

# First Quarter 2010 Sales

11 May 2010 Conference Call



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CHANGER L'ENERGIE ENSEMBLE

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Detailed information regarding these assumptions and risk factors are available in the "Document de Référence" of EDF filed with the Autorité des Marchés Financiers on April 8, 2010 under number D.10-0227, which is available on the AMF's website at [www.amf-france.org](http://www.amf-france.org) and on EDF's website at [www.edf.com](http://www.edf.com)

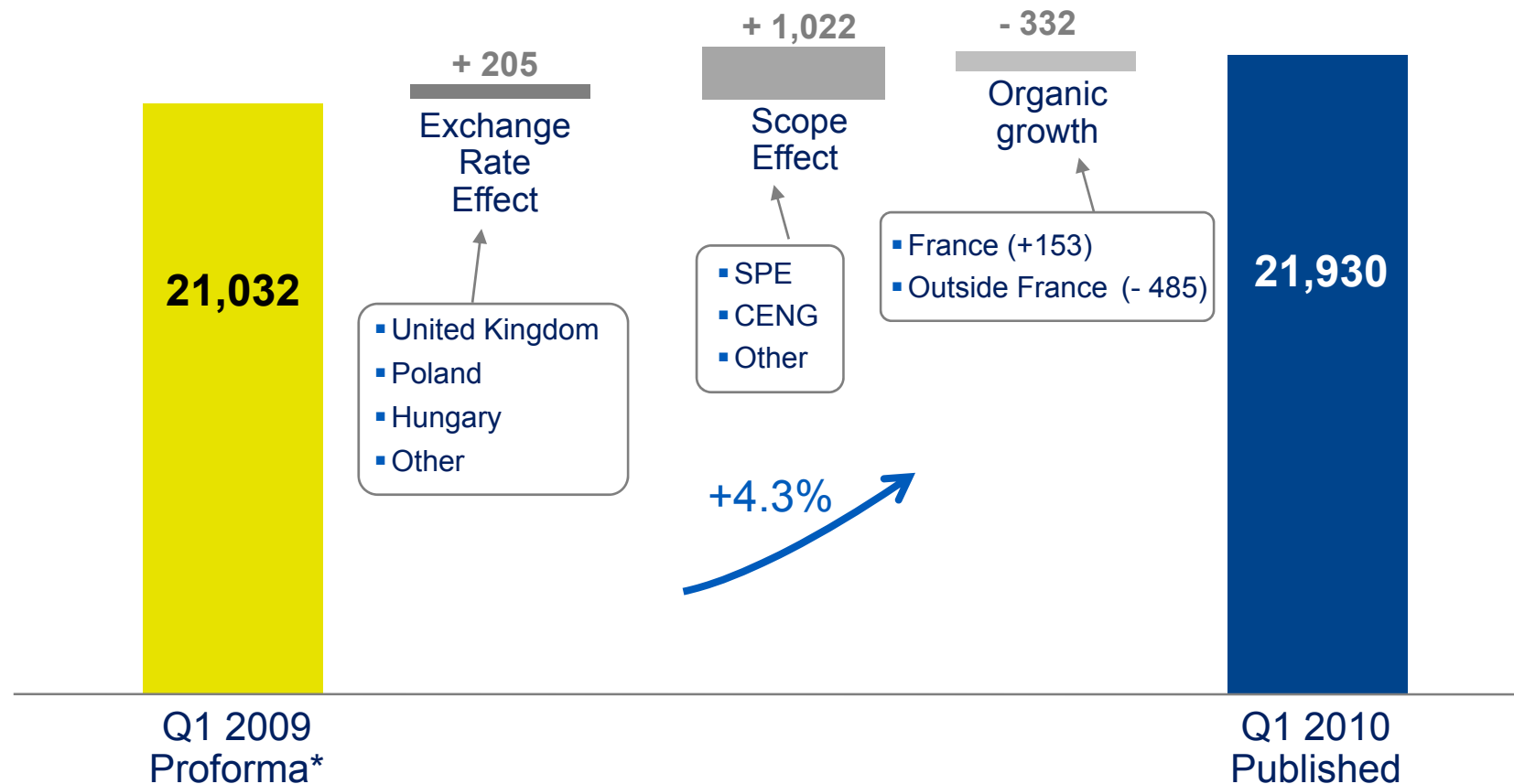
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# Agenda

- Q1 2010 Sales
- Focus on France
- Focus on United Kingdom
- Recent strategic developments
- Outlook
- Appendices

# Group sales up 4.3% compared to Q1 2009

In € million



\*Taking into account the change in presentation of Edison's trading sales and restated from IFRIC 18

# Sales evolution outside France hampered by lower prices

*In €M*

	Q1 2009*	Q1 2010	%	% organic
France	11,228	11,381	+1.4%	+1.4%
United Kingdom	3,340	3,150	-5.7%	-8.4%
Germany	2,236	2,271	+1.6%	-0.2%
Italy	1,488	1,493	+0.3%	+0.1%
Other international	900	1,968	+118.7%	-6.4%
Other activities	1,840	1,667	-9.4%	-7.7%
<b>GROUP TOTAL</b>	<b>21,032</b>	<b>21,930</b>	<b>+4.3%</b>	<b>-1.6%</b>

