales	18,844	19,495	3.5%
EBITDA	5,240	5,688	8.3%
o/w unregulated EBITDA	3,721	4,136	10.8%
o/w regulated EBITDA	1,519	1,552	2.2%

In **France**, sales amounted to €19,495m, reflecting organic growth of 3.5% compared to H1 2010. EBITDA is €5,688m, i.e. 8.3% organic growth.

In the unregulated segment, EBITDA stood at €4,136m, reflecting organic growth of 10.8%. This growth was driven by a 15.5 TWh increase in nuclear output (+7.7% compared to H1 2010, i.e a positive impact of nearly €720m), which more than offsets the decrease in hydropower output (-7.6 TWh, i.e a negative impact of €380m) due to adverse hydrological conditions. To a lesser extent, this growth was driven by the increase in regulated tariffs implemented on 15 August 2010.

The strong performance of the nuclear fleet is the result of fewer unplanned outages, down 371 days compared to the first half of 2010, confirming the positive impact of the large component replacement programme. Based on the nuclear performance for the first six months of the year and assuming that the planned 10-year inspections

³ Growth in EBITDA is determined at constant scope and exchange rates and excludes the impact of the ministerial order of 4 July 2011 relating to the non-recurring compensation of TaRTAM expenses. This objective incorporates the initial ARENH price of €40 per MWh, effective 1 July 2011, pursuant to the French government's decision on 19 April 2011, and 42€/MWh from 1 January 2012

⁴ Excluding growth through acquisitions



go as expected in the second half of the year, the Group has decided to raise its full-year nuclear generation target for 2011 to between 411 and 418 TWh.

In regulated activities (networks and island activities) EBITDA rose 2.2% in organic terms to €1,552m. The increase in transmission tariffs (TURPE) introduced on 1 August 2010 has more than offset the negative volume effect due to the mild weather in H1 2011 (compared to H1 2010).

Outside France

United Kingdom: EBITDA growth driven by a strong operating performance

<i>In millions of euros</i>	H1 2010 adjusted to 2011 perimeter	H1 2011	Organic growth at constant scope (%)
Sales	4,861	4,390	-8.5%
EBITDA	976	1,172	20.7%

In the **United Kingdom**, sales stood at €4,390m, down 8.5% in organic terms. This was due to an exceptionally mild weather and the streamlining of EDF Energy's portfolio of industrial customers.

EBITDA stood at €1,172m, reflecting organic growth of 20.7% compared to H1 2010, driven mainly by the 6.2 TWh increase in nuclear output by EDF Energy compared to the H1 2010, when production was impacted by the unplanned outage at Sizewell. This more than offset the decrease in the gas margin, which was hit by the mild weather.



Italy*: continued pressure on margins

<i>In millions of euros</i>	H1 2010 adjusted to 2011 perimeter	H1 2011	Organic growth at constant scope (%)
Sales	2,766	3,052	10.1%
EBITDA	365	218	-40.5%
o/w Edison	305	158	-48.2%

*The "Italy" segment includes Fenice and EDF's stake in Edison.

In **Italy**, Group sales came in at €3,052m, up 10.1% in organic terms.

EBITDA of Italian operations stood at €218m, reflecting slide of 40.5% in organic terms.

Edison's hydrocarbon activities continue to be impacted by negative gas margins, due to changes in the gas market and commitments in long-term natural-gas supply contracts. These contracts are now in the process of renegotiation.

On 21 July 2011, Edison successfully finalised the renegotiation of its long-term Russian natural gas supply contracts with Promgas, which had an impact of €56m on 2011 H1 EBITDA and will be recognized in EDF group's accounts in the second half of the year.

Moreover, EBITDA from Edison's electrical activities was impacted by the early termination of the CIP6 regime for some power plants.

Fenice's EBITDA was stable at €60m.

Other International*: solid growth thanks to Belgium

<i>In millions of euros</i>	H1 2010 adjusted to 2011 perimeter	H1 2011	Organic growth at constant scope (%)
Sales	3,530	3,800	8.5%
EBITDA	602	638	10.0%

*"Other International" essentially includes subsidiaries in Central and Eastern Europe, the Benelux, Switzerland, Austria, the United States, Brazil and Asia.

The **Other International** segment posted sales of €3,800m, up 8.5% in organic terms. EBITDA amounted to €638m, up 10% in organic terms.

This growth was mainly driven by Belgium, which enjoyed a positive sales volume effect and higher gas sales margins.

