BOARD OF DIRECTORS' MEETING OF JULY 29, 2010

CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS AT JUNE 30, 2010

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Consolidated Income Statements

(in millions of euros)	Notes	H1 2010	H1 2009 (1)
Sales	7	37,513	34,827
Fuel and energy purchases	8	(15,743)	(13,995)
Other external expenses	9	(5,170)	(5,138)
Personnel expenses		(6,082)	(5,758)
Taxes other than income taxes	11	(1,708)	(1,650)
Other operating income and expenses	12	1,828	1,650
Prolongation of the transition tariff system TaRTAM – law of June 7, 2010	13	(265)	-
Operating profit before depreciation and amortization		**10,373**	**9,936**
Net changes in fair value on Energy and Commodity derivatives, excluding trading activities	14	58	309
Net depreciation and amortization		(3,824)	(3,478)
Net increases in provisions for renewal of property, plant and equipment operated under concession		(251)	(296)
(Impairment) / reversals		(7)	(17)
Other income and expenses	15	(1,060)	330
Operating profit		**5,289**	**6,784**
Cost of gross financial indebtedness	16.1	(1,379)	(1,271)
Discount expense	16.2	(1,690)	(1,592)
Other financial income and expenses	16.3	700	661
Financial result	16	**(2,369)**	**(2,202)**
Income before taxes of consolidated companies		**2,920**	**4,582**
Income taxes	17	(1,241)	(1,523)
Share in income of associates	23	147	138
Net income		**1,826**	**3,197**
Net income attributable to non-controlling interests		167	74
EDF Net income		**1,659**	**3,123**
EDF net earnings per share			
Net earnings per share in euros	26.4	**0.90**	**1.71**
Diluted earnings per share in euros	26.4	**0.90**	**1.71**

(1) Figures for the first half of 2009 have been adjusted for the impact of retrospective application of IFRIC 18 “Transfers of Assets from Customers”, IFRIC 12 “Service Concession Arrangements” and the change in presentation of net changes in fair value on Energy and Commodity derivatives, excluding trading activities (see note 2).

Statements of net income and gains and losses recorded directly in equity

(in millions of euros)	Notes	H1 2010	H1 2009 (1)
Group net income		**1,826**	**3,197**
Changes in the fair value of available-for-sale financial assets (2)	**24.2.2**	31	404
Changes in the fair value of available-for-sale financial assets transferred to income on sale		(75)	47
Changes in the fair value of hedging instruments (3)	**30**	(478)	(1,766)
Changes in the fair value of hedging instruments transferred to income on sale		20	869
Translation adjustments		2,716	954
Taxes		(150)	188
Gains and losses recorded directly in equity		**2,064**	**696**
Net income and gains and losses recorded directly in equity		**3,890**	**3,893**
EDF Net income		3,484	3,825
Net income attributable to non-controlling interests		406	68

(1) Figures for the first half of 2009 have been adjusted for the impact of application of IFRIC 18 and IFRIC 12 (see note 2).

(2) EDF's share amounts to €29 million for the first half of 2010 (€399 million for the first half of 2009).

(3) EDF's share amounts to €(448) million for the first half of 2010 (€(1,760) million for the first half of 2009).

Consolidated Balance Sheets

ASSETS (in millions of euros)	Notes	06.30.2010	12.31.2009 (1)
Goodwill	18	14,293	13,526
Other intangible assets	19	5,291	5,579
Property, plant and equipment operated under French public electricity distribution concessions	20	43,005	42,451
Property, plant and equipment operated under concessions for other activities	21	27,865	26,857
Property, plant and equipment used in generation and other tangible assets owned by the Group	22	61,955	58,734
Investments in associates	23	4,864	4,421
Non-current financial assets	24	25,851	24,498
Deferred tax assets		1,967	2,490
Non-current assets		**185,091**	**178,556**
Inventories, including work-in-process		12,922	12,662
Trade receivables		18,955	19,633
Current financial assets	24	14,563	12,450
Current tax assets		648	376
Other receivables		9,304	8,111
Cash and cash equivalents		6,375	6,982
Current assets		**62,767**	**60,214**
Assets classified as held for sale	25	142	1,265
TOTAL ASSETS		**248,000**	**240,035**

EQUITY AND LIABILITIES (in millions of euros)	Notes	06.30.2010	12.31.2009 (1)
Capital	26	924	924
EDF net Income and consolidated reserves		31,354	28,967
Equity (EDF share)		**32,278**	**29,891**
Non controlling interests		5,574	4,776
Total Equity	26	**37,852**	**34,667**
Provisions for back-end nuclear cycle	27.2	17,841	17,531
Provisions for decommissioning and for last cores	27.3	20,949	20,003
Provisions for employee benefits	27.5	13,591	13,412
Other provisions	27.6	2,559	1,188
Non-current provisions	27.1	**54,940**	**52,134**
Grantors ' rights in existing assets operated under French public electricity distribution concessions	28	19,842	19,667
Grantors ' rights in assets to be replaced operated under French public electricity distribution concessions	28	20,705	20,210
Non-current financial liabilities	29.1	51,024	44,755
Other liabilities	32	5,319	3,360
Deferred tax liabilities		7,958	7,654
Non-current liabilities		**159,788**	**147,780**
Provisions	27.1	5,418	5,858
Trade payables		11,744	13,348
Current financial liabilities	29.1	12,454	16,560
Current tax liabilities		436	564
Other liabilities	32	20,289	20,847
Current liabilities		**50,341**	**57,177**
Liabilities related to assets classified as held for sale	25	19	411
TOTAL EQUITY AND LIABILITIES		**248,000**	**240,035**

(1) Figures for the year 2009 have been adjusted for the impact of application of IFRIC 18 and IFRIC 12 (see note 2).

Consolidated Cash Flow Statements

(in millions of euros)	Notes	H1 2010	H1 2009 [1]
Operating activities :			
Income before tax from consolidated companies		**2,920**	**4,582**
Impairment		7	17
Accumulated depreciation and amortization, provisions and change in fair value		5,490	2,577
Financial income and expenses		882	865
Dividends received from associates		94	146
Capital gains/losses		(71)	(324)
Change in working capital		783	232
Net cash flow from operations		**10,105**	**8,095**
Net financial expenses disbursed		(1,129)	(813)
Income taxes paid		(1,177)	(85)
Net cash flow from operating activities		**7,799**	**7,197**
Investing activities :			
Acquisition/disposal of companies, net of cash acquired/transferred [2]		357	(10,964)
Purchases of property, plant and equipment and intangible assets		(5,993)	(5,565)
Net proceeds from sale of property, plant and equipment and intangible assets		90	84
Changes in financial assets	**24.1**	(3,165)	(594)
Net cash flow used in investing activities		**(8,711)**	**(17,039)**
Financing activities :			
Transactions with non-controlling interests [3]		(185)	(120)
Dividends paid by parent company	**26.3**	(1,109)	(1,164)
Dividends paid to non controlling interests		(96)	(61)
Purchases / sales of treasury shares	**26.2**	(9)	1
Cash flows with shareholders		***(1,399)***	***(1,344)***
Issuance of borrowings	**29.2**	5,559	20,362
Repayment of borrowings		(4,222)	(8,668)
Increase in special concession liabilities		105	94
Investment subsidies		51	45
Other cash flows from financing activities		***1,493***	***11,833***
Net cash flow from financing activities		**94**	**10,489**
Net increase/(decrease) in cash and cash equivalents		**(818)**	**647**
Cash and cash equivalents - opening balance		**6,982**	**5,869**
Effect of currency fluctuations		182	(326)
Financial income on cash and cash equivalents		12	39
Effect of other reclassifications		17	(20)
Cash and cash equivalents - closing balance		**6,375**	**6,209**

(1) Figures for the first half of 2009 have been adjusted for the impact of application of IFRIC 18, IFRIC 12 and revised IAS 27 “Consolidated and Separate Financial Statements” (see note 2).

(2) In the first half of 2009, the purchase offer for British Energy and subsequent squeeze-out offer resulted in a £10,124 million payment (€10,819 million). At January 5, 2009, British Energy’s cash and cash equivalents amounted to £1,224 million (€1,308 million).

(3) Contributions in the form of capital increases or reductions and acquisitions of additional interests in controlled companies.

Changes in Consolidated Equity

The changes in equity between January 1 and June 30, 2010 are as follows:

(in millions of euros)	Capital	Consolidated reserves and net income	Treasury shares	Translation adjustments	Impact of restatement to fair value of financial instruments (2)	Equity (EDF share)	Non-controlling interests	Total Equity
Equity at December 31, 2009 adjusted (1)	**924**	**30,627**	**26**	**(1,320)**	**(366)**	**29,891**	**4,776**	**34,667**
Gains and losses recorded directly in equity	-	-	-	2,449	(624)	**1,825**	239	**2,064**
Net income	-	1,659	-	-	-	**1,659**	167	**1,826**
Net income and gains and losses recorded directly in equity	**-**	**1,659**	**-**	**2,449**	**(624)**	**3,484**	**406**	**3,890**
Dividends paid	-	(1,109)	-	-	-	**(1,109)**	(108)	**(1,217)**
Purchases / Sales of treasury shares	-	-	(9)	-	-	**(9)**	-	**(9)**
Other changes (3)	-	73	(36)	(10)	(6)	**21**	500	**521**
Equity at June 30, 2010	**924**	**31,250**	**(19)**	**1,119**	**(996)**	**32,278**	**5,574**	**37,852**

(1) The figures reported at June 30, 2009 and December 31, 2009 have been adjusted for the impact of application of IFRIC 18 and IFRIC 12 (see note 2).

(2) These changes correspond to the effects of fair value measurement of available-for-sale assets and amounts transferred to income following changes in their fair value, and the effects of fair value measurement of hedging instruments and amounts transferred to income in respect of terminated contracts. For details see the statements of net income and gains and losses recorded directly in equity.

(3) Other changes attributable to non-controlling interests include an amount of €595 million relating to minority shareholdings in SPE (see note 32).

The changes in equity between January 1 and June 30, 2009 are as follows:

(in millions of euros)	Capital	Consolidated reserves and net income	Treasury shares	Translation adjustments	Impact of restatement to fair value of financial instruments (2)	Equity (EDF share)	Non-controlling interests	Total Equity
Equity at December 31, 2008	**911**	**25,501**	**(186)**	**(1,638)**	**(1,391)**	**23,197**	**1,801**	**24,998**
Adjustments for application of IFRIC18		1,938	-	-	-	**1,938**	3	**1,941**
Adjustments for application of IFRIC12		4	-	-	-	**4**	-	**4**
Equity at January 1, 2009 adjusted	**911**	**27,443**	**(186)**	**(1,638)**	**(1,391)**	**25,139**	**1,804**	**26,943**
Gains and losses recorded directly in equity	**-**	**-**	**-**	959	(257)	**702**	(6)	**696**
Net income	-	3,123	-	-	-	**3,123**	74	**3,197**
Net income and gains and losses recorded directly in equity	**-**	**3,123**	**-**	**959**	**(257)**	**3,825**	**68**	**3,893**
Dividends paid	-	(1,164)	-	-	-	**(1,164)**	(72)	**(1,236)**
Purchases / Sales of treasury shares	-	-	1	-	-	**1**	-	**1**
Other changes	-	224	-	(61)	-	**163**	(64)	**99**
Equity at June 30, 2009 (1)	**911**	**29,626**	**(185)**	**(740)**	**(1,648)**	**27,964**	**1,736**	**29,700**

(1) The figures reported at June 30, 2009 and December 31, 2009 have been adjusted for the impact of application of IFRIC 18 and IFRIC 12 (see note 2).

(2) These changes correspond to the effects of fair value measurement of available-for-sale assets and amounts transferred to income following changes in their fair value, and the effects of fair value measurement of hedging instruments and amounts transferred to income in respect of terminated contracts. For details see the statements of net income and gains and losses recorded directly in equity.

Notes to the consolidated financial statements

Electricité de France (EDF or "the Company") is a French s*ociété anonyme* governed by French Law, and registered in France.

The EDF group is an integrated energy company operating in all types of energy businesses: generation, transmission, distribution, supply and trading of energies.

