



€30,000,000,000 EURO MEDIUM TERM NOTE PROGRAMME

Under the Euro Medium Term Note Programme described in this Base Prospectus (the "**Programme**"), Electricité de France (the "**Issuer**" or "**EDF**" or "**Electricité de France**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the "**Notes**") to qualified investors and the public in France or in any other Member State of the European Economic Area ("**EEA**") where this Base Prospectus has been notified to the competent authority in that Member State in accordance with the Directive 2003/71/EC of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading. The aggregate nominal amount of Notes outstanding will not at any time exceed Euro 30,000,000,000 (or the equivalent in other currencies at the date of issue of any Notes).

This Base Prospectus supersedes and replaces the Base Prospectus dated 6 September 2011.

Application has been made to the Autorité des marchés financiers (the "**AMF**") for approval of this Base Prospectus in its capacity as competent authority under the Prospectus Directive. This Base Prospectus received the visa no. 12-240 on 1 June 2012 from the AMF. Application may be made (i) to Euronext Paris during the period of 12 months from the date of this Base Prospectus for Notes issued under the Programme to be admitted to trading and/or (ii) to the competent authority of any other EEA Member State for Notes issued under the Programme to be admitted to trading on a Regulated Market (as defined below) in such Member State. Euronext Paris is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC (a "**Regulated Market**"). However, Notes may be issued pursuant to the Programme which are not admitted to trading on any Regulated Market. The relevant final terms (the "**Final Terms**") (a form of which is contained herein) in respect of the issue of any Notes will specify whether or not such Notes will be admitted to trading, and, if so, the relevant Regulated Market. The minimum denomination of each Note will be €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

The Programme is currently rated "Aa3" by Moody's Investors Service Ltd ("**Moody's**") and "A+" by Standard and Poor's Credit Market Services Europe Limited ("**Standard and Poor's**"). Each of Moody's and S&P is established in the European Union, is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council dated 16 September 2009, as amended by Regulation (EU) No 513/2011 of the European Parliament and of the Council dated 11 May 2011 (the "**CRA Regulations**") and is included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority (www.esma.europa.eu). Notes issued pursuant to the Programme may be unrated or rated differently from the current ratings of the Programme. The rating(s) of the Notes (if any) will be specified in the relevant Final Terms, including as to whether or not such credit ratings are issued by credit rating agencies established in the European Union, registered (or which have applied for registration) under the CRA Regulations and are included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority (www.esma.europa.eu). A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency without notice.

Notes may be issued either in dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**") as more fully described herein. Dematerialised Notes will at all times be in book entry form in compliance with Article L.211-3 of the French Code monétaire et financier. No physical documents of title will be issued in respect of the Dematerialised Notes.

Dematerialised Notes may, at the option of the Issuer, be in bearer dematerialised form (au porteur) inscribed as from the issue date in the books of Euroclear France ("**Euroclear France**") (acting as central depository) which shall credit the accounts of Account Holders (as defined in "Terms and Conditions of the Notes — Form, Denomination(s), Title and Redenomination") including Euroclear Bank S.A./N.V. ("**Euroclear**") and the depository bank for Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") or in registered dematerialised form (au nominatif) and, in such latter

case, at the option of the relevant Noteholder (as defined in "Terms and Conditions of the Notes — Form, Denomination(s), Title and Redenomination"), in either fully registered form (au nominatif pur), in which case they will be inscribed either with the Issuer or with the registration agent (designated in the relevant Final Terms) for the Issuer, or in administered registered form (au nominatif administré) in which case they will be inscribed in the accounts of the Account Holders designated by the relevant Noteholders.

Materialised Notes will be in bearer materialised form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (a "**Temporary Global Certificate**") will initially be issued in connection with Materialised Notes. Such Temporary Global Certificate will be exchanged for Definitive Materialised Notes in bearer form with, where applicable, coupons for interest attached, on or after a date expected to be on or about the 40th day after the issue date of the Notes (subject to postponement as described in "Temporary Global Certificates issued in respect of Materialised Bearer Notes") upon certification as to non U.S. beneficial ownership as more fully described herein.

Temporary Global Certificates will (a) in the case of a Tranche (as defined in "Summary") intended to be cleared through Euroclear and/or Clearstream, Luxembourg, be deposited on the issue date with a common depository on behalf of Euroclear and/or Clearstream, Luxembourg and (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream, Luxembourg or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer (as defined below).

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined herein) of Notes will be set out in the Final Terms.

Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Base Prospectus.