Central and Eastern Europe EBITDA rose slightly.



Other activities*: growth at EDF Energies Nouvelles and EDF Trading

<i>In millions of euros</i>	H1 2010 adjusted to 2011 perimeter	H1 2011	Organic growth at constant scope (%)
Sales	2,639	2,727	1.9%
EBITDA	958	900	-4.8%

* "Other Activities" essentially includes EDF Trading, EDF Energies Nouvelles, Dalkia, Tiru and Electricité de Strasbourg.

The **Other Activities** segment posted sales of €2,727m, up 1.9% in organic terms.

EBITDA amounted to €900m, down 4.8% in organic terms.

The results of EDF Trading were up slightly following a challenging first quarter, notably due to higher sales margins in electricity.

EDF Energies Nouvelles posted organic growth of 18% in its EBITDA, primarily due to the increase in solar and wind power output in Europe and the United States.

Dalkia's EBITDA showed negative organic growth. Dalkia had benefited from the capital gain on the Usti disposal in the Czech Republic in H1 2010, with no equivalent in 2011.



Ensuring profitable growth: 2011-2015 financial objectives

- **EBITDA⁵**: 4 to 6% average annual growth
- **Recurring net income**: 5 to 10% average annual growth
- **Net financial Debt/EBITDA**: less than 2.5x
- **Payout ratio**: between 55 and 65%
- **Net investments**: between €13 and €15bn in 2015
- **Stricter value creation criteria**: Group weighted average cost of capital plus 300 basis points
- **Synergy and Transformation Program**: €2.5bn in gains by 2015 (compared to 2010)

Development based on leveraging the Group's skills and know-how

At its Shareholders' Meeting on 24 May 2011, the Group announced an ambitious growth strategy, whose profitability underpinned by strong visibility on its business model.

This industrial development relies on the Group's skills and know-how in all its businesses. To achieve this growth, the Group will rise to the challenge of renewing 40% of its workforce over the next 5-10 years. For example, it plans to hire over 10,000 people in power generation and engineering in France between 2011 and 2015, a net headcount increase of 2,300 people.

The Group is also stepping up Research and Development in three key areas:

- (i) Carbon-free power generation
- (ii) Networks
- (iii) Demand management

The use of contractual engineering solutions to enhance the Group's expertise will also produce growth with a low capital requirement, in particular in international networks management.

A stronger Group owing to major operating investments

The improvement in the operating performance confirmed in the Group's first-half results reflect permanent efforts to improve safety and performance at its nuclear power plants. The Group is making the investments needed to ensure the safe operation of its plants, to increase their capacity and extend their operating life beyond 40 years and will include the lessons learned from Fukushima.

In France in 2010, €1.7bn was invested in 10-year inspections, the large component replacement programme and other operating investments for nuclear power stations (compared with €1.5bn in 2009). Such investments are projected at between €3.4bn and €3.6bn in 2015.

⁵ Growth at constant scope and exchange rates



A selective development programme to ensure profitable growth

The Group aims to diversify its energy mix (hydroelectricity, renewable energies, combined-cycle gas plants) and its geographic presence. Its growth will be driven by net operating investments estimated at between €3.5bn and €4bn in 2011 and between €4bn and €6bn in 2015, but will also be achieved via partnerships for individual projects (based on the Nam Theun model) and delegated management solutions (ErDF in Russia). In the United Kingdom, the Group estimates that it will invest an average of £300m per year for maintenance on its existing nuclear power plants and nearly £50m per plant under the programme to extend the life of its AGR (Advanced Gas Reactor) plants by five years.

Existing and identified projects involve total investments estimated at between €13bn and €15bn in 2015.

Tougher investment criteria will be applied. EDF Group will invest in projects that create value at 300 basis points above the weighted average cost of capital (WACC), which is a rate of return 1.0-1.5% higher than under previous criteria.

Levers for improving performance with the Group Synergies and Transformation Programme

The EDF Group has implemented its Group Synergies and Transformation Programme (STG), which focuses on three areas of improvement in performance: sourcing performance through the pooling of Group purchases, unlocking synergies within the Group and, last, continuing its "Operational Excellence" effort.

Gains of more than €2.5bn (using 2010 as a benchmark) by 2015 (including approximately €1.3bn for purchasing performance) in sales margins, operating costs and investments have been identified by the Group.