The Company's condensed consolidated half-year financial statements for the six months to June 30, 2010 include the accounts of companies directly or indirectly under the exclusive control of the Company and its subsidiaries, the accounts of jointly-controlled companies (joint ventures) and the accounts of companies in which the Group exercises significant influence (associates), which are accounted for under the equity method. All these economic entities are collectively referred to as the "Group".

The Group's consolidated financial statements at June 30, 2010 were prepared under the responsibility of the Board of Directors and approved by the Directors at the Board meeting held on July 29, 2010.

The comparative figures reported in the notes to the financial statements at June 30, 2009 or December 31, 2009 have been adjusted for the impact of application of IFRIC 18 "Transfers of Assets from Customers" and IFRIC 12 "Service Concession Arrangements", and for the change in presentation in the income statement concerning net changes in fair value on Energy and Commodity derivatives, excluding trading activities (see note 2).

Note 1 - Group accounting principles and methods

1.1 Declaration of conformity and Group accounting policies

Pursuant to European regulation 1606/2002 of July 19, 2002 on the adoption of international accounting standards, the EDF group's condensed consolidated financial statements at June 30, 2010 are prepared using the presentation, recognition and measurement rules prescribed by the international accounting standards published by the IASB and approved by the European Union for application at June 30, 2010. These international standards are IAS (International Accounting Standards), IFRS (International Financial Reporting Standards), and interpretations issued by the SIC and IFRIC.

The condensed consolidated half-year financial statements comply with IAS 34 standard on interim financial reporting and the IAS/IFRS international accounting standards released at June 30, 2010, in the form in which they should be mandatory at December 31, 2010.
These financial statements do not include all the information required for full annual financial statements, and are to be read in conjunction with the consolidated financial statements at December 31, 2009 with reference to the principal accounting and valuation methods described in notes 1 and 3 to those financial statements.

1.2 Accounting methods for the first half-year of 2010

The accounting and valuation methods applied by the Group in these consolidated half-year financial statements are identical to those used in the consolidated financial statements for the year ended December 31, 2009, with the exception of the valuation methods specific to interim financial statements as described in note 1.3 and standards endorsed by the European Union in 2008, 2009 and 2010 that became mandatory from January 1, 2010.

The following standards and interpretations have been endorsed by the European Union and their application is mandatory as of January 1, 2010:

- revised IAS 27, "Consolidated and Separate Financial Statements", and revised IFRS 3, "Business combinations", applicable to business combinations that take place on or after January 1, 2010. For each new business combination, the Group will examine the value of non-controlling interests at the date of acquisition, as allowed by these new standards. However, the Group will seek a generally homogeneous approach, in most cases using the partial goodwill method, recognizing only its own interest in the company acquired, excluding non-controlling interests. As these standards are applied prospectively, operations prior to January 1, 2010 have not been adjusted, except for reclassifications between investing and financing cash flows in the cash flow statement to reflect retrospective application of the

amendment to IAS 7 resulting from revision of IAS 27 (see note 2);
- revised IFRS 1, “First-time Adoption of International Financial Reporting Standards”, which has no impact on the Group’s financial statements;
- IFRIC 12, “Service Concession Arrangements” for concession agreements governed by this interpretation: depending on the remuneration method applied, the concession operator records infrastructures as a tangible asset or a financial asset. This interpretation has a limited impact on the Group’s financial statements (see note 2);
- IFRIC 18, “Transfers of Assets from Customers”, applies to contracts (other than those within the scope of IFRIC 12 and IFRIC 4) in which an entity receives a connection facility (or the cash required for acquisition or construction of such a facility) from a customer. For these contracts, IFRIC 18 requires to recognize the transferred asset as an item of property, plant and equipment and stipulates whether income is to be deferred or not, depending on the nature of the identifiable services (connecting the customer to the network, providing the customer with ongoing access to a supply of goods or services, or both).The Group has decided to apply this interpretation retrospectively (see note 2);

Application of the following amendments became mandatory from January 1, 2010 but has no impact on the Group’s consolidated financial statements:
- IFRIC 15, “Agreements for the Construction of Real Estate”, IFRIC 16, “Hedges of a Net Investment in a Foreign Operation” and IFRIC 17, “Distributions of Non-cash Assets to Owners”;
- amendments on “Eligible hedged items” to IAS 39, “Financial instruments: recognition and measurement”;
- amendments on “Additional exemptions for first-time adopters” to IFRS 1, “First-time Adoption of International Financial Reporting Standards”;
- amendments on “Group cash-settled share-based payment transactions” to IFRS 2, “Share-based payment”. These amendments also incorporate the provisions of IFRIC 8, “Scope of IFRS 2” and IFRIC 11, “IFRS 2: Group and Treasury Share Transactions”, which are thus withdrawn;
- amendments to IFRS 5, “Non-current Assets Held for Sale and Discontinued Operations”, contained in the annual improvements to IFRS (2006-2008);
- annual improvements to IFRS (2007-2009).

The Group has decided against early application of the amendment on “Classification of rights issues” to IAS 32, “Financial instruments: Presentation”, which was adopted by the European Union on December 24, 2009. The latest date for application of this amendment is the opening date of the first financial year beginning after January 31, 2010, i.e. for EDF, January 1, 2011. The potential impact is currently being evaluated.

Similarly, the Group has not opted for early application of the following standards, amendments and interpretation likely to be approved by the European Union in the second half of 2010 or in 2011:
- revised IAS 24, “Related Party Disclosures”;
- annual improvements to IFRS (2008-2010);
- amendments on “Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters” to IFRS 1;
- amendments on “Prepayments of a minimum funding requirement” to IFRIC 14;
- IFRIC 19, “Extinguishing Financial Liabilities with Equity Instruments”.

The potential impact of the above standards, amendments and interpretation is still under assessment.

Finally, as part of the ongoing overhaul of IAS 39, the IASB adopted a new standard, IFRS 9, “Financial instruments” (Phase 1, Classification and Measurement) in November 2009. In application of current regulations, this standard, which has not yet been adopted by the European Union, cannot be applied early for the first half-year of 2010.

1.3 Valuation methods specific to interim financial statements

The following valuation methods specific to interim financial statements have been applied:

1.3.1 Employee benefits

None of the actuarial assumptions used in calculating the obligation – particularly the discount rate, inflation rate and wage increase rate – has been modified over the period.

The amount of the obligation corresponding to post-employment benefits and other long-term benefits at June 30, 2010 was calculated by projection of the obligation at December 31, 2009 over one half-year, taking into account the benefits paid out and the changes in fund assets.

1.3.2 Income taxes

For interim financial statements, income tax (current and deferred) is generally calculated by applying the last known estimated effective tax rate for the prevailing fiscal year for each entity or tax group to the consolidated companies' pre-tax income.

1.3.3 Greenhouse gas emission quotas

When a Group entity's estimated emissions are higher than the quotas allocated for the period less any spot or forward transactions, a provision is established to cover the excess emissions. For interim financial statements, the amount of the provision is calculated pro rata to the emission output during the half-year.
The provision is equivalent to the acquisition cost up to the amount acquired on the spot or forward markets, and based on market prices for the balance.

1.4 Management judgment and estimates

The preparation of the financial statements requires the use of judgments, best estimates and assumptions in determining the value of assets and liabilities, income and expenses recorded for the period, and positive and negative contingencies at the closing date. The figures in future financial statements may differ from current estimates due to changes in these assumptions or economic conditions.

The estimates and assumptions used in establishing the consolidated half-year financial statements at June 30, 2010 are the same as those described in note 3.2 of the consolidated financial statements at December 31, 2009.

In the current context characterized by high volatility on the financial markets, the parameters used to prepare estimates are based on macro-economic assumptions appropriate to the very long-term cycle of Group assets.

The quantities of energy delivered but neither measured nor billed are calculated at the reporting date based on consumption statistics and selling price estimates. These statistics and estimates are sensitive to the assumptions used in determining the portion of sales not billed at the closing date.

The measurement of provisions for the back-end nuclear cycle, decommissioning and last cores is sensitive to assumptions concerning costs, inflation rate, long-term discount rate, and disbursement schedules. A revised estimate is therefore established at each closing date to ensure that the amounts accrued correspond to the best estimate of the costs eventually to be borne by the Group. Any significant differences resulting from these revised estimates could entail changes in the amounts accrued (see notes 27.2 and 27.3).

1.5 Seasonal nature of the business

Interim sales and operating profit before depreciation and amortization are affected by significant seasonal factors in the first half of the calendar year, principally in France. The variations observed are mainly associated with weather conditions and the tariff structures of the period.
To illustrate this, the table below shows the sales and operating profit before depreciation and amortization for the first half and second half of 2009, and for the year 2009:

(in millions of euros)	H1 2009	H2 2009	2009
Sales	34,827	31,377	66,204
Operating profit before depreciation and amortization	9,936	7,186	17,122

Note 2 - Comparability

The Group has made several changes to its accounting methods in 2010, with the effects described below.

2.1 IFRIC 18 "Transfers of Assets from Customers"

Application of IFRIC 18, "Transfers of assets from customers", has been mandatory since January 1, 2010. This entails a change in accounting methods for EDF, ERDF, Electricité de Strasbourg, EDF Energy and Demasz. For these entities, as of January 1, 2010 connection income is recorded directly in revenues for the period instead of being deferred as previously, and the corresponding existing deferred income has been transferred to equity. For EDF Energy and Demasz, due to the way income is received on regulated assets, immediate recognition in revenues is offset by accelerated depreciation of the connection assets concerned. As valuations and the other information necessary to apply IFRIC 18 to past transfers were available in the Group entities concerned, this interpretation is applied retrospectively and prior period comparative information is therefore presented. The positive impact on EDF's share of equity is €1,938 million at January 1, 2009 and €1,934 million at December 31, 2009. This impact concerns EDF, ERDF and Electricité de Strasbourg only.

2.2 IFRIC 12 "Service Concession Arrangements"

IFRIC 12 became mandatory on January 1, 2010. It applies to certain agreements in the Edison and Dalkia subgroups: the relevant infrastructures are now recognized as intangible assets instead of property, plant and equipment.
As IFRIC 12 has been applied retrospectively, comparative information is presented for the previous half-year.
Application of this interpretation has no significant impact on equity at January 1, 2009 and December 31, 2009. Net property, plant and equipment were reduced by €124 million at December 31, 2009, with an equivalent increase in intangible assets.

2.3 Change in presentation of the net change in fair value on Energy and Commodity derivatives, excluding trading activities

To improve the presentation of operating performance, the Group has changed the income statement presentation of the net changes in fair value measurement of Energy and Commodity derivatives, excluding trading activities.
The items concerned are mostly fair value changes over the period on derivative financial instruments that are used for economic hedging of commodity purchases or sales and do not qualify for hedge accounting as defined in IAS 39. These changes are therefore recorded directly in the income statement.
Starting in 2010, the Group has decided to report these items on a separate line in the income statement under the heading "Net changes in fair value on Energy and Commodity derivatives, excluding trading activities" below "Operating profit before depreciation and amortization". These impacts were previously recorded in sales and fuel and energy purchases, depending on whether the derivatives were used for economic hedging of sales or energy purchases.
This change in presentation has a negative impact of €309 million on the operating profit before depreciation and amortization for the first half of 2009 (€174 million on sales and €135 million on fuel and energy purchases). There is no impact on the Group's consolidated net income or consolidated equity.

2.4 Revised IAS 27 "Consolidated and Separate Financial Statements"

Revised IAS 27 amends the provisions of IAS 7, "Statement of cash flows" retrospectively and accordingly comparative prior year information is presented.
All cash flows resulting from changes in the percentage interest in a subsidiary entailing no loss of control are now reported on a specific line ("Transactions with non-controlling interests") in the cash flows from financing activities in the consolidated cash flow statements. These cash flows were previously reported in cash flows from investing activities under "Acquisition/disposal of companies, net of cash acquired/transferred".