\*Taking into account the change in presentation of Edison's trading sales and restated from IFRIC 18

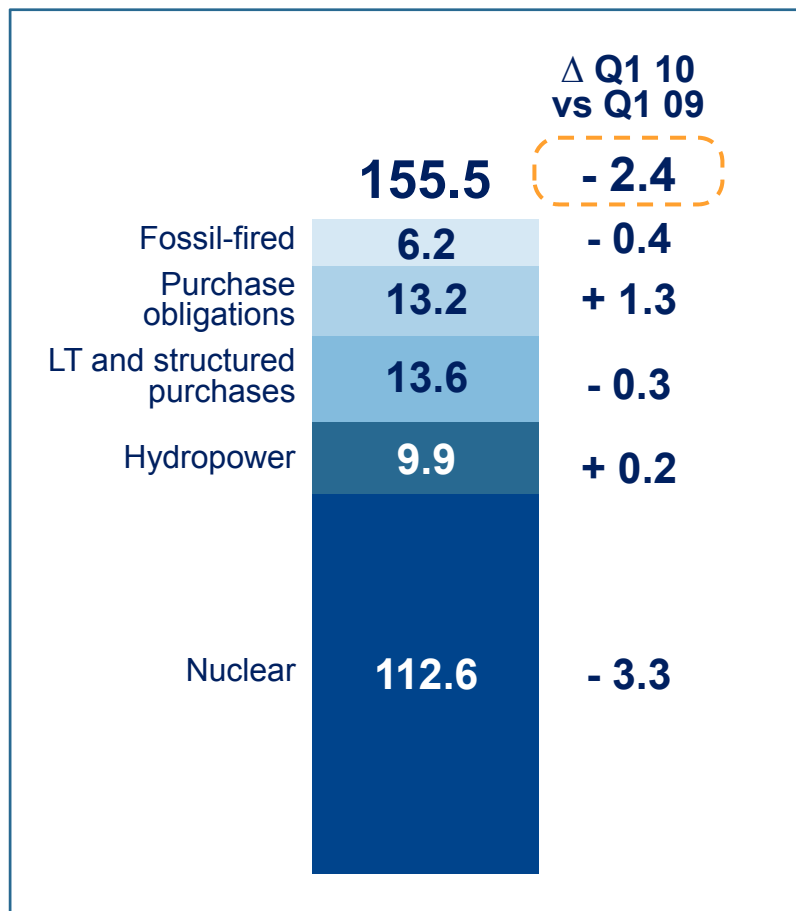
# Sales growth in France driven by networks

<i>In €M</i>	Q1 2009	Q1 2010	% organic
Deregulated	7,597	7,365	-3.1%
Networks	3,889	4,175	+7.4%
Island activities	184	215	+16.8%
<b>FRANCE TOTAL</b> <i>(incl. eliminations)</i>	<b>11,228</b>	<b>11,381</b>	<b>+1.4%</b>

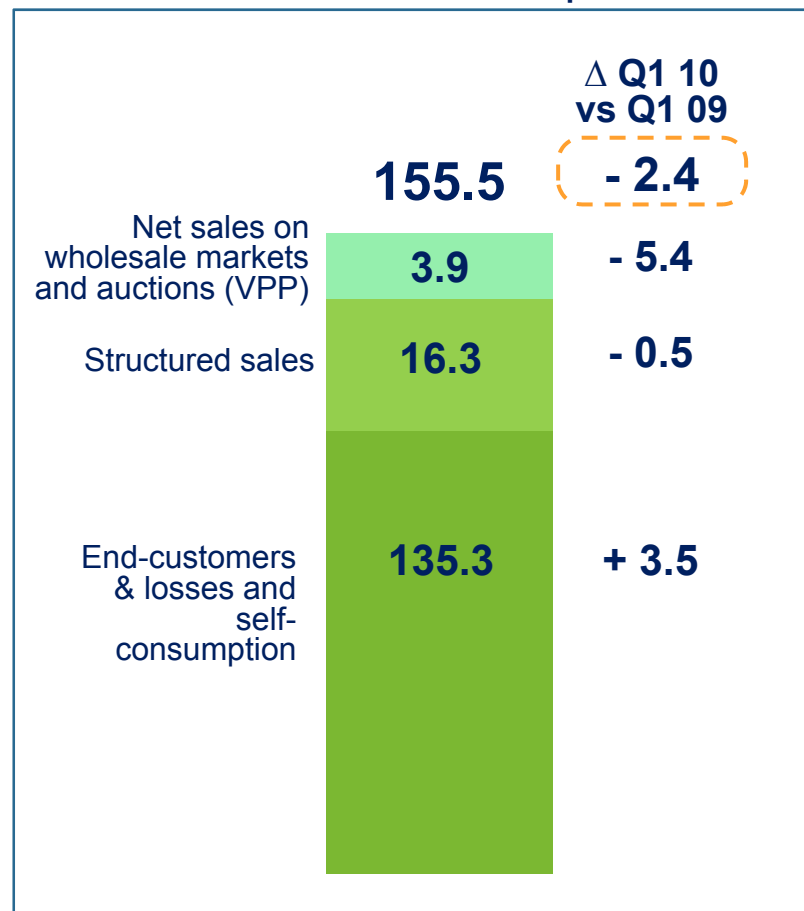
# France: upstream-downstream balance in Q1 2010