This Base Prospectus, any documents incorporated by reference herein, any supplements thereto (if any) and, so long as Notes are admitted to trading on any Regulated Market in accordance with Directive 2003/71/EC of 4 November 2003, the Final Terms relating to such Notes can be obtained free of charge from the registered office of the Issuer and will also be published on the websites of the Issuer (www.edf.com) and the AMF (www.amf-france.org) and can be obtained free of charge from the registered office of the Issuer.

Arranger for the Programme
BNP PARIBAS

Dealers

BNP PARIBAS

Crédit Agricole CIB
Société Générale Corporate & Investment Banking

The date of this Base Prospectus is 1 June 2012.

This Base Prospectus (together with any supplements to this Base Prospectus published from time to time, each a "Supplement" and, together, the "Supplements") constitutes a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading as amended (which includes the amendments made by Directive 2010/73/EU (the "2010 PD Amending Prospectus Directive") to the extent that such amendments have been implemented in a Member State of the European Economic Area) (herein referred to as the "Prospectus Directive"), and for the purposes of giving information, with regard to the Issuer and its fully consolidated subsidiaries (the "EDF Group") and the Notes, which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer and the rights attached to the Notes.

This Base Prospectus should be read and construed in conjunction with any Supplement thereto and with any other documents incorporated by reference (see "Documents Incorporated by Reference"), each of which shall be incorporated in and form part of this Base Prospectus and, in relation to any Series (as defined herein) of Notes, should be read and construed together with the relevant Final Terms, the Base Prospectus and the Final Terms being together, the "Prospectus".

The Issuer confirms that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import and the Issuer accepts responsibility accordingly.

No person has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, the Dealers or the Arranger.

No representation or warranty is made or implied by the Dealers or any of their respective affiliates, and neither the Dealers nor any of their respective affiliates makes any representation or warranty or accepts any responsibility, as to the accuracy or completeness of the information contained in this Base Prospectus. Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date thereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial situation of the Issuer since the date thereof or, as the case may be, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. No action

has been taken by the Issuer, the Dealers or the Arranger which would permit a public offering of any Notes or distribution of this Base Prospectus in any such jurisdiction where action for that purpose is required. Accordingly no Notes may be offered or sold, directly or indirectly and neither this Base Prospectus nor any Final Terms or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Dealers have represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions.

For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see "Subscription and Sale". In particular, Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, and may include Notes in bearer form which are subject to U.S. tax law requirements. Under United States legislation, subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

Neither this Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the stabilising manager(s) (the "Stabilising Manager(s)") (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the Final Terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with applicable laws and rules.

In addition, liquidity provider(s) may be appointed in connection with the issue of any Tranche, in which case the applicable Final Terms will include all relevant details regarding the entity (ies) which have a firm commitment to act as intermediary (ies) in secondary trading.

All references in this Base Prospectus to "€", "EUR" and "Euro" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as

amended, all references to "U.S.\$", "U.S. dollars", "United States dollars" and "USD" are to the lawful currency of the United States of America and references to "Renminbi" or "RMB" are to the currency of the People's Republic of China, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan (the "PRC").

FORWARD-LOOKING STATEMENTS

This Base Prospectus may contain certain statements that are forward-looking including statements with respect to the Issuer's business strategies, expansion and growth of operations, trends in its business, competitive advantage, and technological and regulatory changes, information on exchange rate risk and generally includes all statements preceded by, followed by or that include the words "**believe**", "**expect**", "**project**", "**anticipate**", "**seek**", "**estimate**" or similar expressions. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as a result of various factors. Potential investors are cautioned not to place undue reliance on forwardlooking statements, which speak only as of the date hereof.

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SUMMARY

*This summary (the "**Summary**") is provided for the purposes of the issue of Notes of a denomination of less than Euro 50,000 (or its equivalent in other currencies). Investors in Notes of a denomination equal to or greater than Euro 50,000 should not rely on this Summary in any way and the Issuer accepts no liability to such investors¹.*

The following paragraph is to be read as an introduction to the Summary if the relevant Member State has not implemented the changes to the Summary requirements under the Directive 2010/73/EU (the "2010 PD Amending Directive").

This Summary must be read as an introduction to this Base Prospectus. Any decision to invest in any Notes should be based on a consideration of this Base Prospectus as a whole, including the documents incorporated by reference. Where a claim relating to information contained in this Base Prospectus is brought before a court, the plaintiff may, under the national legislation of the Member States of the European Community or states parties to the European Economic Area, be required to bear the costs of translating this Base Prospectus before the legal proceedings are initiated. No civil liability will attach to the persons who tabled the summary, including any translation thereof, and applied for its notification pursuant to Article 212-39 of the règlement général of the Autorité des marchés financiers, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus, including the documents incorporated by reference.