2.5 Impact on the consolidated income statement for the first half-year of 2009

(in millions of euros)	H1 2009 as published	IFRIC18 impacts	IFRIC12 impacts	IAS 39 impacts Economic hedging	H1 2009 adjusted
Sales	34,897	103	1	(174)	34,827
Fuel and energy purchases	(13,860)	-	-	(135)	(13,995)
Other external expenses	(5,138)	-	-	-	(5,138)
Personnel expenses	(5,758)	-	-	-	(5,758)
Taxes other than income taxes	(1,650)	-	-	-	(1,650)
Other operating income and expenses	1,650	-	-	-	1,650
Operating profit before depreciation and amortization	**10,141**	**103**	**1**	**(309)**	**9,936**
Net changes in fair value on Energy and Commodity derivatives, excluding trading activities			-	309	309
Net depreciation and amortization	(3,383)	(95)	-	-	(3,478)
Net increases in provisions for renewal of property, plant and equipment operated under concession	(296)	-	-	-	(296)
(Impairment) / reversals	(17)	-	-	-	(17)
Other income and expenses	330	-	-	-	330
Operating profit	**6,775**	**8**	**1**	**-**	**6,784**
Cost of gross financial indebtedness	(1,271)	-	-	-	(1,271)
Discount expense	(1,592)	-	-	-	(1,592)
Other financial income and expenses	661	-	-	-	661
Financial result	**(2,202)**	**-**	**-**	**-**	**(2,202)**
Income before taxes of consolidated companies	**4,573**	**8**	**1**	**-**	**4,582**
Income taxes	(1,520)	(3)	-	-	(1,523)
Share in income of associates	138	-	-	-	138
Net income	**3,191**	**5**	**1**	**-**	**3,197**
Net income attributable to non-controlling interests	74	-	-	-	74
EDF Net income	**3,117**	**5**	**1**	**-**	**3,123**

2.6 Impact on the consolidated balance sheet at December 31, 2009

ASSETS (in millions of euros)	**12.31.2009**	**IFRIC18 impacts**	**IFRIC12 impacts**	**12.31.2009 adjusted**
Goodwill	13,526	-	-	13,526
Other intangible assets	5,455	-	124	5,579
Property, plant and equipment operated under French public electricity distribution concessions	42,451	-	-	42,451
Property, plant and equipment operated under concessions for other activities	28,251	(1,270)	(124)	26,857
Property, plant and equipment used in generation and other assets owned by the Group	58,734	-	-	58,734
Investments in associates	4,421	-	-	4,421
Non-current financial assets	24,498	-	-	24,498
Deferred tax assets	3,099	(609)	-	2,490
Non-current assets	**180,435**	**(1,879)**	**-**	**178,556**
Inventories, including work-in-process	12,662	-	-	12,662
Trade receivables	19,633	-	-	19,633
Current financial assets	12,450	-	-	12,450
Current tax assets	376	-	-	376
Other receivables	8,111	-	-	8,111
Cash and cash equivalents	6,982	-	-	6,982
Current assets	**60,214**	**-**	**-**	**60,214**
Assets classified as held for sale	1,265	-	-	1,265
TOTAL ASSETS	**241,914**	**(1,879)**	**-**	**240,035**

EQUITY AND LIABILITIES (in millions of euros)	**12.31.2009**	**IFRIC18 impacts**	**IFRIC12 impacts**	**12.31.2009 adjusted**
Capital	924	-	-	924
EDF net Income and consolidated reserves	27,028	1,934	5	28,967
Equity (EDF share)	**27,952**	**1,934**	**5**	**29,891**
Non controlling interests	4,773	3	-	4,776
Total Equity	**32,725**	**1,937**	**5**	**34,667**
Provisions for back-end nuclear cycle	17,531	-	-	17,531
Provisions for decommissioning and for last cores	20,003	-	-	20,003
Provisions for employee benefits	13,412	-	-	13,412
Other provisions	1,188	-	-	1,188
Non-current provisions	**52,134**	**-**	**-**	**52,134**
Grantors ' rights in assets operated under French public electricity distribution concessions				
- existing	19,667	-	-	19,667
- to be replaced	20,217	-	(7)	20,210
Non-current financial liabilities	44,755	-	-	44,755
Other liabilities	5,725	(2,365)	-	3,360
Deferred tax liabilities	7,652	-	2	7,654
Non-current liabilities	**150,150**	**(2,365)**	**(5)**	**147,780**
Provisions	5,858	-	-	5,858
Trade payables	13,348	-	-	13,348
Current financial liabilities	16,560	-	-	16,560
Current tax liabilities	564	-	-	564
Other liabilities	22,298	(1,451)	-	20,847
Current liabilities	**58,628**	**(1,451)**	**-**	**57,177**
Liabilities related to assets classified as held for sale	411	-	-	411
TOTAL EQUITY AND LIABILITIES	**241,914**	**(1,879)**	**-**	**240,035**

2.7 Impact on the consolidated cash flow statement for the first half-year of 2009

(in millions of euros)	H1 2009 as published	IFRIC18 impacts	IFRIC12 impacts	IAS 7 (amended) impacts	H1 2009 adjusted
Operating activities :					
Income before tax from consolidated companies	**4,573**	**8**	**1**	-	**4,582**
Accumulated depreciation and amortization, provisions and change in fair value	2,500	95	(1)	-	2,594
Financial income and expenses	865	-	-	-	865
Dividends received from associates	146	-	-	-	146
Capital gains/losses	(324)	-	-	-	(324)
Change in working capital	335	(103)	-	-	232
Net cash flow from operations	**8,095**	-	-	-	**8,095**
Net financial expenses disbursed	(813)	-	-	-	(813)
Income taxes paid	(85)	-	-	-	(85)
Net cash flow from operating activities	**7,197**	-	-	-	**7,197**
Investing activities :					
Acquisition/disposal of companies, net of cash acquired/transferred	(11,084)	-	-	120	(10,964)
Purchases of property, plant and equipment and intangible assets	(5,565)	-	-	-	(5,565)
Net proceeds from sale of property, plant and equipment and intangible assets	84	-	-	-	84
Changes in financial assets	(594)	-	-	-	(594)
Net cash flow used in investing activities	**(17,159)**	-	-	**120**	**(17,039)**
Financing activities :					
Transactions with non-controlling interests	-	-	-	(120)	(120)
Dividends paid by parent company	(1,164)	-	-	-	(1,164)
Dividends paid to non controlling interests	(61)	-	-	-	(61)
Purchases / sales of treasury shares	1	-	-	-	1
Cash flows with shareholders	***(1,224)***	-	-	***(120)***	***(1,344)***
Issuance of borrowings	20,362	-	-	-	20,362
Repayment of borrowings	(8,668)	-	-	-	(8,668)
Increase in special concession liabilities	94	-	-	-	94
Investment subsidies	45	-	-	-	45
Other cash flows from financing activities	***11,833***	-	-	-	***11,833***
Net cash flow from financing activities	**10,609**	-	-	**(120)**	**10,489**
Net increase/(decrease) in cash and cash equivalents	**647**	-	-	-	**647**
Cash and cash equivalents - opening balance	**5,869**	-	-	-	**5,869**
Effect of currency fluctuations	(326)	-	-	-	(326)
Financial income on cash and cash equivalents	39	-	-	-	39
Effect of other reclassifications	(20)	-	-	-	(20)
Cash and cash equivalents - closing balance	**6,209**	-	-	-	**6,209**

Note 3 - Regulatory changes in France

3.1 Hydropower concessions

On April 22, 2010 the French Ministry of Ecology, Energy, Sustainable Development and the Sea announced the list of hydroelectric concessions that are to be renewed by 2015. Ten concessions are concerned, comprising fifty plants with a combined power output of 5,300 MW (4,350 MW of which are generated by EDF). Facilities along the same valley have been grouped together, so that a single operator will be responsible for running the plants and meeting the needs of all stakeholders. The outgoing operators concerned will receive indemnities to compensate for early termination of their concessions. As the amounts of these indemnities remain to be defined, no impact has been recognized in the consolidated financial statements at June 30, 2010.

3.2 Prolongation of the transition tariff system (TaRTAM)

The law of June 7, 2010 prolonged the TaRTAM (*tarif réglementé transitoire d'ajustement du marché*) transition tariff system by six months to December 31, 2010. This extension is reflected in the consolidated financial statements at June 30, 2010 by an additional provision of €280 million to cover compensation payable to electricity suppliers over the second half of 2010, offset to the extent of €15 million by amounts expected to be reinvoiced to partners in the nuclear plants.
This is the Group's best estimate, based on a series of assumptions that are subject to unforeseeable developments.

3.3 Pension reform

The French government published its proposed pension reform on June 16, 2010. Various measures were presented, some of which will have an impact on the special pension system for the electricity and gas sector (IEG) in France and the way it is financed.
As the final laws and regulations have not yet been enacted, no impact has been recognized in the consolidated financial statements at June 30, 2010.

Note 4 - Significant events and transactions of the first half-year of 2010

4.1 EDF group activities in the US

In October 2007, EDF began strategic cooperation with Constellation Energy Group (CEG) in order to participate in the nuclear energy relaunch in the US.

As a result of the cooperation agreement:

- EDF acquired an investment in CEG (owning 8.4% of its shares at June 30, 2010),
- Capital contributions totaling €617 million were made to Unistar, a proportionally consolidated 50/50 joint venture with CEG set up to develop "new nuclear" activities in the US.

When CEG experienced cash flow difficulties in the second half of 2008, EDF opted to maintain the cooperation and strengthen its links with CEG.

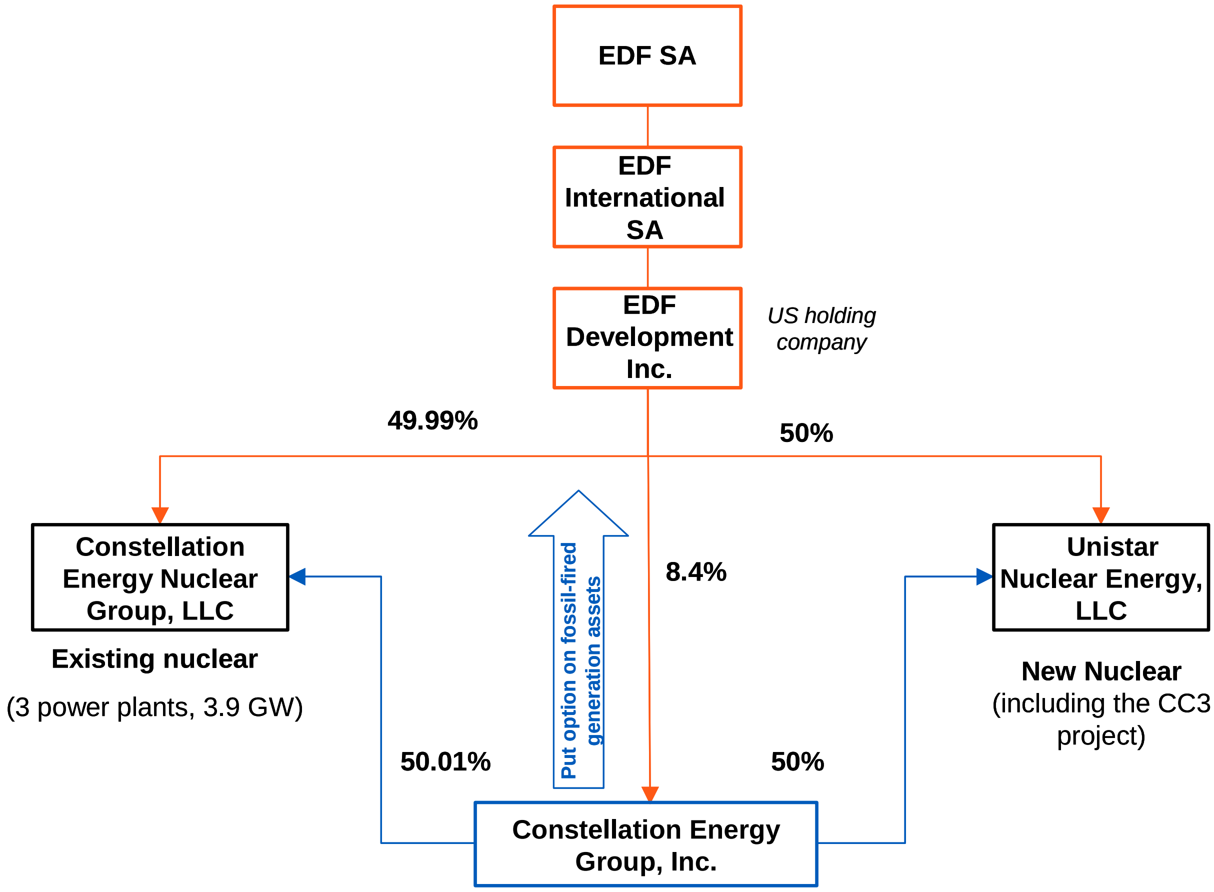
Therefore, on November 6, 2009, once all the required authorizations had been issued by the US federal and local authorities, EDF (through its wholly-owned subsidiary EDF, Inc.) and CEG finalized EDF's 49.99% investment in Constellation Energy Nuclear Group (CENG), which operates CEG's nuclear generation activities in the US. This transaction was initially planned in an agreement signed on December 17, 2008.