InTWh

## Generation / Purchases

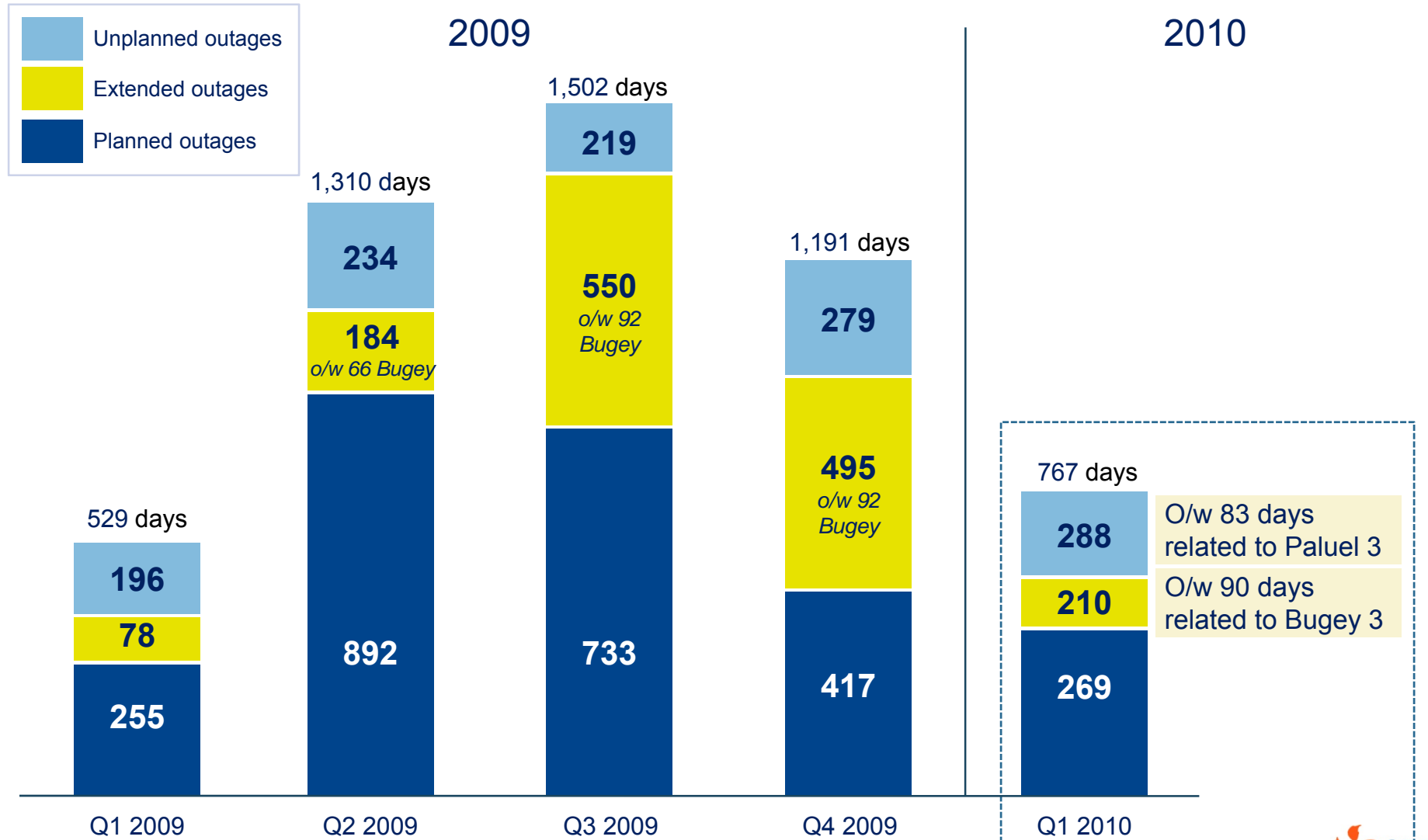


## Sales & self-consumption



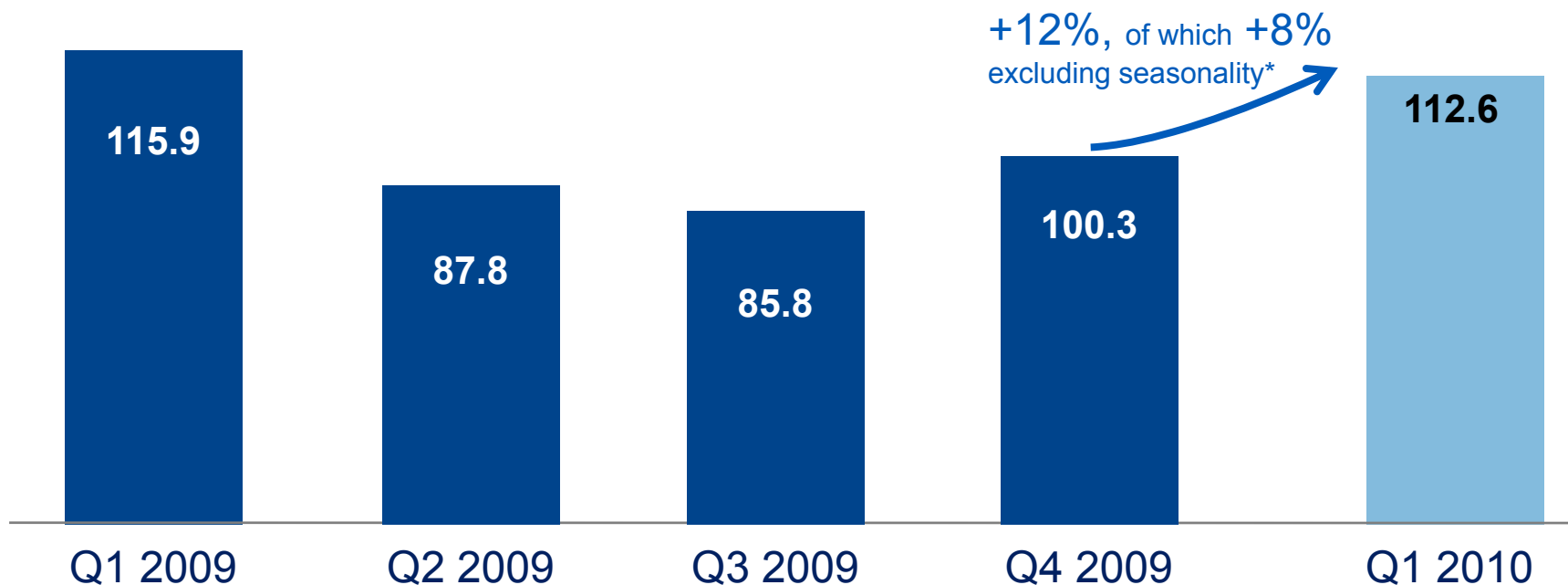
# Q1 2010 performance linked to prolonged 2009 issues

Duration of shutdowns\* in days



# Beginning of inflexion point in Q1 2010, despite a decline on a y-o-y basis

*French nuclear output, inTWh*



# Action plan driving 2010 Kd improvement

- New management team and organization with increased empowerment