On the basis of its strategy, its strengths, and the resources mobilised, EDF has set the following medium-term profitable growth targets:

- **EBITDA⁶:** 4 to 6% annual growth on average
- **Recurring Net income:** 5 to 10% annual growth on average
- **Net financial Debt/EBITDA:** Less than 2.5x
- **Payout ratio:** between 55 and 65%

⁶ Growth at constant scope and exchange rates



HIGHLIGHTS SINCE 2011 EDF FIRST-QUARTER RESULTS

- **26 July 2011: Dalkia signs a preliminary contract for an 85% stake in SPEC**

Dalkia has won the bid for the privatisation of Warsaw's municipal heating system, the largest in the European Union. The preliminary offer is for an 85% stake in Warsaw's municipal heating system, SPEC, for €360m in enterprise value. Dalkia is expected to benefit from significant operational leverage, notably thanks to a reduction in the network's fixed costs and potential synergies with the Polish company's existing activities. The deal is subject to the approval of the European Union and the Warsaw City Council and is expected to be closed in Q4 2011.

- **25 July 2011: EDF and Areva sign a technical and commercial agreement**

The Chairmen of EDF and Areva have signed a technical and commercial agreement in the presence of French energy Minister Eric Besson, concluding negotiations on three key areas for cooperation between EDF and AREVA initiated after the Nuclear Policy Conference called by the French President on 21 February 2011:

- Continuing to fine-tune the European Pressurized Reactor (EPR), based on feedback from projects underway (Olkiluoto, Flamanville, Taishan 1 and 2);
- Improvement in maintenance and operation of the existing fleet of nuclear power stations in order to increase the reactors' operating performance and pave the way for extending their operational life beyond 40 years;
- Fuel cycle management, to qualify new fuels and to strengthen industry cooperation on storing radioactive waste.

- **21 July 2011: Edison successfully renegotiates its long-term gas contract with Promgas**

Edison successfully renegotiated its contracts for the long-term supply of Russian natural gas with Promgas, which had an overall impact of about €56m on EBITDA for the stake owned by EDF, which will be recognized in the Group's accounts in the second half of the year.

- **20 July 2011: EDF will start selling the first KWh produced by the EPR at Flamanville in 2016**

EDF decided to introduce a new approach to organisation at the Flamanville (Manche) EPR in response to recent events that have slowed down progress on the work site. As a result, the first KWh produced by the EPR will be sold by EDF in 2016.

This delay is linked to both structural and external reasons.

This updated project, worth now some 6 billion euros, will give EDF valuable feedback and a tried and tested approach to organisation for future EPR reactors, particularly in the United Kingdom.



- **18 July 2011: the UK Parliament has confirmed the need to develop nuclear energy in the UK, marking a milestone for EDF in its plans for the UK**

The UK Parliament voted on the National Policy Statement for Nuclear Power Generation, ratifying the programme for building new nuclear power plants in the United Kingdom. The Parliament also confirmed the list of sites able to host new nuclear plants, which include Hinkley Point and Sizewell, the two priority sites identified by EDF for the construction of its future power plants.

This vote is a major step forward for the development of nuclear power in the UK.

- **12 July 2011: reform of the UK electricity market**

The UK government confirmed the implementation of the electricity market reform, with four tools:

- Long-term contracts in the form of contracts for difference (CFD), which aim to ensure some stability in power generator revenues. They will apply to all “non-carbon” technologies (new nuclear, offshore wind, biomass, etc.), and their prices will vary with technologies.
- A capacity-based payment mechanism in the form of either a market mechanism or a strategic reserve
- A floor price for carbon, which had already been announced in the first quarter of 2011
- A CO2 emission performance standard of 450g CO2/KWh and thus preventing any construction of non-CCS coal-fired plant.

- **11 July 2011: EDF Energies Nouvelles’ bid for the development of offshore wind power in France**

EDF Energies Nouvelles submitted a bid in response to the French government’s call for tenders to develop offshore wind power (first, five-lot 3,000 MW unit for an investment of about €10bn). The Group has set up a consortium, in which it owns a majority stake, and that will be composed of Dong Energy, Nass&Wind Offshore, Poweo ENR, WPD Offshore and Alstom.

- **11 July 2011: Standard & Poor’s placed RTE’s rating under credit watch with a positive outlook**

Standard & Poor’s placed RTE’s A+/A-1 rating under credit watch with a positive outlook.

- **8 July 2011: Standard & Poor’s upgrades EDF to AA-**

Standard & Poor’s raised EDF’s rating to AA-/A-1+ (from A+/A-1) to reflect the change of assessment from the rating agency in the link between the Group and the French state (from “strong” to “very strong”).