The total cost of this investment includes the initial acquisition price of $4,652 million, a possible future price supplement of $343 million, other expenses related to the acquisition totaling $169 million and a cash contribution of $110 million to CENG. Various liabilities associated with contractual energy sale commitments, amounting to approximately $600 million net of taxes (EDF's share), were also transferred to CENG.

Given the governance arrangements at CENG and the fact that operations are jointly controlled by the EDF group and CEG, CENG has been proportionally consolidated since the date of first inclusion in the scope of consolidation, November 6, 2009. EDF has twelve months to finalize allocation of the purchase price.

When this investment was acquired, other related agreements were also concluded, primarily a two-year put option (valid until December 31, 2010) intended to reinforce CEG's liquidity that entitles CEG to sell EDF eleven non-nuclear generation assets for a value of up to $2 billion.
No liability has been recognized in the financial statements, and this put option represents an off balance sheet commitment.

Structure of the EDF/CEG partnership



At June 30, 2010, new information and perspectives were incorporated into our assessment of the risks on investments undertaken as part of this cooperation:

- the market conditions reflected in the short-term and long-term outlook for energy prices in the US are less favorable, and this affects the expected return on existing assets of CENG and the new nuclear assets.

- in light of the new information and prospects, only one project is currently in development at this stage.

As a result of all the new information and perspectives, EDF recognized a provision of €1,060 million and a corresponding expense was recognized under "Other income and expenses".

This provision covers the risks of impairment of the assets of CENG, the investment in Unistar and certain future costs and risks associated with the project, as EDF still intends to continue studies for development of a new reactor on the Calvert Cliffs site.

The value of this provision and its allocation to the corresponding assets and liabilities will be finalized when the allocation of the purchase price for CENG is finalized during preparation of the financial statements at December 31, 2010.

4.2 Exeltium

The EDF Group and Exeltium (a consortium of electricity-intensive industrial operators) have now finalized the terms of the two-phase implementation of their partnership agreement entered into on July 31, 2008. The corresponding operations thus began on May 1, 2010 with deliveries of electricity to about a hundred industrial French sites, to the extent of approximately half of their entitlements under the agreement, which concerns total deliveries of approximately 310 TWh spread over 24 years.
In accordance with the agreement, Exeltium settled the first advance of €1.7 billion to EDF at the end of April, 2010. This advance was discounted to present value from reception date.

The agreement will contribute to furthering EDF's investment in renewal of its nuclear installations and secures some of the electricity supplies to the industrial customers who are shareholders in Exeltium.

4.3 Cancellation of the European Commission's decision of December 16, 2003

During the first half of 2010, the European Commission lodged an appeal before the Court of Justice of the European Union against the Court's decision that led the French State on December 30, 2009 to return to the EDF group the sum of €1,224 million corresponding to income taxes on the utilized portion of provisions for renewal of French national grid facilities recorded under "grantor's rights.

Note 5 - Changes in the scope of consolidation

The main changes in the scope of consolidation during the first half of 2010 were the following:

- SPE ("Other International" segment)

On November 26, 2009, EDF and Centrica executed an agreement concerning the sale to EDF by Centrica of its 51% holding in SPE for the sum of €1,328 million. SPE has been fully consolidated in the EDF Group's consolidated financial statements since that date.

The identifiable assets, liabilities and contingent liabilities of SPE qualifying for recognition under IFRS 3 (as published in 2004) are recognized in the opening balance sheet at their fair value at the acquisition date of November 26, 2009.

Based on the fair value of assets and liabilities, SPE's initial balance sheet for the purposes of consolidation at November 26, 2009 is as follows:

(in millions of euros)	Historical value in SPE financial statements	Fair value adjustment	Initial value in EDF consolidation
ASSETS			
Goodwill and other intangible assets	240	710	950
Generation assets	582	900	1,482
Inventories	21	1	22
Trade receivables	53	-	53
Other receivables	87	-	87
Financial assets	76	79	155
Cash and cash equivalents	344	-	344
TOTAL ASSETS	**1,403**	**1,690**	**3,093**
LIABILITIES			
Nuclear provisions	103	-	103
Provisions for employee benefits	20	10	30
Other provisions	62	1	63
Deferred taxes	-	474	474
Trade payables	90	-	90
Other payables	125	792	917
Financial liabilities	305	263	568
TOTAL LIABILITIES	**705**	**1,540**	**2,245**
NET ASSETS	**698**	**150**	**848**

EDF also entered into agreements on June 8, 2010 with the three Belgian shareholders who exercised all or part of their put option, purchasing their shares in SPE for the amount of €215 million. This transaction brought EDF's investment in the Belgian operator to 63.5%. Goodwill of €3 million was recorded at June 30, 2010 in addition to the provisional goodwill of €480 million determined at December 31, 2009 when EDF acquired its initial 51% in SPE.

In compliance with IFRS 3, the Group has 12 months to finalize allocation of the acquisition price and harmonize the valuation methods and rules. The final value will be recorded in the consolidated financial statements at December 31, 2010.

Note 6 - Segment reporting

Segment reporting presentation complies with IFRS 8, "Operating segments".

Segment reporting is determined before consolidation adjustments and inter-segment eliminations. Inter-segment transactions take place at market prices.

In accordance with IFRS 8, the breakdown used by the EDF group corresponds to the operating segments as regularly reviewed by the Group's Management Committee. The reporting segments used by the Group are:

- "**France**", which refers to EDF and its subsidiaries RTE EDF Transport and ERDF, comprising the deregulated activities (mainly Generation and Supply), network activities (Distribution and Transmission) and island activities;
- "**United Kingdom**", which comprises the entities of the EDF Energy subgroup including British Energy

and EDF Development UK Ltd;
- "**Germany**", which refers to the entities of the EnBW subgroup;
- "**Italy**", which covers the Edison subgroup, TDE and Fenice;
- "**Other international**", which covers EDF International and the other gas and electricity entities located principally in continental Europe, but also in the USA, Latin America and Asia.
- "**Other activities",** which groups together all the Group's other investments, including Electricité de Strasbourg, Dalkia, Tiru, EDF Energies Nouvelles, EDF Trading and EDF Investissement Groupe.

6.1 At June 30, 2010

(in millions of euros)	France	United Kingdom	Germany	Italy	Other international	Other activities	Eliminations	Total
External sales	18,915	5,640	4,111	2,753	3,457	2,637	-	37,513
Inter-segment sales	319	4	22	13	95	296	(749)	-
TOTAL SALES	**19,234**	**5,644**	**4,133**	**2,766**	**3,552**	**2,933**	**(749)**	**37,513**
OPERATING PROFIT BEFORE DEPRECIATION and AMORTIZATION	**6,031**	**1,601**	**816**	**365**	**602**	**958**	**-**	**10,373**
OPERATING PROFIT	**3,672**	**802**	**604**	**147**	**(633)**	**697**	**-**	**5,289**
OTHER INFORMATION:								
Investments in intangible assets and property, plant and equipment (1)	3,701	894	265	213	256	664	-	5,993
Net depreciation and amortization	(2,088)	(776)	(203)	(231)	(294)	(232)	-	(3,824)
Impairment	-	-	(6)	(2)	-	1	-	(7)

(1) Investments in intangible assets and property, plant and equipment correspond to purchases of fixed assets reported in the statement of cash flows.

6.2 At June 30, 2009

(in millions of euros)	France	United Kingdom	Germany	Italy	Other international	Other activities	Eliminations	Total
External sales	18,323	5,851	3,764	2,524	1,557	2,808	-	34,827
Inter-segment sales	273	-	10	3	54	272	(612)	-
TOTAL SALES	**18,596**	**5,851**	**3,774**	**2,527**	**1,611**	**3,080**	**(612)**	**34,827**
OPERATING PROFIT BEFORE DEPRECIATION and AMORTIZATION	**5,957**	**1,589**	**620**	**393**	**295**	**1,082**	**-**	**9,936**
OPERATING PROFIT	**4,004**	**932**	**464**	**147**	**191**	**1,046**	**-**	**6,784**
OTHER INFORMATION:								
Investments in intangible assets and property, plant and equipment (1)	3,408	969	222	267	136	563	-	5,565
Net depreciation and amortization	(1,993)	(772)	(185)	(237)	(103)	(188)	-	(3,478)
Impairment	-	-	(5)	(10)	(1)	(1)	-	(17)

(1) Investments in intangible assets and property, plant and equipment correspond to purchases of fixed assets reported in the statement of cash flows.

Note 7 - Sales

Sales are comprised of:

(in millions of euros)	H1 2010	H1 2009
Sales of energy and energy-related services	34,741	31,924
Other sales of goods and services	2,329	2,200
Trading	443	703
Sales	**37,513**	**34,827**

The increase in sales observed in first-half 2010 is primarily explained by changes in the scope of consolidation, particularly concerning SPE in Belgium and CENG in the US.

Note 8 - Fuel and energy purchases

Fuel and energy purchases comprise:

(in millions of euros)	H1 2010	H1 2009
Fuel purchases used - power generation	(5,571)	(5,303)
Energy purchases	(8,673)	(7,808)
Transmission and delivery expenses	(1,742)	(1,234)
Hedge accounting gain (loss)	(133)	(380)
(Increase)/decrease in provisions related to nuclear fuels and energy purchases	376	730
Fuel and energy purchases	**(15,743)**	**(13,995)**

Fuel and energy purchases are €1,748 million or 12.5% higher than for the first half-year of 2009 largely as a result of changes in the scope of consolidation.

Note 9 - Other external expenses

Other external expenses comprise:

(in millions of euros)	H1 2010	H1 2009
External services	(5,511)	(5,302)
Other purchases (excluding external services, fuel and energy)	(1,482)	(1,489)
Change in inventories and capitalized production	1,736	1,553
(Increase)/decrease in provisions on other external expenses	87	100
Other external expenses	**(5,170)**	**(5,138)**

Note 10 - Contractual obligations and commitments

10.1 Purchase commitments

Firm irrevocable purchase commitments for commodities energy and nuclear fuels amount to €51,578 million at December 31, 2009. There was no significant variation in the first half of 2010.

10.2 Electricity supply commitments

The main variation observed over the first half of 2010 relates to the agreement on the first phase of electricity supplies between the EDF group and Exeltium, which was finalized during the first half of 2010 (see note 4.2). EDF has undertaken to deliver approximately 150 TWh over a period of 24 years starting May 1, 2010.

10.3 Operating contract commitments and guarantees

At June 30, 2010, commitments and guarantees for the execution of operating contracts mature as follows:

	06.30.2010				12.31.2009
		Maturity			
(in millions of euros)	Total	< 1 year	1 - 5 years	> 5 years	Total
Satisfactory performance, completion and bid guarantees	**1,322**	271	1,012	39	**1,297**
Commitments related to orders for operating items [1]	**5,516**	3,407	1,659	450	**4,562**
Commitments related to orders for fixed assets	**11,347**	5,172	5,855	320	**10,406**
Other operating commitments	**3,956**	1,099	2,273	584	**3,859**
Operating commitments given	**22,141**	**9,949**	**10,799**	**1,393**	**20,124**
Operating commitments received	**7,890**	**4,924**	**2,805**	**161**	**9,165**

(1) Other than commodities and energy

Note 11 - Taxes other than income taxes

A new Local Economic Contribution (*Contribution Économique Territoriale*) was introduced in the business tax reform by the French Finance Law for 2010. The accounting treatment for the consolidated half-year financial statements is unaffected: this contribution, like business tax, is recorded under “Taxes other than income taxes” in the consolidated accounts.