- Address current issues related to key components (Impact on 2009 Kd : 4.8 pts)

Number of reactors	Total	o/w treated
Steam generators	16	12
Stators	58	20

- Switch 4 N4 units from 12-month to 16-month cycles completed with full effect in 2010
- Deploy planned outages techniques (COPAT) and preventive maintenance tools (AP 913)
- Complete effectively 7 decennial visits in 2010

Mid-term target:85%

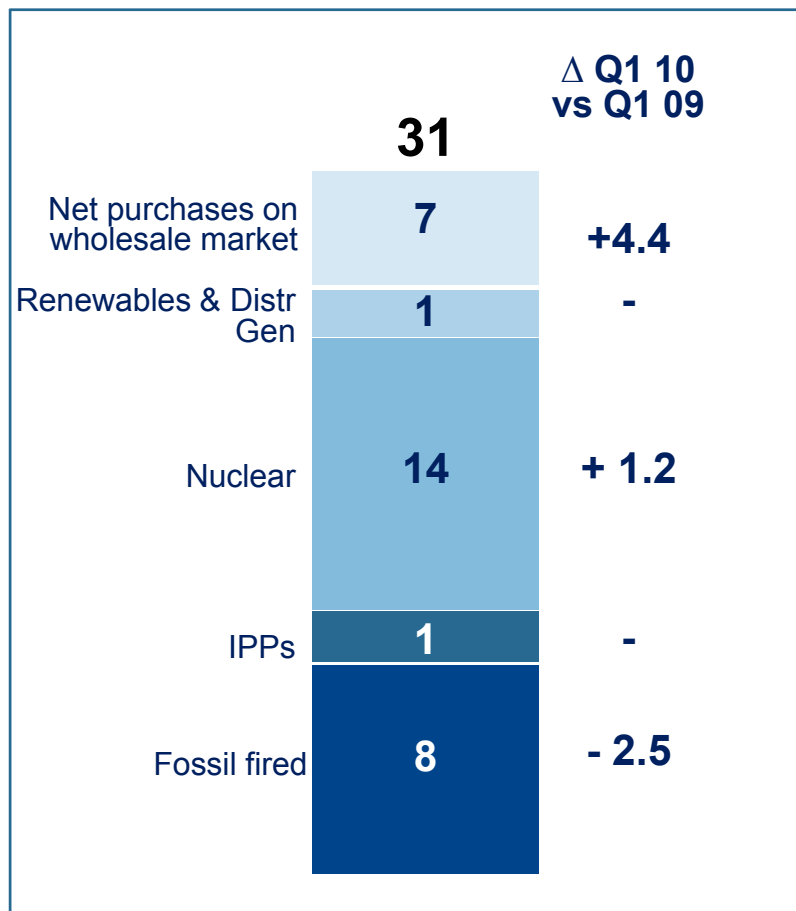
# United Kingdom Sales impacted by lower prices