- **4 July 2011: EDF Trading acquires US power plant**

EDF Trading successfully acquired its first gas-fired generation asset in North America. L’Energia is a nominal 82MW combined cycle plant located in Lowell, Massachusetts.



- **30 June 2011: signing of a new framework agreement between EDF Energies Nouvelles and Vestas**

EDF Energies Nouvelles signed a framework agreement for the supply of onshore wind turbines from Vestas for Europe and North America. This agreement covers the 2012-2014 period and could amount to as much as 1,000 MW in turbines.

- **29 June 2011: EDF announces its final investment decision in the methane terminal at Dunkirk**

EDF announced its final investment decision in respect of the methane terminal at Dunkirk alongside Fluxys G and Total, which have both signed agreements giving them shares of 25% and 10% respectively in Dunkirk LNG. This company, which is responsible for building the industrial installations for the terminal, is now 65%-owned by EDF. The three partners will thus share the €1 billion investment in Dunkirk LNG, based on their respective shareholdings in the company.

- **28 June 2011: increase in tariffs effective 1 July 2011**

Through an order, the Minister of Industry, Energy and the Digital Economy has raised the blue (residential) tariff by an average of 1.7% and yellow and green tariffs (for manufacturers and major companies) by 3.2%. These tariff increases have been effective since 1 July 2011.

- **27 June 2011: UTE Norte Fluminense opens Rio de Janeiro state's largest solar power plant**

The Norte Fluminense (NF) thermoelectric plant, a 90% subsidiary of EDF, opened Rio de Janeiro state's largest solar power plant in Macaé.

- **23 June 2011: success of the simplified alternative public purchase or exchange offer on EDF Energies Nouvelles and filing of the mandatory squeeze-out offer with the Autorité des Marchés Financiers (AMF)**

The Autorité des Marchés Financiers (AMF) published the results of the simplified alternative public cash or exchange offer made by EDF on EDF Energies Nouvelles. Over the course of the offer, which took place from 27 May to 16 June 2011, EDF acquired 96.71% of EDF Energies Nouvelles' share capital. On July 21 2011, EDF filed with the AMF, jointly with EDF Énergies Nouvelles, a draft squeeze-out information document. Trading in EDF Énergies Nouvelles shares has been suspended since then.

- **17 June 2011: ErDF expands its Russian presence by signing a delegated management contract**

Within the framework of the Saint Petersburg international economic forum, ErDF and the MRSK holding company signed a delegated management contract of the Russian power distribution company Tomsk (TRK).



All documents relating to the communication of the Group's 2011 H1 results are available

on

<http://finance.edf.com/finance-41326.html>

Upcoming EDF Group releases:

- Q3 sales presentation on 10 November 2011

Disclaimer

This press release does not constitute an offer to sell securities in the United States or any other jurisdiction. This press release may contain forward-looking statements and targets concerning, for example, the Group's strategy, financial position or results, which do not constitute a guarantee of future performance or results of the company. EDF considers that these forward-looking statements and targets are based on reasonable assumptions, which can be however inaccurate and are subject to numerous risks and uncertainties, many of which are outside the control of the company, and as a result of which actual results may differ materially from expected results. Important factors that could cause actual results, performance or achievements of the Group to differ materially from those contemplated in this document include in particular the successful implementation of EDF strategic, financial and operational initiatives based on its current business model as an integrated operator, changes in the competitive and regulatory framework of the energy markets, as well as risk and uncertainties relating to the Group's activities, the climatic environment, the volatility of raw materials prices and currency exchange rates, the strengthening of safety regulations, technological changes, changes in the general economic and political conditions in the countries where the Group operates, and risk and uncertainties relating to the consequences of the nuclear accident in Japan. Detailed information regarding these uncertainties and potential risks are available in the reference document (document de référence) of EDF filed with the Autorité des Marchés Financiers on April 18, 2011, which is available on the AMF's website at www.amf-france.org and on EDF's website at www.edf.com. EDF does not undertake, nor does it have any obligation to provide updates of the information contained in this press release.

The EDF Group, one of the leaders in the European energy market, is an integrated energy company active in all areas of the business: generation, transmission, distribution, energy supply and trading. The Group is the leading electricity producer in Europe. In France, it has mainly nuclear and hydraulic production facilities where 95% of the electricity output is CO₂-free.