Note 12 - Other operating income and expenses

Other operating income and expenses comprise:

(in millions of euros)	H1 2010	H1 2009
Operating subsidies	1,435	1,394
Net income on deconsolidation	150	2
Gains on disposal of property, plant and equipment	(80)	(31)
Net increase in provisions on current assets	(49)	(94)
Net increase in provisions for operating contingencies and losses	299	225
Other operating income and expenses	73	154
Other operating income and expenses	**1,828**	**1,650**

12.1 Operating subsidies

Operating subsidies mainly comprise the Contribution to the Public Electricity Service (CSPE) introduced by the French Law of January 3, 2003. This contribution is payable by end-users (both eligible and non-eligible) and collected by network operators or electricity suppliers, which then pay it to the State. It is intended to compensate for certain types of expense attributable to EDF's public service missions.

In the financial statements, this compensation results in recognition of income of €1,399 million in the first-half year of 2010 (€1,380 million in first-half year of 2009). The CSPE income receivable is valued on the basis of the most probable assumptions, assessed at June 30, 2010.

12.2 Net income on deconsolidation

In first-half 2010, the net income on deconsolidation includes the net gains on disposals of GESO by EnBW, the Eggborough plant by EDF Energy, and Usti (in the Czech Republic) by Dalkia International.

12.3 Net increase in provisions for operating contingencies and losses

In the first-half year of 2010, the net increase in provisions for operating contingencies and losses includes €266 million corresponding to reversals of negative fair value on British Energy commodity sales contracts recognized at the acquisition date of January 5, 2009 following their settlement (€162 million in the first-half year of 2009).

Note 13 - Prolongation of the transition tariff system (TaRTAM) – Law of June 7, 2010

Following the decision to prolong the transition tariff system to December 31, 2010 (see note 3.2), a charge of €265 million corresponding to an additional provision of €280 million less €15 million reinvoiced to partners in the nuclear plants was recorded at June 30, 2010 in respect of EDF's contribution to electricity supplier compensation in the second half of 2010.

Note 14 - Net changes in fair value on energy and commodity derivatives, excluding trading activities

Net changes in fair value on Energy and Commodity derivatives, excluding trading activities, generated income of €58 million in the first half of 2010 (compared to €309 million for the first half of 2009).

Note 15 - Other income and expenses

Other income and expenses for the first half-year of 2010 include an expense of €1,060 million related to the Group’s activities in the US (see note 4.1).

Other income and expenses for the first half-year of 2009 amount to €330 million, mainly corresponding to the net gain on EDF’s contribution to Alpiq of its 50% share in power and energy drawing rights in the Emosson dam, and related expenses.

Note 16 - Financial result

16.1 Cost of gross financial indebtedness

(in millions of euros)	H1 2010	H1 2009
Interest expenses on financing operations	(1,420)	(1,301)
Change in the fair value of derivatives and hedges of liabilities	6	(6)
Ineffective portion of cash flow hedges	(2)	-
Transfer to income of changes in the fair value of cash flow hedges	(4)	(8)
Net foreign exchange gain on indebtedness	41	44
Cost of gross financial indebtedness	**(1,379)**	**(1,271)**

16.2 Discount expense

The discount expense primarily concerns provisions for back-end nuclear cycle, decommissioning and last cores, and provisions for long-term and post-employment employee benefits.

Details of this expense are as follows:

(in millions of euros)	H1 2010	H1 2009
Provisions for employee benefits	(780)	(728)
Provisions for back-end of nuclear cycle, decommissioning and last cores	(822)	(788)
Other provisions and advances	(88)	(76)
Discount expense	**(1,690)**	**(1,592)**

16.3 Other financial income and expenses

Other financial income and expenses mainly concern interest income on bond markets, trading gains and losses and dividends on the equity markets, and the return on employee benefits fund assets.

Note 17 - Income taxes

Income taxes amount to €1,241 million for the first half of 2010, corresponding to an effective tax rate of 42.5% (compared to an expense of €1,523 million corresponding to an effective tax rate of 33.2% for the first half of 2009). They are calculated by applying the forecast effective tax rate for 2010 to the pre-tax income at June 30, 2010.

The increase in the effective tax rate observed in the first half of 2010 relates to the provision associated with the Group's activities in the US. Excluding this factor, the effective tax rate for first-half 2010 is 31.2%.

Note 18 - Goodwill

Goodwill on consolidated companies comprises the following:

(in millions of euros)	06.30.2010	12.31.2009
Net book value at opening date	**13,526**	**6,807**
Acquisitions	48	6,524
Disposals	-	-
Impairment	(4)	(4)
Translation adjustments	715	448
Other movements	8	(249)
Net book value at closing date	**14,293**	**13,526**
Gross value at closing date	15,135	14,364
Accumulated impairment at closing date	(842)	(838)

The changes observed over first-half 2010 primarily relate to translation adjustments, which were particularly driven by the pound sterling's rise in value against the euro.

No adjustment was recorded in the half-year financial statements at June 30, 2010 to the goodwill on acquisitions of 49.99% of CENG and 51% of SPE, which took place on November 6 and November 26, 2009 respectively. In application of IFRS 3, the goodwill value will be finalized in the annual financial statements at December 31, 2010.

Note 19 - Other intangible assets

The balance of the increase essentially corresponds to the lower level of greenhouse gas emission rights, mainly explained by the rights surrendered to the States during the first half-year of 2010.

Application of IFRIC 12 generated a €124 million increase in intangible assets at January 1, 2009 (due to reclassifications of items from property, plant and equipment operated under concessions for other activities to intangible assets – see note 2).

Note 20 - Property, plant and equipment operated under French public electricity distribution concessions

20.1 Net value of property, plant and equipment operated under French public electricity distribution concessions

The net value of property, plant and equipment operated under French public electricity distribution concessions breaks down as follows:

(in millions of euros)	06.30.2010	12.31.2009
Property, plant and equipment	41,881	41,431
Property, plant and equipment in progress	1,124	1,020
Property, plant and equipment operated under French public electricity distribution concessions	**43,005**	**42,451**

20.2 Movements in property, plant and equipment operated under French public electricity distribution concessions (excluding construction in progress)

(in millions of euros)	Gross values	Depreciation and impairment (2)	Total
Values at December 31, 2009	**71,600**	**(30,169)**	**41,431**
Increases (1) / Net depreciation	1,504	(150)	1,354
Decreases	(294)	256	(38)
Translation adjustment	-	-	-
Changes in the scope of consolidation	-	-	-
Other movements	(1)	(865)	(866)
Values at June 30, 2010	**72,809**	**(30,928)**	**41,881**

(1) Increases also include assets contributed for nil consideration.

(2) Other movements mainly concern depreciation of assets operated under concession, booked against depreciation recorded in the special concession liabilities.

Most of the value of property, plant and equipment operated under French public electricity distribution concessions relates to network assets: €67,760 million gross and €40,014 million net at June 30, 2010 (€66,631 million gross and €39,589 million net at December 31, 2009).

Note 21 - Property, plant and equipment operated under concessions for other activities

21.1 Net value of property, plant and equipment operated under concessions for other activities

The net value of property, plant and equipment operated under concessions for other activities breaks down as follows:

(in millions of euros)	06.30.2010	12.31.2009
Property, plant and equipment	26,353	25,593
Property, plant and equipment in progress	1,512	1,264
Property, plant and equipment operated under concessions for other activities	**27,865**	**26,857**

21.2 Movements in property, plant and equipment operated under concessions for other activities (excluding construction in progress and finance-leased assets)

(in millions of euros)	Gross values	Depreciation and impairment	Total
Values at December 31, 2009 [1]	**46,460**	**(20,867)**	**25,593**
Increases / Net depreciation	952	(683)	269
Decreases	(99)	65	(34)
Translation adjustment	1,000	(332)	668
Changes in the scope of consolidation	-	-	-
Other movements	9	(152)	(143)
Values at June 30, 2010	**48,322**	**(21,969)**	**26,353**

(1) Figures for 2009 have been adjusted for the effects of application of IFRIC 12 and IFRIC 18 (see note 2)

Property, plant and equipment operated under concessions other than French public electricity distribution concessions (see note 20) comprises concession facilities mainly located in France (transmission and hydropower), the UK, Germany and Italy.

Network assets account for €33,250 million gross and €19,590 million net of these assets at June 30, 2010 (€31,529 million gross and €18,802 million net at December 31, 2009).

Note 22 - Property, plant and equipment used in generation and other tangible assets owned by the Group

22.1 Net value of property, plant and equipment used in generation and other tangible assets owned by the Group

The net value of property, plant and equipment used in generation and other tangible assets owned by the Group breaks down as follows:

(in millions of euros)	06.30.2010	12.31.2009
Property, plant and equipment owned by the Group	51,512	49,803
Property, plant and equipment in progress	10,020	8,507
Leased property, plant and equipment	423	424
Property, plant and equipment used in generation and other tangible assets owned by the Group	**61,955**	**58,734**

22.2 Movements in property, plant and equipment used in generation and other tangible assets owned by the Group (excluding construction in progress and finance-leased assets)

(in millions of euros)	Land & Buildings	Nuclear power plants	Fossil-fired & hydropower plants	Networks	Other installations, plant, machinery & equipment & other	Total
Gross values at 12.31.2009	**12,752**	**60,765**	**16,023**	**2,287**	**10,480**	**102,307**
Increases	219	439	204	21	714	**1,597**
Decreases	(52)	(169)	(20)	(2)	(82)	**(325)**
Translation adjustment	80	1,470	143	-	402	**2,095**
Changes in the scope of consolidation	20	-	119	-	82	**221**
Other movements	57	41	164	(29)	108	**341**
Gross values at 06.30.2010	**13,076**	**62,546**	**16,633**	**2,277**	**11,704**	**106,236**
Depreciation and impairment at 12.31.2009	**(6,233)**	**(32,306)**	**(8,389)**	**(1,265)**	**(4,311)**	**(52,504)**
Net depreciation	(166)	(1,082)	(358)	(30)	(401)	**(2,037)**
Disposals	26	130	13	1	64	**234**
Translation adjustment	(2)	(95)	(50)	2	(101)	**(246)**
Changes in the scope of consolidation	(8)	-	12	-	(32)	**(28)**
Other movements	(57)	35	(25)	18	(114)	**(143)**
Depreciation and impairment at 06.30.2010	**(6,440)**	**(33,318)**	**(8,797)**	**(1,274)**	**(4,895)**	**(54,724)**
Net values at 12.31.2009	**6,519**	**28,459**	**7,634**	**1,022**	**6,169**	**49,803**
Net values at 06.30.2010	**6,636**	**29,228**	**7,836**	**1,003**	**6,809**	**51,512**

Note 23 - Investments in associates

			06.30.2010		12.31.2009	
(in millions of euros)	Principal activity [(1)]	% voting rights held	Share of net equity	Share of net income	Share of net equity	Share of net income
Alpiq	G	26.06	1,706	47	1,572	92
Dalkia Holding	S	34.00	462	15	493	19
EVN	D	16.46	440	34	445	28
Taishan	G	30.00	573	-	279	-
Other investments in associates			1,683	51	1,632	(19)
Total			**4,864**	**147**	**4,421**	**120**

(1) S= services, G= generation, D= distribution, T= transportation.

The increase in the value of the share of net equity in Taishan results from the Group’s subscription of €213 million to a capital increase in the first half of 2010.

Note 24 - Current and non-current financial assets

24.1 Breakdown between current and non-current financial assets

Current and non-current financial assets break down as follows:

(in millions of euros)	06.30.2010			12.31.2009		
	Current	Non-current	Total	Current	Non-current	Total
Financial assets carried at fair value with changes in fair value included in income	4,278	14	**4,292**	4,863	13	**4,876**
Available-for-sale financial assets (1)	7,443	16,292	**23,735**	4,987	15,818	**20,805**
Held-to-maturity investments (1)	78	426	**504**	61	463	**524**
Positive fair value of hedging derivatives	1,944	1,224	**3,168**	1,783	1,112	**2,895**
Loans and financial receivables (1)	820	7,895	**8,715**	756	7,092	**7,848**
Financial assets	**14,563**	**25,851**	**40,414**	**12,450**	**24,498**	**36,948**

(1) Net of impairment: €948 million at June 30, 2010 (€911 million at December 31, 2009).