<i>In €M</i>	Q1 2009	Q1 2010	%	% organic
Generation & Supply <i>(incl. eliminations)</i>	2,899	2,701	-6.8%	
Networks <i>(incl. IFRIC 18)</i>	441	449	+1.8%	
<b>UK TOTAL</b>	<b>3,340</b>	<b>3,150</b>	<b>-5.7%</b>	<b>-8.4%</b>

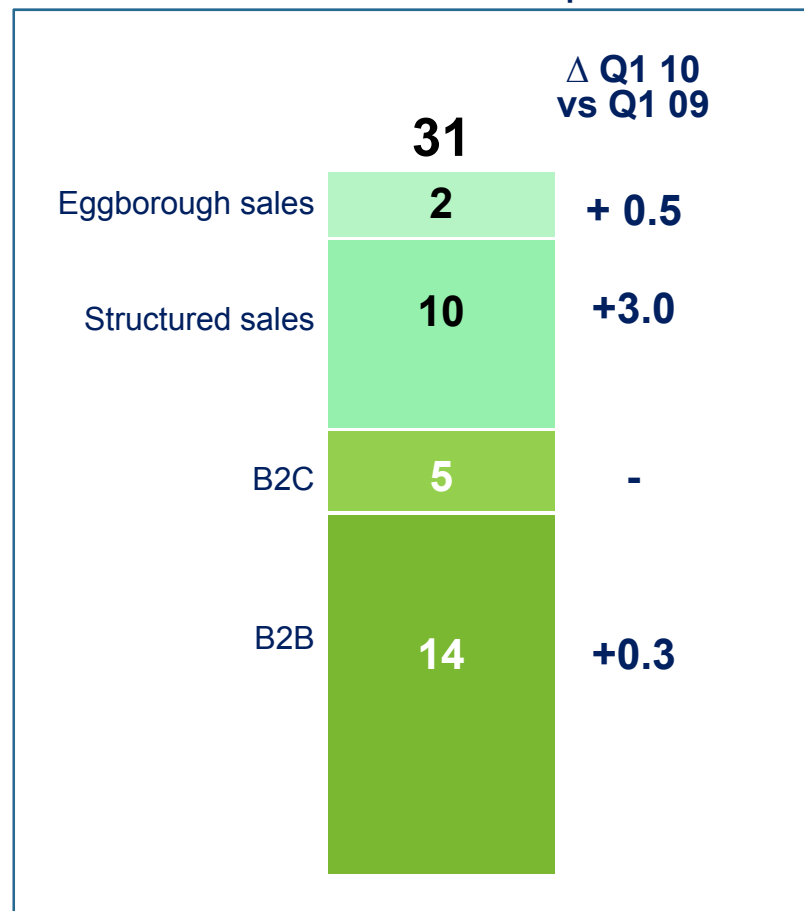
# United Kingdom: upstream-downstream balance in Q1 2010

InTWh

## Generation / Purchases



## Sales & self-consumption



# NOME Draft Bill

- 14 April 2010: presented to Cabinet
- Key principles of the draft bill:
  - End of TaRTAM from the implementation of the Law onwards; abolition of Yellow and Green tariffs in 2015
  - Blue tariffs (residential, SME and local authorities) maintained
  - Creation of a « Regulated Access to Baseload » (ARB in French) providing temporary access, until 2025, to EDF competitors to a share of EDF baseload nuclear power
  - Management of peakload which would make compulsory to all suppliers to get interruptibility capacities or sufficient generation capacities to supply all their customers
  - Deadline of dedicated assets' setting aside extended by 5 years till 2016

# Other recent strategic developments

- Disposal of Geso by EnBW in Germany for circa €800M completed on 31 March 2010
- Exercise by banks and financial investors of their call option to acquire Eggborough in the UK: closing expected in Q3 2010
- 36.5% Belgian shareholding in SPE following the renegotiation of the agreements with minority shareholders
- Pursuant to the agreement signed with EDF for the first stage of the contract, payment by Exeltium on end-April of the first installment for €1.7Bn; beginning of deliveries on 1st May 2010
- Issue by EDF on 21 April 2010 of a 20-year Euro-denominated bond, with a coupon of 4.625%, as part of its policy of lengthening of its debt's maturity.