EDF's transmission and distribution subsidiaries in France operate 1,285,000 km of low and medium voltage overhead and underground electricity lines and around 100,000 km of high and very high voltage networks. The Group is involved in supplying energy and services to approximately 28 million customers in France. The Group generated consolidated sales of € 65.2 billion in 2010, of which 44.5% was achieved outside of France. EDF is listed on the Paris Stock Exchange and is a member of the CAC 40 index.

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APPENDICES

In millions of euros	2011 H1	2010 H1 adjusted	2010 H1 restated
Sales	33,464	32,640	33,538
Fuel and energy purchases	(14,964)	(14,869)	(13,273)
Other external expenses	(4,483)	(4,396)	(4,734)
Personnel expenses	(5,479)	(5,166)	(5,707)
Taxes other than income taxes	(1,511)	(1,450)	(1,702)
Other operating income and expenses	1,589	1,647	1,700
Prolongation of the TaRTAM – Law of June 7 2010	-	(265)	(265)
Operating profit before depreciation and amortization (EBITDA)	8,616	8,141	9,557
Net changes in fair value on Energy and Commodity derivatives, excluding trading activities	(28)	61	61
Net depreciation and amortization	(3,131)	(3,097)	(3,621)
Net increases in provisions for renewal of property, plant and equipment operated under concessions	(208)	(251)	(251)
(Impairment)/Reversals	(269)	(1)	(1)
Other income and expenses	276	(1,060)	(1,060)
Operating profit (EBIT)	5,256	3,793	4,685
Financial result	(1,810)	(1,952)	(2,227)
Income before taxes of consolidated companies	3,446	1,841	2,458
Income taxes	(977)	(924)	(1,111)
Share in income of associates	259	309	93
Net income of discontinued operations	-	-	386
Group net income	2,728	1,226	1,826
Net income attributable to non-controlling interests	174	148	167
EDF net income	2,554	1,078	1,659
Earnings per share (in Euros)	1.38	0.58	0.90
Diluted earnings per share (in Euros)	1.38	0.58	0.90



Consolidated Income Statements

(in millions of Euros)	H1 2011	H1 2010 ⁽¹⁾
Sales	33,464	33,538
Fuel and energy purchases	(14,964)	(13,273)
Other external expenses	(4,483)	(4,734)
Personnel expenses	(5,479)	(5,707)
Taxes other than income taxes	(1,511)	(1,702)
Other operating income and expenses	1,589	1,700
Prolongation of the transition tariff system (TaRTAM) – Law of June 7, 2010	-	(265)
Operating profit before depreciation and amortization	8,616	9,557
Net changes in fair value on Energy and Commodity derivatives, excluding trading activities	(28)	61
Net depreciation and amortization	(3,131)	(3,621)
Net increases in provisions for renewal of property, plant and equipment operated under concession	(208)	(251)
(Impairment) / reversals	(269)	(1)
Other income and expenses	276	(1,060)
Operating profit	5,256	4,685
Cost of gross financial indebtedness	(1,107)	(1,295)
Discount effect	(1,524)	(1,573)
Other financial income and expenses	821	641
Financial result	(1,810)	(2,227)
Income before taxes of consolidated companies	3,446	2,458
Income taxes	(977)	(1,111)
Share in income of associates	259	93
Net income of discontinued operations	-	386
Group net income	2,728	1,826
Net income attributable to non-controlling interests	174	167
Net income of continuing operations	174	148
Net income of discontinued operations	-	19
EDF Net income	2,554	1,659
Net income of continuing operations	2,554	1,292
Net income of discontinued operations	-	367
Earnings per share in Euros :		
Earnings per share in Euros	1.38	0.90
Diluted earnings per share in Euros	1.38	0.90
Earnings per share of continuing operations, in Euros	1.38	0.70
Diluted earnings per share of continuing operations, in Euros	1.38	0.70

(1) Figures for the first half of 2010 have been adjusted for the impact of IFRS 5 "Non-current assets held for sale and discontinued operations" and the change in presentation of SPE's optimization activities