The main changes in financial assets are analyzed in the notes below.

24.2 Details of financial assets

24.2.1 Financial assets carried at fair value with changes in fair value included in income

(in millions of euros)	06.30.2010	12.31.2009
Derivatives - positive fair value	4,073	4,662
Fair value of derivatives held for trading (1)	207	203
Other financial assets carried at fair value with changes in fair value included in income (option IAS 39)	12	11
Financial assets carried at fair value with changes in fair value included in income	**4,292**	**4,876**
(1) Portion classified as liquid assets	202	197

The change in the fair value of trading derivatives is similar to the one observed in financial liabilities (see note 29.1).

24.2.2 Available-for-sale financial assets

(in millions of euros)	06.30.2010			12.31.2009 (2)		
	Equities (1)	Debt securities	Total	Equities (1)	Debt securities	Total
Dedicated assets of EDF	5,584	6,684	**12,268**	4,932	6,504	**11,436**
Liquid assets	1,954	4,703	**6,657**	2,400	2,138	**4,538**
Strategic investment	446	-	**446**	414	-	**414**
Other	2,906	1,458	**4,364**	3,083	1,334	**4,417**
Available-for-sale financial assets	**10,890**	**12,845**	**23,735**	**10,829**	**9,976**	**20,805**

(1) Equities or investment funds.

(2) The distribution between equities and debt securities has been reviewed since December 31, 2009 .

The main variations of available for sale financial assets concern the acquisitions totaling €6,382 million, disposals totaling €3,632 million and €37 million of fair value adjustment.

“Strategic shares” are shares held in Constellation Energy Group which valuation methodology remains the same as at December 31, 2009.

During the first half-year of 2010, changes in the fair value of available-for-sale financial assets were recorded in equity (EDF share) over the period as follows:

- At June 30, 2010:

(in millions of euros)	Gross changes in fair value recorded in equity (1)	Taxes related to gross changes in fair value recorded in equity	Changes after taxes in fair value recorded in equity (1)	Gross changes in fair value transferred to income (2)	Taxes related to changes in fair value transferred to income	Changes after taxes in fair value transferred to income (2)
Available-for-sale financial assets - equities	(7)	(19)	**(26)**	71	(29)	**42**
Available-for-sale financial assets - debts	51	(17)	**34**	19	(6)	**13**
Liquid assets	(33)	11	**(22)**	(32)	11	**(21)**
Other	18	(6)	**12**	17	(6)	**11**
Available-for- sale financial assets	**29**	**(31)**	**(2)**	**75**	**(30)**	**45**

(1) + / ( ): increase / decrease in equity (EDF share)
(2) + / ( ): increase / decrease in income

In first-half of 2010, gross changes in fair value recorded in equity (EDF share) principally concern:
- EDF (€82 million, including €80 million for dedicated assets);
- EnBW (€6 million);
- EDF Inc (€(38) million);
- CENG (€(19) million).

No significant impairment was recorded by EDF in the first half-year of 2010.

- At June 30, 2009:

(in millions of euros)	Gross changes in fair value recorded in equity (1)	Taxes related to gross changes in fair value recorded in equity	Changes after taxes in fair value recorded in equity (1)	Gross changes in fair value transferred to income (2)	Taxes related to changes in fair value transferred to income	Changes after taxes in fair value transferred to income (2)
Available-for-sale financial assets - equities	337	(85)	**252**	(46)	10	**(36)**
Available-for-sale financial assets - debts	46	(15)	**31**	2	(1)	**1**
Liquid assets	(5)	1	**(4)**	(1)	-	**(1)**
Other	21	(8)	**13**	(2)	1	**(1)**
Available-for- sale financial assets	**399**	**(107)**	**292**	**(47)**	**10**	**(37)**

(1) + / ( ): increase / decrease in equity (EDF share)
(2) + / ( ): increase / decrease in income

24.2.2.1 EDF's dedicated asset portfolio

The key features of the portfolio and the principles governing its management are presented in the financial statements at December 31, 2009. However, the proposed French law on the New organization of the electricity market includes the deferral by 5 years of the deadline for establishment of dedicated assets (current regulations require long-term nuclear obligations to be covered by a portfolio of dedicated assets by June 30, 2011).

The table below presents changes in the fair value of the dedicated asset portfolio, with details of changes in the net asset value of reserved funds:

(in millions of euros)	Fair Value 06.30.2010	Fair Value 12.31.2009
Securities	342	234
Equities-based unit trusts	5,106	4,664
Other financial investments	136	34
Equities	**5,584**	**4,932**
Securities	739	700
Short-term unit trusts	5,945	5,804
Bonds	**6,684**	**6,504**
Dedicated asset portfolio	**12,268**	**11,436**

The cash allocation to the dedicated asset portfolio for the first half of 2010 amounted to €881 million (there was no allocation in the first half of 2009 due to market conditions).

The dedicated asset portfolio includes €152 million of net unrealized gains (€4 million of unrealized gains at December 31, 2009) against a background of high volatility of the financial markets.

24.2.2.2 Liquid assets

EDF's monetary investment funds included in liquid assets amount to €1,954 million at June 30, 2010 (€2,400 million at December 31, 2009).

24.2.2.3 Other securities

At June 30, 2010, other securities mainly include:

- at EnBW, €1,407 million in available-for-sale assets – debt instruments including €1,000 million of reserved funds and €1,157 million in available-for-sale assets – equities, including €663 million of reserved funds;
- at EDF, shares in Areva amounting to €293 million and shares in Veolia amounting to €374 million.

24.2.2.4 Loans and financial receivables

Loans and receivables include amounts representing reimbursements receivable from the NLF and the British government for coverage of long-term nuclear obligations, totaling €7,096 million at June 30, 2010 (€6,399 million at December 31, 2009).

24.3 Investment commitments

Commitments related to investments are as follows:

(in millions of euros)	06.30.2010 Total	06.30.2010 Maturity < 1 year	06.30.2010 Maturity 1 - 5 years	06.30.2010 Maturity > 5 years	12.31.2009 Total
Assets and investments commitments	**4,454**	1,895	2,522	37	**4,505**
Other financing commitments given	**171**	101	70	-	**233**
Other financing commitments received	**83**	19	64	-	**58**

24.3.1 Investment commitments

Under the new shareholder agreement signed on April 16, 2010, the Group made a commitment to minority shareholders of SPE at June 30, 2010 to purchase their shares subject to certain conditions, at a price comprising variable components. This is an off balance sheet commitment that cannot be measured at June 30, 2010.

Note 25 - Held-for-sale assets and liabilities

The change in held-for-sale assets and liabilities at June 30, 2010 principally results from:

- planned disposals of the assets (€142 million) and liabilities (€19 million) of Prazska Teplarenska, Cinergy and Azito.
- disposals undertaken during the first half of 2010 of the assets and liabilities of Eggborough, GESO and a Dalkia International subsidiary in the Czech Republic.

Note 26 - Equity

26.1 Share capital

There were no changes during the first half-year of 2010 in EDF's share capital, which amounts to €924,433,331, comprising 1,848,866,662 shares with nominal value of €0.50 each.

26.2 Treasury shares

Under the share repurchase program, for which a liquidity contract exists as required by the market regulator AMF, 1,865,045 shares were acquired during the first half-year of 2010 for a total of €70 million, and 1,591,545 shares were sold for a total of €61 million.

At June 30, 2010, treasury shares deducted from consolidated equity amount to €19 million.

26.3 Dividends

The General Shareholders' meeting of May 18, 2010 decided to distribute a dividend of €1.15 per share in circulation in respect of 2009. Interim dividends of €0.55 per share had been paid out on December 17, 2009, and the balance of €0.60 per share amounting to a total of €1,109 million was paid out on June 3, 2010.

26.4 Basic earnings per share and diluted earnings per share

The diluted earnings per share is calculated by dividing the Group's share of net income, corrected for dilutive instruments, by the weighted average number of potential shares outstanding over the period after elimination of treasury shares.
At June 30, 2010, there are no dilutive instruments in the EDF group.

The following table shows the reconciliation of the basic and diluted earnings used to calculate earnings per share and the variation in the weighted average number of shares used in calculating basic and diluted earnings per share:

(in millions of euros)	H1 2010	H1 2009
Net income attributable to ordinary shares	1,659	3,123
Net income used to calculate diluted earnings per share	1,659	3,123
Average weighted number of ordinary shares outstanding at end of period (1)	1,842,740,192	1,822,699,252
Average weighted number of diluted shares outstanding at end of period	1,842,740,192	1,822,699,252
Earnings per share in euros :		
Net earnings per share	0.90	1.71
Diluted earnings per share	0.90	1,71

(1) In application of IAS 33, the average weighted number of shares outstanding used to calculate earnings per share for 2009 has been adjusted following the December 2009 dividend distribution in the form of shares.

Note 27 - Provisions

27.1 Breakdown between current and non-current provisions

The breakdown between current and non-current provisions is as follows:

	06.30.2010			12.31.2009		
(in millions of euros)	Current	Non-current	Total	Current	Non-current	Total
Provisions for back-end nuclear cycle	917	17,841	**18,758**	1,042	17,531	**18,573**
Provisions for decommissioning and last cores	513	20,949	**21,462**	350	20,003	**20,353**
Provisions for employee benefits	858	13,591	**14,449**	837	13,412	**14,249**
Other provisions	3,130	2,559	**5,689**	3,629	1,188	**4,817**
PROVISIONS	**5,418**	**54,940**	**60,358**	**5,858**	**52,134**	**57,992**

27.2 Provisions for the back-end nuclear cycle

At June 30, 2010, the movement in provisions for the back-end nuclear cycle breaks down as follows:

(in millions of euros)	12.31.2009	Increases	Decreases		Changes in scope of consolidation	Other changes	06.30.2010
			Utilizations	Reversals			
Provisions for spent fuel management	11,147	413	(414)	(21)	-	100	**11,225**
Provisions for long-term radioactive waste management	7,426	222	(149)	(18)	-	52	**7,533**
Provisions for back-end nuclear cycle	**18,573**	**635**	**(563)**	**(39)**	**-**	**152**	**18,758**

The breakdown of provisions by company is shown below.

(in millions of euros)	EDF	British Energy	EnBW	Other	Total
Provisions at 12.31.2009	**15,030**	**2,660**	**879**	**4**	**18,573**
Increase	572	-	63	-	635
Decrease	(580)	-	(22)	-	(602)
Changes in scope of consolidation	-	-	-	-	-
Other changes	(53)	205	-	-	152
Provisions at 06.30.2010	**14,969**	**2,865**	**920**	**4**	**18,758**

27.3 Provisions for decommissioning and last cores

At June 30, 2010, the change in decommissioning and last core provisions breaks down as follows:

(in millions of euros)	12.31.2009	Increases	Decreases		Changes in scope of consolidation	Other changes	06.30.2010
			Utilizations	Reversals			
Provisions for decommisioning	17,320	424	(152)	-	-	651	**18,243**
Provisions for last cores	3,033	78	-	-	-	108	**3,219**
Provisions for decommissioning and last cores	**20,353**	**502**	**(152)**	**-**	**-**	**759**	**21,462**

The breakdown of provisions by company is shown below.

(in millions of euros)	EDF	British Energy	EnBW	CENG	Other	Total
Provisions at 12.31.2009	**12,958**	**5,088**	**1,453**	**442**	**412**	**20,353**
Increase	395	39	40	17	11	**502**
Decrease	(125)	(13)	(13)	-	(1)	**(152)**
Changes in scope of consolidation	-	-	-	-	-	**-**
Other changes	-	612	64	79	4	**759**
Provisions at 06.30.2010	**13,228**	**5,726**	**1,544**	**538**	**426**	**21,462**

27.4 EDF's provisions in France and secure financing of long-term obligations for nuclear installations

In France, EDF's nuclear provisions are calculated in accordance with the instructions of the law of June 28, 2006 and its implementing provisions.
In compliance with the regulation on secure financing of nuclear expenses:

- EDF books provisions to cover all obligations related to the nuclear facilities it operates;
- EDF is building up a portfolio of dedicated assets to cover long-term obligations (see note 27.4.3.2).