# 2010 financial targets confirmed

- Organic growth in 2010 EBITDA : 3-5%\*
- Net debt / EBITDA ratio: 2.5-3x
- Stable dividend

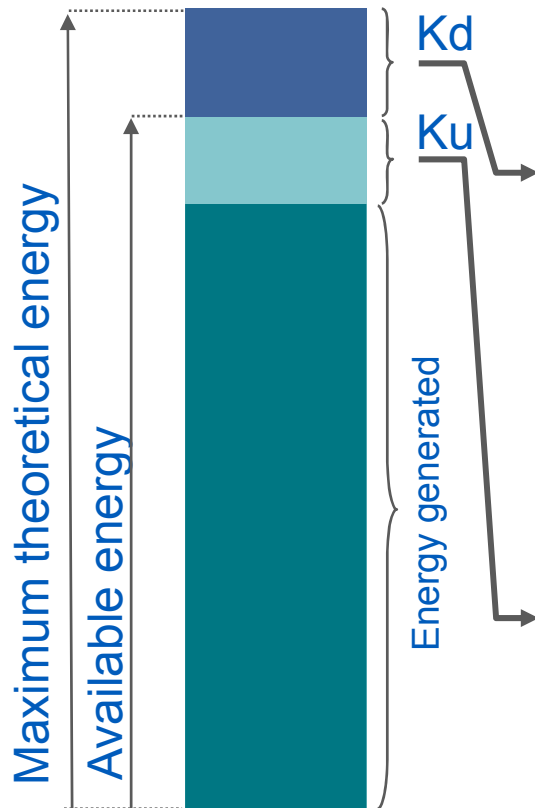
*\*At constant scope and exchange rates, excluding the impact of IAS 39 in 2009 and 2010 (+€539M in 2009) and assuming the end of the TaRTAM mechanism on June 30, 2010.*

# APPENDICES

# Update on IFRIC 18

- IFRIC 18 is a new accounting interpretation that became effective as of January 1, 2010, which deals with the accounting for the transfers of assets from customers. It is mainly relevant to distribution related activities and in particular customer contributions received against connections to the network.
- The Group has decided to apply this interpretation retrospectively as of January 1, 2010. Accordingly, the comparative information for 2009 has been restated to reflect the adoption of the interpretation.
- The application of IFRIC 18 to 2009 consolidated income statement results in an increase of sales and EBITDA of about €200 million, counterbalanced by an increase of the depreciation charge leading to no significant impact on EBIT.
- The P&L impact on 2009 is almost exclusively attributable to EDF Energy (no significant impact either on sales, EBITDA or EBIT in other countries).
- The application of IFRIC 18 results in a positive impact of approximately € 1.9 billion (net of tax) on Group equity as of January 1, 2010.

# Kd, Ku, Kp: explanation of the different nuclear generation components



- Kd includes the impact of:

- Technical unavailability (planned and unplanned outages)
- Seasonality of outages

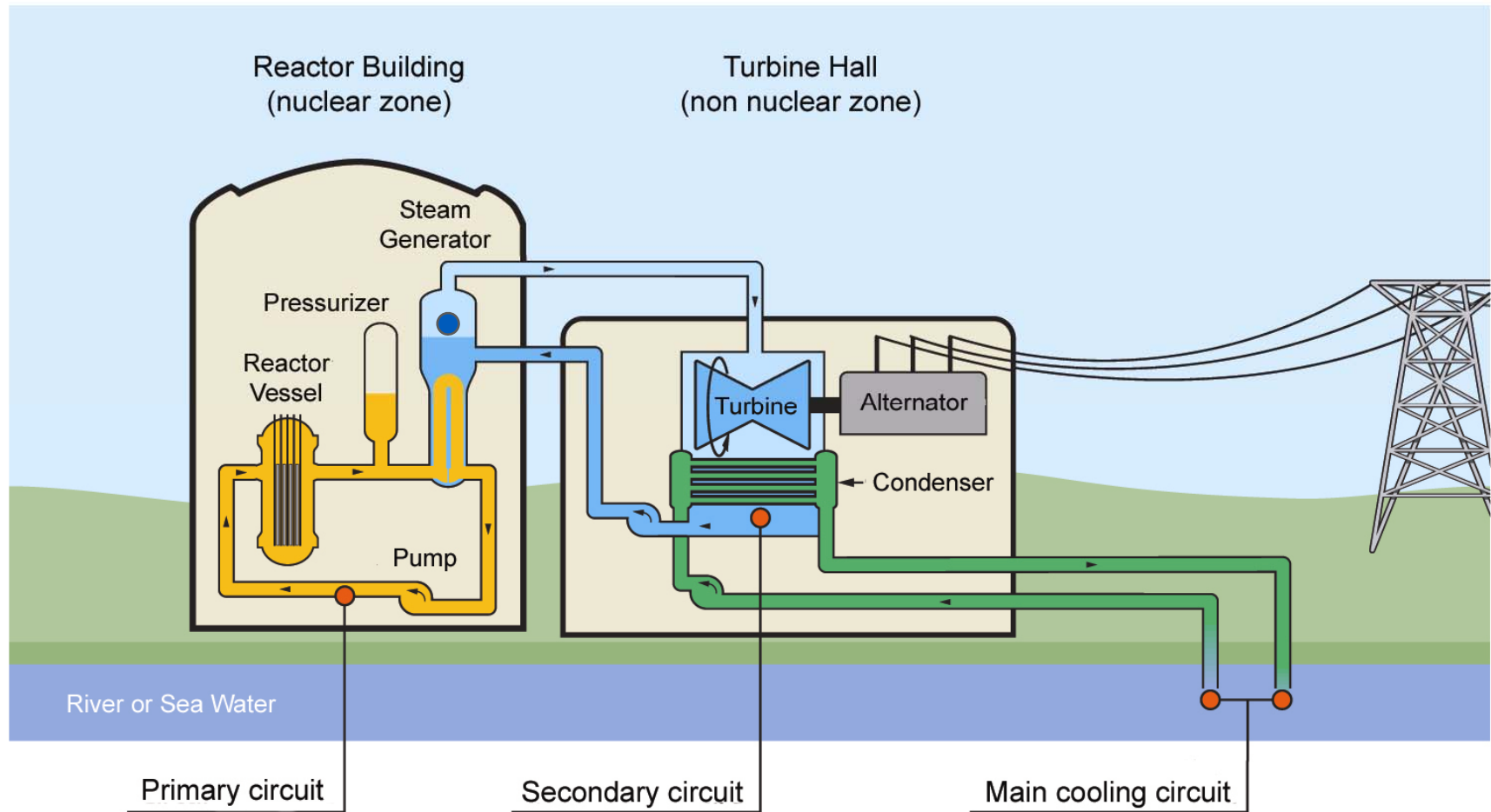
- Key structural discrepancy with U.S fleet:

Fuel management method (fuel cycle)	> 1.5 %
Solicitation method (load monitoring in France)	> 1.5 %
Regulation and safety specificities	> 1.5 %
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	≥ 5.0 %

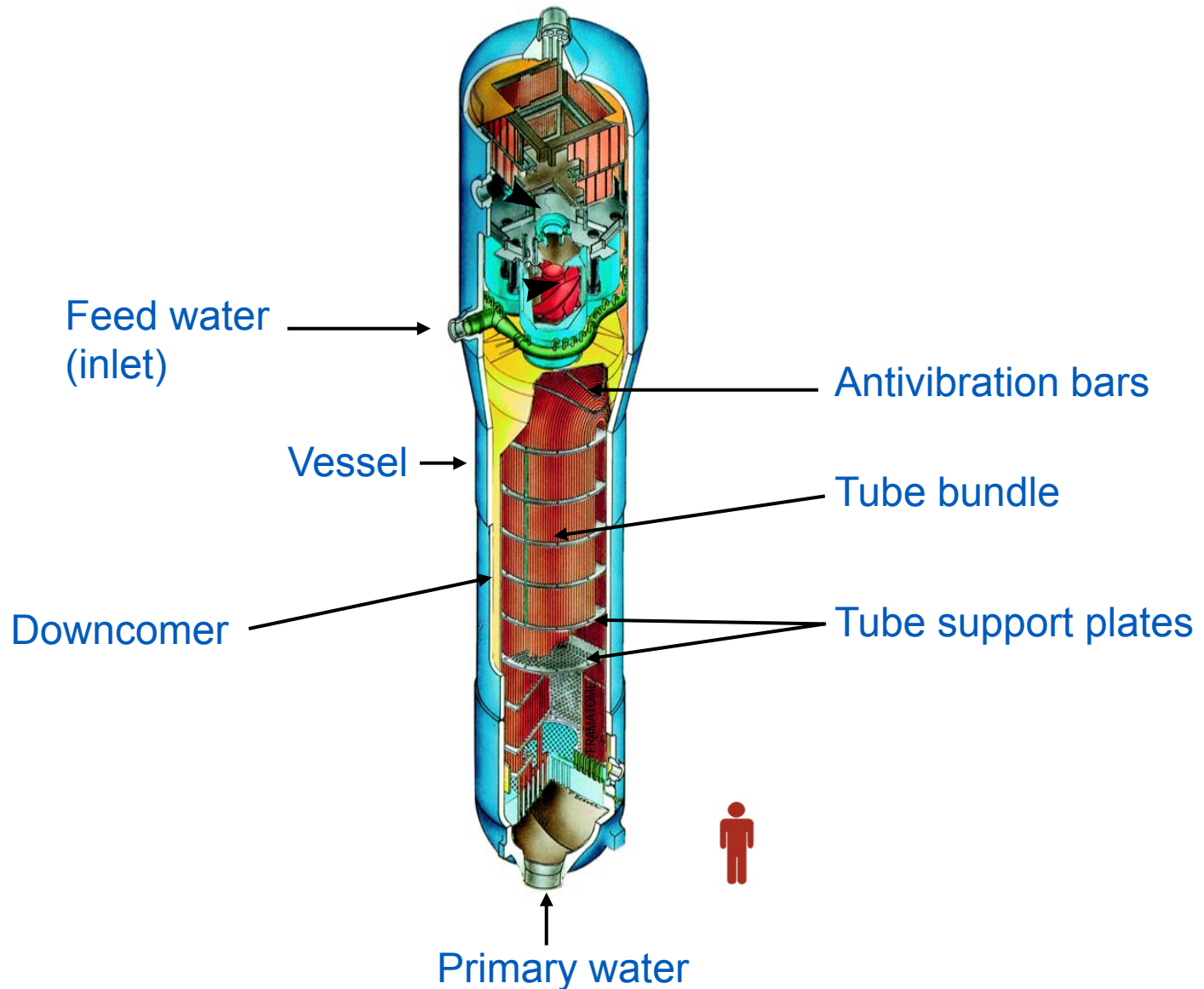
○ Environment	~1.0 %
○ System services	~1.5 %
○ Optimisation (fuel and modulation)	3 to 4 %
	<hr/>
	6 to 7 %