Consolidated Balance Sheets

ASSETS (in millions of Euros)	06.30.2011	12.31.2010
Goodwill	11,171	12,028
Other intangible assets	4,290	4,616
Property, plant and equipment operated under French public electricity distribution concessions	44,464	43,905
Property, plant and equipment operated under concessions for other activities	6,043	6,027
Property, plant and equipment used in generation and other tangible assets owned by the Group	56,826	57,268
Investments in associates	7,903	7,854
Non-current financial assets	24,387	24,921
Deferred tax assets	1,782	2,125
Non-current assets	156,866	158,744
Inventories	12,723	12,685
Trade receivables	18,430	19,524
Current financial assets	17,923	16,788
Current tax assets	507	525
Other receivables	10,944	9,319
Cash and cash equivalents	5,693	4,829
Current assets	66,220	63,670
Assets classified as held for sale	152	18,145
TOTAL ASSETS	223,238	240,559
EQUITY AND LIABILITIES (in millions of Euros)	06.30.2011	12.31.2010
Capital	930	924
EDF net income and consolidated reserves	30,387	30,393
Equity (EDF share)	31,317	31,317
Non-controlling interests	4,086	5,586
Total equity	35,403	36,903
Provisions for back-end nuclear cycle	16,964	17,000
Provisions for decommissioning and last cores	19,626	19,383
Provisions for employee benefits	11,964	11,745
Other provisions	1,399	1,337
Non-current provisions	49,953	49,465
Grantors' rights in existing assets operated under French public electricity distribution concessions	20,449	20,318
Grantors' rights in assets to be replaced operated under French public electricity distribution concessions	21,303	20,843
Non-current financial liabilities	39,303	40,646
Other liabilities	4,961	4,965
Deferred tax liabilities	4,308	4,894
Non-current liabilities	140,277	141,131
Provisions	3,903	5,010
Trade payables	10,990	12,805
Current financial liabilities	12,958	12,766
Current tax liabilities	635	396
Other liabilities	19,056	18,674
Current liabilities	47,542	49,651
Liabilities related to assets classified as held for sale	16	12,874
TOTAL EQUITY AND LIABILITIES	223,238	240,559



Consolidated Cash Flow Statements

(in millions of Euros)	H1 2011	H1 2010 ⁽¹⁾
Operating activities:		
Income before taxes of consolidated companies	3,446	2,458
Impairment (reversals)	269	1
Accumulated depreciation and amortization, provisions and change in fair value	3,297	5,207
Financial income and expenses	661	863
Dividends received from associates	290	58
Capital gains/losses	(409)	1
Change in working capital	(1,519)	836
Net cash flow from operations	6,035	9,424
Net financial expenses disbursed	(1,007)	(1,124)
Income taxes paid	(582)	(1,135)
Net cash flow from operating activities	4,446	7,165
Investing activities:		
Acquisition/disposal of companies, net of cash acquired/transferred ⁽²⁾	3,708	137
Purchases of property, plant and equipment and intangible assets	(4,883)	(5,728)
Net proceeds from sale of property, plant and equipment and intangible assets	78	77
Changes in financial assets	(1,132)	(3,045)
Net cash flow used in investing activities	(2,229)	(8,559)
Financing activities:		
Transactions with non-controlling interests ⁽³⁾	(1,233)	(185)
Dividends paid by parent company	(1,068)	(1,109)
Dividends paid to non-controlling interests	(171)	(84)
Purchases / sales of treasury shares	(6)	(9)
Cash flows with shareholders	(2,478)	(1,387)
Issuance of borrowings	2,228	5,484
Repayment of borrowings	(1,943)	(4,154)
Increase in special concession liabilities	93	105
Investment subsidies	22	51
Cash flows from other financing activities	400	1,486
Net cash flow from financing activities	(2,078)	99
Cash flows from continuing operations	139	(1,295)
Cash flows from discontinued operations	-	477
Net increase/(decrease) in cash and cash equivalents	139	(818)
Cash and cash equivalents - opening balance	5,567	6,982
Net increase/(decrease) in cash and cash equivalents	139	(818)
Effect of currency fluctuations	(76)	182
Financial income on cash and cash equivalents	17	12
Effect of other reclassifications	46	17
Cash and cash equivalents - closing balance	5,693	6,375

(1) In application of IFRS 5, the net change in cash for discontinued operations is reported on a separate line in the cash flow statements for the periods presented.

(2) The impact of disposal of the investment in EnBW in the first half of 2011 amounts to €3.8bn (payment received of €4.5bn, net of €0.7bn cash transferred in the sale).

(3) Contributions in the form of capital increases or reductions and acquisitions of additional interests in controlled companies. In the first half of 2011, acquisitions of additional interests through the simplified alternative public cash or exchange offer for shares of EDF Energies Nouvelles account for €1,292m, comprising €1,045m for the cash component and €247m for the share exchange component, via the associated EDF share repurchase program