In application of the agreement of December 19, 2008 setting forth the principles governing back-end cycle contracts for the post-2007 period, EDF and Areva signed two contracts on July 12, 2010 entitled the "EDF-Areva NC Processing-Recycling agreement" and the "protocol for recovery and conditioning of EDF waste, the final shutdown and decommissioning of the Areva NC plant at La Hague, and operations at Saint Laurent A". The Processing-Recycling agreement lays down the contractual terms for the period 2008-2012 and the principles governing prices and investments for subsequent periods.

The effects of these agreements were recognized at June 30, 2010. As they had already been anticipated based on the previous agreements, they have no material impact on the Group's consolidated financial statements.

Otherwise, the assumptions and valuation methods for EDF's provisions for the back-end nuclear cycle, decommissioning of nuclear plants and last cores are identical to those used at December 31, 2009.

27.4.1 Provisions for EDF's back-end nuclear cycle in France

At June 30, 2010, the movements in these provisions break down as follows:

(in millions of euros)	12.31.2009	Increases	Decreases		Other changes	06.30.2010
			Utilizations	Reversals		
Provisions for spent fuel management	8,686	407	(412)	(9)	(52)	**8,620**
Provisions for long-term radioactive waste management	6,344	165	(145)	(14)	(1)	**6,349**
Provisions for EDF's back-end nuclear cycle in France	**15,030**	**572**	**(557)**	**(23)**	**(53)**	**14,969**

The corresponding expenses are measured under the economic conditions at that date and spread over a forecast disbursement schedule. A provision is booked equivalent to the discounted value (assuming 2% inflation and a 5% discount rate):

(in millions of euros)	06.30.2010		12.31.2009	
	Costs based on economic conditions at end of period	Amounts in provisions at present value	Costs based on economic conditions at end of period	Amounts in provisions at present value
for spent fuel management	13,979	8,620	13,969	8,686
for long-term radioactive waste management	22,486	6,349	22,321	6,344
Back-end nuclear cycle	**36,465**	**14,969**	**36,290**	**15,030**

27.4.2 Provisions for EDF's decommissioning and last cores in France

The change in EDF's decommissioning and last core provisions in France breaks down as follows:

(in millions of euros)	12.31.2009	Increases	Decreases		Other changes	06.30.2010
			Utilizations	Reversals		
Decommissioning provisions for fossil-fired power plants	425	81	(31)	-	-	**475**
Decommissioning provisions for nuclear power plants	10,708	267	(94)	-	-	**10,881**
Provisions for last cores	1,825	47	-	-	-	**1,872**
Provisions for EDF's decommissioning and last cores in France	**12,958**	**395**	**(125)**	**-**	**-**	**13,228**

The corresponding expenses are estimated based on the economic conditions at June 30, 2010, and spread over a forecast disbursement schedule. A provision is booked equivalent to the discounted value assuming a 2% inflation rate and a 5% discount rate.

(in millions of euros)	06.30.2010		12.31.2009	
	Costs based on economic conditions at end of period	Amounts in provisions at present value	Costs based on economic conditions at end of period	Amounts in provisions at present value
Decommissioning provisions for fossil-fired power plants	645	475	594	425
Decommissioning provisions for nuclear power plants	20,806	10,881	20,696	10,708
Provisions for last cores	3,771	1,872	3,732	1,825
Provisions for decommissioning and last cores	**25,222**	**13,228**	**25,022**	**12,958**

27.4.3 Secure financing of long-term obligations related to EDF's nuclear liabilities

27.4.3.1 Discount rate

The discount rate and calculation method for measuring provisions are identical to those used at December 31, 2009. The regulatory limits and sensitivity factors to the assumptions used are also unchanged.

27.4.3.2 Dedicated assets

In order to secure financing of long-term obligations in an increasingly open electricity market, EDF is progressively building up a portfolio of financial assets dedicated to covering long term nuclear obligations, specifically the decommissioning of the nuclear power plants and the long-term management of radioactive waste (see note 24.2.2.1).

27.5 Provisions for employee benefits

At June 30, 2010, the changes in provisions for employee benefits are as follows:

(in millions of euros)	12.31.2009	Increases	Decreases		Changes in scope of consolidation	Other changes	06.30.2010
			Utilizations	Reversals			
Provisions for post-employment benefits	13,118	1,169	(1,038)	-	1	54	**13,304**
Provisions for other long-term benefits	1,131	72	(61)	-	-	3	**1,145**
Provisions for employee benefits	**14,249**	**1,241**	**(1,099)**	**-**	**1**	**57**	**14,449**

The change in provisions since December 31, 2009 mainly reflects variations in vested benefits, financial discounting of the obligation, payments made to external funds and benefits paid out.

The obligation at June 30, 2010 is calculated based on projected commitments as estimated at December 31, 2009 (see note 1.3.1). The sensitivity of these commitments calculated at June 30, 2010 is identical to the sensitivity at December 31, 2009: a 25 base point variation in the discount rate would generate a 3.4% variation in the total value of obligations in France.

27.5.1 Provisions for post-employment benefits

(in millions of euros)	France	United Kingdom	Germany	Italy	Other International	Other Activities	Total
Provisions at 12.31.2009	10,721	119	1,924	54	189	111	**13,118**
Amounts used at end of period	(436)	(166)	(50)	-	(16)	(7)	**(675)**
Changes in the scope of consolidation	-	-	1	-	-	-	**1**
Net additions	560	164	62	2	12	6	**806**
Translation adjustment	-	12	-	-	17	2	**31**
Other	(1)	28	1	(5)	-	-	**23**
Provisions at 06.30.2010	**10,844**	**157**	**1,938**	**51**	**202**	**112**	**13,304**

27.5.2 Provisions for other long-term employee benefits

(in millions of euros)	France	United Kingdom	Germany	Italy	Other International	Other Activities	Total
Provisions at 12.31.2009	1,052	-	15	-	41	23	**1,131**
Amounts used at end of period	(59)	-	-	-	(1)	(1)	**(61)**
Changes in the scope of consolidation	-	-	-	-	-	-	**-**
Net additions	70	-	-	-	1	1	**72**
Translation adjustment	-	-	-	-	-	-	**-**
Other	-	-	-	-	3	-	**3**
Provisions at 06.30.2010	**1,063**	**-**	**15**	**-**	**44**	**23**	**1,145**

27.6 Other provisions and contingent liabilities

27.6.1 Other provisions

At June 30, 2010, details of changes in other provisions are as follows:

(in millions of euros)	12.31.2009	Increases	Decreases: Utilizations	Decreases: Reversals	Changes in scope of consolidation	Other changes	06.30.2010
Provisions for contingencies related to investments	182	1,060	-	-	-	-	**1,242**
Provisions for tax liabilities	355	24	(2)	-	3	14	**394**
Provisions for litigation	529	30	(35)	(29)	-	19	**514**
Provisions for onerous contracts	1,029	84	(325)	(10)	-	60	**838**
Other	2,722	873	(720)	(139)	2	(37)	**2,701**
Other provisions	**4,817**	**2,071**	**(1,082)**	**(178)**	**5**	**56**	**5,689**

The heading “Other” includes in particular:

- a provision of €1,060 million related to the Group’s activities in the US (see note 4.1);
- a provision of €496 million for the TaRTAM transition tariff system, including €280 million for its prolongation to December 31, 2010, in application of the law of June 7, 2010
- a provision of €403 million for the contribution to preserve entitlements to the benefits in the deregulated activities, related to agreements signed with the additional pension organizations;
- provisions of €647million for greenhouse gas emission quotas and renewable energy certificates.

Provisions for onerous contracts include €655 million corresponding to the fair value of British Energy sales contracts at June 30, 2010 (€838 million at December 31, 2009).

27.6.2 Contingent liabilities

- Tax inspection in France

In 2008 and 2009, EDF's accounts were inspected for the tax years 2004, 2005 and 2006. At the end of 2009, the Company was notified of a proposed tax reassessment for the period covered. EDF is contesting most of the corrections notified.

Note 28 - Specific French public electricity distribution concession liabilities for existing assets and assets to be replaced

The changes in specific concession liabilities for existing assets and assets to be replaced are as follows at June 30, 2010:

(in millions of euros)	12.31.2009	Change over the period	06.30.2010
Value in kind of assets	37,770	489	38,259
Unamortized financing by the operator	(18,103)	(314)	(18,417)
Rights in existing assets - net value	**19,667**	**175**	**19,842**
Amortization of financing by the grantor	8,887	278	9,165
Provision for renewal	11,323	217	11,540
Rights in assets to be replaced	**20,210**	**495**	**20,705**
Specific French public electricity distribution concession liabilities for existing assets and assets to be replaced	**39,877**	**670**	**40,547**

The valuation methods for specific concession liabilities are identical to those presented in the notes to the 2009 consolidated financial statements, particularly note 3.24, which describes the impact of an alternative calculation method. This would lead to statement of contractual obligations at the discounted value of future payments required for replacement of assets operated under concession at the end of their useful life.

Note 29 - Current and non-current financial liabilities

29.1 Breakdown between current and non-current financial liabilities

Current and non-current financial liabilities break down as follows:

	06.30.2010			12.31.2009		
(in millions of euros)	Non-current	Current	Total	Non-current	Current	Total
Loans and other financial liabilities	50,298	7,359	57,657	43,941	9,927	53,868
Negative fair value of derivatives held for trading	-	3,296	3,296	-	3,610	3,610
Negative fair value of hedging derivatives	726	1,799	2,525	814	3,023	3,837
Financial liabilities	**51,024**	**12,454**	**63,478**	**44,755**	**16,560**	**61,315**

The maturity of EDF Energies Nouvelles' credit lines is now based on the maturity date of the agreement rather than the date of the current drawing. Including this change of presentation, the current and non-current portions of loans and other financial liabilities at December 31, 2009 would have been €9,322 million and €44,546 million respectively (the impact of the reclassification is €605 million).

The change in the fair value of trading derivatives is similar to the one observed in financial assets (see note 24.2.1).

29.2 Loans and other financial liabilities

29.2.1 Changes in loans and other financial liabilities

(in millions of euros)	Bonds	Loans from financial institutions	Other financial liabilities	Loans related to finance leased assets	Accrued interest	Total
Balances at 12.31.2009 [1]	**40,072**	**6,450**	**5,892**	**246**	**1,208**	**53,868**
Increases	4,328	969	259	-	63	**5,619**
Decreases	(60)	(1,345)	(3,028)	(5)	(61)	**(4,499)**
Changes in scope of consolidation	(11)	31	(2)	-	1	**19**
Translation adjustments	1,249	139	279	-	(36)	**1,631**
Others	823	(217)	364	68	(19)	**1,019**
Balances at 06.30.2010	**46,401**	**6,027**	**3,764**	**309**	**1,156**	**57,657**

The Group undertook several major bond issues during the first half-year of 2010.

On January 26, 2010, EDF issued two bonds on the US market in the form of a private placement reserved for institutional investors (issue governed by Rule 144A of the US Securities and Exchange Commission), in two installments:

- a 10-year $1.4 billion installment with an annual coupon of 4.60%,
- a 30-year $850 million installment with an annual coupon of 5.60%.

On March 29, 2010, EDF undertook a bond issue on the Swiss market for CHD 400 million with an annual coupon of 2.25%, maturing in September 2017.

On April 27, 2010, EDF undertook a bond issue on the Euronext Paris market for €1.5 billion with an annual coupon of 4.625%, maturing in April 2030.

On March 10, 2010, Edison issued a €500 million bond with 5-year maturity and annual coupon of 3.25% (EDF's share: €245 million), as part of its EMTN program.

On June 28, 2010, RTE issued a €750 million bond with 12-year maturity and annual coupon of 3.875%.