- $K_d = \text{Available energy} / \text{Maximum theoretical energy}$
- $K_u = \text{Energy generated} / \text{Available energy}$
- $K_p : \text{« Load Factor »} = K_d \times K_u$

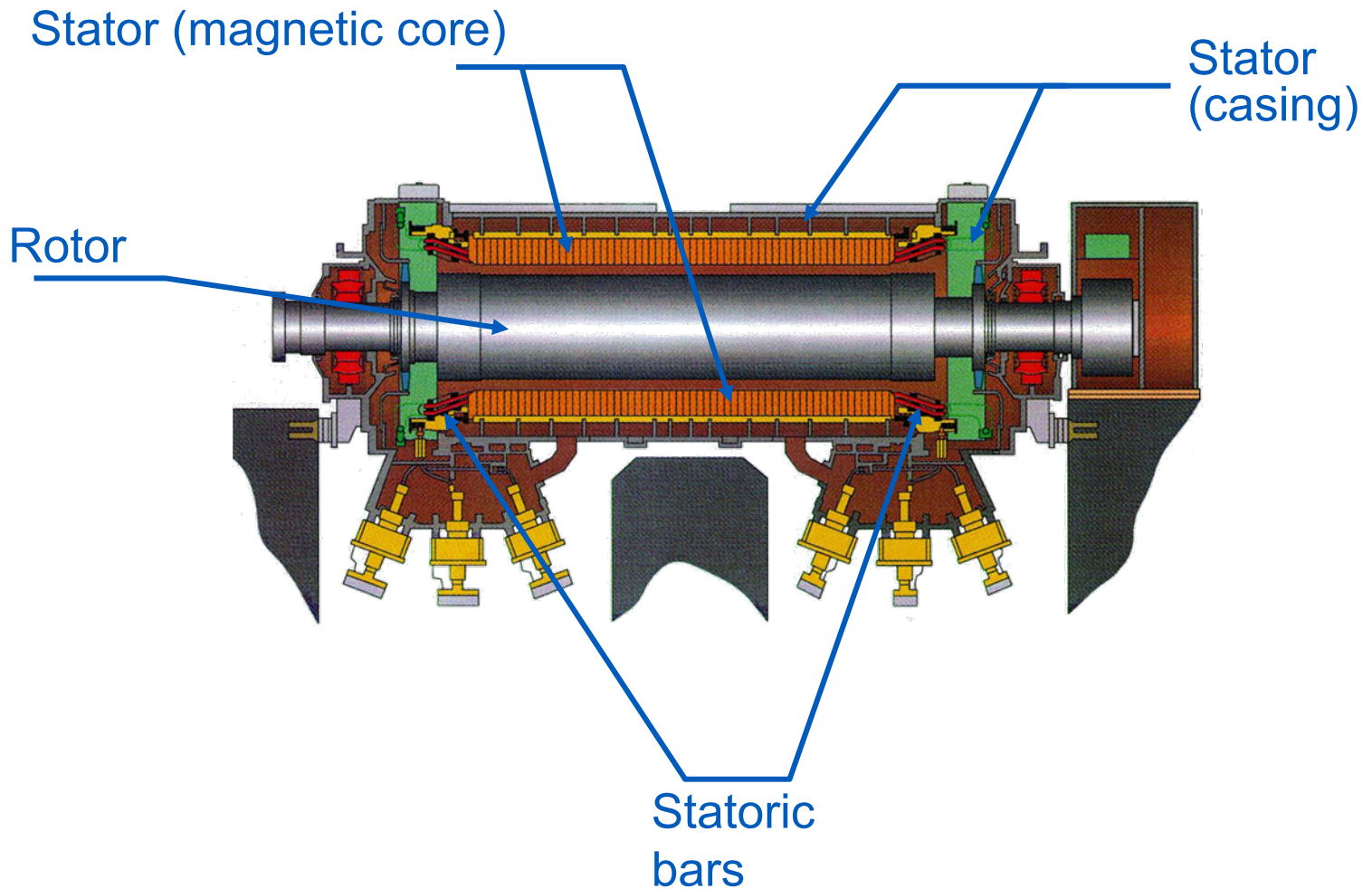
# The nuclear power plant



# The steam generator



# The alternator



# Availability of the nuclear fleet since 1980

*Kd (%)*