Loans and other financial liabilities of the Group's main entities are as follows:

(in millions of euros)	06.30.2010	12.31.2009
EDF SA and other affiliated subsidiaries [1]	32,744	30,756
EDF Energy [2]	13,062	11,943
EnBW	3,529	3,416
EDF Energies Nouvelles	3,674	3,295
Edison [3]	2,272	2,302
Others entities	2,376	2,156
Total loans and financial liabilities	**57,657**	**53,868**

(1) ERDF, RTE, PEI, EDF International, EDF Investissement Groupe

(2) Including holding companies

(3) Edison excluding TDE

29.2.2 Maturity of loans and other financial liabilities

(in millions of euros)	Bonds	Loans from financial institutions	Other financial liabilities	Loans related to finance leased assets	Accrued interest	Total
Less than one year	2,589	1,003	2,572	47	1,148	**7,359**
From one to five years	15,757	2,854	919	159	8	**19,697**
More than five years	28,055	2,170	273	103	-	**30,601**
Loans and financial liabilities at 06.30.2010	**46,401**	**6,027**	**3,764**	**309**	**1,156**	**57,657**

29.2.3 Credit lines

The Group has credit lines with various banks totaling €13,553 million at June 30, 2010 (€10,039 million at December 31, 2009).

	06.30.2010				12.31.2009
	Total	Maturity			Total
(in millions of euros)		< 1 year	1 - 5 years	> 5 years	
Confirmed credit lines	**13,553**	1,876	11,476	201	**10,039**

29.3 Net indebtedness

Net indebtedness comprises total loans and financial liabilities, less cash and cash equivalents and liquid assets. Liquid assets are financial assets consisting of funds or securities with initial maturity of over three months that are readily convertible into cash regardless of their maturity and are managed according to a liquidity-oriented policy.

(in millions of euros)	Notes	06.30.2010	12.31.2009
Loans and other financial liabilities	**29.2**	57,657	53,868
Derivatives used to hedge liabilities		(322)	373
Cash and cash equivalents		(6,375)	(6,982)
Liquid assets (1)	**24.2**	(6,859)	(4,735)
Net financial liabilities from companies disclosed in non-current liabilities related to assets classified as held for sale		(1)	(28)
Net indebtedness		**44,100**	**42,496**

(1) available-for-sale financial assets: €6,657 million, financial assets carried at fair value: €202 million at June 30, 2010 (respectively €4,538 million and €197 million at December 31, 2009).

29.4 Changes in net indebtedness

(in millions of euros)	H1 2010	H1 2009
Operating profit before depreciation and amortization (EBITDA)	**10,373**	**9,936**
Cancellation of non-monetary items included in EBITDA	(1,145)	(2,219)
Net financial expenses disbursed	(1,129)	(813)
Income tax paid	(1,177)	(85)
Other items	94	146
Operating cash flow	**7,016**	**6,965**
Change in net working capital	783	232
Acquisitions of intangible assets and property, plant and equipment net of disposals	(5,903)	(5,481)
Free cash flow	**1,896**	**1,716**
Dedicated assets	(881)	-
Net Financial investments	(22)	(12,293)
Dividends paid	(1,205)	(1,225)
Other items	195	33
(Increase) / decrease in net indebtedness, excluding the impact of changes in scope of consolidation and exchanges rates	**(17)**	**(11,769)**
Effect of change in scope of consolidation	(34)	710
Effect of exchange rate fluctuations	(1,359)	(1,283)
Other non-monetary changes	(194)	27
(Increase) / decrease in net indebtedness	**(1,604)**	**(12,315)**
Net indebtedness at beginning of period	**42,496**	**24,476**
Net indebtedness at end of period	**44,100**	**36,791**

29.5 Guarantees of borrowings

Guarantees of borrowings by the Group at June 30, 2010 comprise the following:

	06.30.2010				12.31.2009
	Total	Maturity			Total
(in millions of euros)		< 1 year	1 - 5 years	> 5 years	
Security interests in real property	**3,205**	207	1,411	1,587	**2,767**
Guarantees related to borrowings	**333**	53	19	261	**323**
Other financing commitments	**180**	107	39	34	**241**
Financing commitments given	**3,718**	**367**	**1,469**	**1,882**	**3,331**
Financing commitments received (1)	**160**	123	30	7	**184**

(1) Excluding credit lines (see note 29.2.3)

Note 30 - Derivatives and hedge accounting

Changes in the fair value of hedging derivatives recorded in equity (EDF share) break down as follows:

- at June 30, 2010:

(in millions of euros)	Gross changes in fair value recorded in equity (1)	Taxes related to gross changes in fair value recorded in equity	Changes after taxes in fair value recorded in equity (1)	Ineffectiveness	Gross changes in fair value transferred to income (2)	Taxes related to changes in fair value transferred to income	Changes after taxes in fair value transferred to income (2)
Derivatives on:							
- Interest rate hedging	(75)	23	(52)	(3)	-	-	-
- Exchange rate hedging	1,288	(444)	844	-	700	(241)	459
- Net foreign exchange hedging	(1,840)	303	(1,537)	-	-	-	-
- Commodity hedging	179	(44)	135	1	(718)	228	(490)
Hedging derivatives	**(448)**	**(162)**	**(610)**	**(2)**	**(18)**	**(13)**	**(31)**

(1) + / ( ): increase / decrease in equity (EDF share).

(2) + / ( ): increase / decrease in income.

The gross changes in the fair value of commodity hedges recorded in equity mainly concern EDF Energy (€192 million at June 30, 2010).

- at June 30, 2009:

(in millions of euros)	Gross changes in fair value recorded in equity (1)	Taxes related to gross changes in fair value recorded in equity	Changes after taxes in fair value recorded in equity (1)	Ineffectiveness	Gross changes in fair value transferred to income (2)	Taxes related to changes in fair value transferred to income	Changes after taxes in fair value transferred to income (2)
Derivatives on:							
- Interest rate hedging	1	3	4	1			-
- Exchange rate hedging	(579)	193	(386)	(1)	(221)	77	(144)
- Net foreign exchange hedging	(706)	243	(463)				-
- Commodity hedging	(476)	177	(299)	2	(648)	234	(414)
Hedging derivatives	**(1,760)**	**616**	**(1,144)**	**2**	**(869)**	**311**	**(558)**

(1) + / ( ): increase / decrease in equity (EDF share).

(2) + / ( ): increase / decrease in income.

The gross changes in the fair value of commodity hedges recorded in equity mainly concern EDF and EDF Energy (€(616) million at June 30, 2009).

Commodity-related cash flow hedges break down as follows:

(in millions of euros)	Units of measure	06.30.2010 Net notionals				06.30.2010 Fair value	12.31.2009 Net notionals	12.31.2009 Fair value
		< 1 year	1 - 5 years	> 5 years	Total		Total	
Forwards/futures		17	7	-	24	(36)	58	(585)
Power	**TWh**	**17**	**7**	**-**	**24**	**(36)**	**58**	**(585)**
Swaps		12	-	-	12	1	17	-
Forwards/futures		345	505	-	850	(52)	1,166	(236)
Gas	**Millions of therms**	**357**	**505**	**-**	**862**	**(51)**	**1,183**	**(236)**
Swaps		10,727	14,944	-	25,671	87	26,643	93
Forwards/futures		267	-	-	267	-	-	-
Oil products	**Thousands of barrels**	**10,994**	**14,944**	**-**	**25,938**	**87**	**26,643**	**93**
Swaps		12	9	-	21	(139)	19	(333)
Forwards/futures		1	-	-	1	2	-	1
Coal	**Millions of tonnes**	**13**	**9**	**-**	**22**	**(137)**	**19**	**(332)**
Forwards/futures		13,802	3,411	-	17,213	(61)	12,985	(145)
CO2	**Thousands of tonnes**	**13,802**	**3,411**	**-**	**17,213**	**(61)**	**12,985**	**(145)**
Other commodities						(3)		**-**
Cash flow hedge commodity derivatives						**(201)**		**(1,205)**

Note 31 - Derivative instruments not eligible for hedge accounting

Details of commodity derivatives not classified recorded as hedges are as follows:

(in millions of euros)	Units of measure	06.30.2010 Net notionals	06.30.2010 Fair value	12.31.2009 Net notionals	12.31.2009 Fair value
Swaps		(2)	24	(2)	651
Options		12	100	18	159
Forwards/futures		(5)	(146)	(27)	(539)
Power	**TWh**	**5**	**(22)**	**(11)**	**271**
Swaps		53	500	17	(33)
Options		95,374	52	89,172	24
Forwards/futures		485	68	837	113
Gas	**Millions of therms**	**95,912**	**620**	**90,026**	**104**
Swaps		(6,292)	17	(8,653)	52
Options		(2,386)	-	(3,156)	1
Forwards/futures		547	(7)	1,585	(21)
Oil products	**Thousands of barrels**	**(8,131)**	**10**	**(10,224)**	**32**
Swaps		(59)	(398)	(53)	(75)
Forwards/futures		111	759	104	328
Freight		19	(5)	19	(8)
Coal and freight	**Millions of tonnes**	**71**	**356**	**70**	**245**
Swaps		(272)	(7)	(303)	(14)
Options		(250)	-	-	-
Forwards/futures		(8,894)	102	13,069	531
CO2	**Thousands of tonnes**	**(9,416)**	**95**	**12,766**	**517**
Swaps			(3)		(91)
Other commodities			**(3)**		**(91)**
Embedded commodity derivatives			**2**		**5**
Fair value hedging commodity derivatives			**1,058**		**1,083**

These mainly include contracts held through EDF Trading's portfolio.

Note 32 - Other liabilities

Details of other liabilities are as follows:

(in millions of euros)	06.30.2010	12.31.2009
Advances received	5,715	5,277
Liabilities related to property, plant and equipment	1,623	2,216
Tax and social charges	7,380	6,884
Deferred income	6,461	4,496
Other	4,429	5,334
Other liabilities	**25,608**	**24,207**
Non current	5,319	3,360
Current	20,289	20,847

Deferred income at June 30, 2010 includes €2,461 million (€2,444 million at December 31, 2009) of partner advances to EDF under the nuclear plant financing plans. It also includes the advance of €1.7 billion paid to the

EDF group under the agreement with the Exeltium consortium.

"Other liabilities" include liabilities related to the commitments to repurchase minority interests amounting to €123 million (€1,018 million at December 31, 2009). €807 million of the decrease in this item results from settlement of the liability related to the put option granted to SPE minority shareholders, reflecting:

- exercise of their option by some of these shareholders;
- the liquidity conditions of the new shareholder agreement of April 16, 2010 with minority shareholders wishing to retain their holding in SPE.

Note 33 - Contribution of joint ventures

The joint ventures' contributions to the consolidated balance sheet and income statement are as follows at June 30, 2010:

(in millions of euros)	% owned	Current Assets	Non Current Assets	Current liabilities	Non current liabilities	Sales	Operating profit before depreciation and amortization
EnBW	46.07%	4,266	12,945	3,197	9,041	4,111	816
Edison	48.96%	1,627	6,871	1,654	2,410	2,513	305
CENG	49.99%	451	5,619	663	1,218	287	85
Other		2,465	6,548	1,966	1,373	1,479	291
Total		**8,809**	**31,983**	**7,480**	**14,042**	**8,390**	**1,497**

"Other" mainly comprises Dalkia and EDF Investissement Groupe.

Note 34 - Related parties

There have been no significant changes since December 31, 2009 in the types of transaction undertaken with related parties. In particular, the Group has significant ongoing relationships with public-sector enterprises, primarily the Areva Group for the supply, transmission and reprocessing of nuclear fuel and maintenance of nuclear plants. The Areva Group is also a supplier to the EPR (European Pressurized Reactor) project, contributing to the formation of commitments on fixed asset orders.

Note 35 - Subsequent events

The EDF group's network activities in the United Kingdom

EDF group received at end of July 2010 an irrevocable offer from a consortium consisting of Cheung Kong Infrastructure Holdings Ltd ("CKI"), Hongkong Electric Holdings Ltd ("HEH") and the Li Ka-Shing Foundation ("the Cheung Kong group") to acquire 100% of EDF Energy plc's ownership in its United Kingdom regulated and non-regulated network activities for a total consideration of £5.8 billion (€6.9 billion[(1)]) including assumed debt.

On this basis, EDF group has granted the Cheung Kong group a period of exclusivity. After consultation with its European Works Council in early September, EDF group will submit the irrevocable offer to its Board for decision. Completion of any transaction pursuant to the irrevocable offer would be subject to customary regulatory approvals and to CKI and HEH shareholder approvals.

The regulated network activity serves London, the South-East and the East of England, covering approximately one quarter of the UK population.
The deregulated network activity concerns development, commissioning and operation of high-voltage electricity networks for owners of large infrastructures.

[(1)] Based on exchange rate of 1.1926 € / £.