The following paragraph is to be read as an introduction to the Summary if the relevant Member State has implemented the changes to the Summary requirements under the 2010 PD Amending Directive.

This Summary must be read as an introduction to this Base Prospectus and is provided as an aid to investors when considering whether to invest in the Notes, but is not a substitute for the Base Prospectus. Any decision to invest in the Notes should be based on a consideration by any investor of the Base Prospectus as a whole, including any documents incorporated by reference and any supplement from time to time. Following the implementation of the relevant provisions of the Prospectus Directive (Directive 2003/71/EC, as amended by Directive 2010/73/EU) in each Member State of the European Economic Area, no civil liability will attach to the Issuer in any such Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus or it does not provide, when read together with the other parts of this Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes. Where a claim relating to information contained in this Base Prospectus is brought before a court in a Member State of the European Economic Area the plaintiff may, under the national legislation of the Member State of the European Economic Area where the claim is brought, be required to bear the costs of translating this Base Prospectus before the legal proceedings are initiated.

¹ This Summary is provided for purposes of the issue of Notes of a Specified Denomination less than Euro 50,000 if the Issue Date of the Notes is on or prior to 30 December 2010, being the date of entry into force of Directive 2010/73/EU (the "**2010 PD Amending Directive**") and thereafter to the extent that the 2010 PD Amending Directive has not been implemented in the Relevant Member State. After 30 December 2010 and to the extent that Directive 2010/73/EU has been implemented in the Relevant Member State, this Summary shall apply to the issue of Notes of a Specified Denomination less than Euro 100,000.

Summary

References to "EDF" or "EDF SA" in this section are references to the Issuer and references to the "EDF Group" are references to the Issuer and its fully consolidated subsidiaries.

1. Information relating to the Issuer

General introduction to the EDF Group

The legal and commercial name of the Issuer is "Electricité de France". The Issuer may also legally and commercially be known as "EDF".

The Issuer is a limited liability company (a *société anonyme*) established under the laws of the Republic of France for a period of 99 years from 20 November 2004. It is registered at the Trade and Companies Registry of Paris (*Registre du Commerce et des Sociétés de Paris*) under reference number 552 081 317 RCS Paris.

The Issuer's registered address is 22-30 avenue de Wagram, 75008 Paris. The Issuer's contact number is + 33 (0)1 40 42 22 22.

The EDF Group is an integrated energy company with a presence in a wide range of electricity-related businesses: nuclear, renewable and fossil-fuel fired energy production, transmission, distribution, marketing as well as energy management and efficiency services, along with energy trading. It is France's leading electricity operator and has a strong position in Europe (United Kingdom, Italy, countries in Central and Eastern Europe), making it one of the world's leading electrical providers as well as a recognized player in the gas industry.

With a worldwide net installed capacity of 134.6 GWe² as of 31 December 2011 (124.2 GWe in Europe) and global energy generation of 628.2 TWh, the EDF Group has one of the largest generating capacities of all the major worldwide energy corporations with the lowest level of CO₂ emissions per KWh generated³ due to the proportion of nuclear, hydroelectric power and other renewable energies in its generation mix. The EDF Group supplies electricity, gas and associated services to more than 37.7 million customer accounts⁴ worldwide (including nearly 27.9 million in France).

Key information regarding the EDF Group's financial data

The selected financial information is taken from the EDF Group's consolidated financial statements at 31 December 2011, which have been audited by EDF's statutory auditors.

The selected financial information below must be read in conjunction with (i) the consolidated financial statements included in section 20.1 ("Historical Financial Information") of the 2011 *Document de Référence*, and (ii) the operating and financial review contained in Chapter 9 of the 2011 *Document de Référence*.

² Source: EDF. Figures calculated according to the rules of accounting consolidation.

³ Source: PricewaterhouseCoopers: "European Carbon Factor", November 2011.

⁴ Source: EDF. One customer may have two accounts: one for electricity and one for gas.

Summary

Year Ended 31 December <i>(in millions of Euro)</i>	2011	2010 (1)
Extracts from the consolidated income statements:		
EDF net income	3,010	1,020
Extracts from the consolidated balance sheets:		
Total assets	231,707	240,559
Total equity and liabilities	231,707	240,559
Extracts from the consolidated cash flow statements:		
Net increase (decrease) in cash and cash equivalents	115	(1,512)
Information concerning net indebtedness		
Net indebtedness	33,285	34,389

(1) Data published in 2010 for the 2010 fiscal year.

See section headed "Description of the Issuer" of this Base Prospectus.

2. Information relating to the Programme

Description	Euro Medium Term Note Programme for the issue of Notes to qualified investors and the public in France or in any other Member State of the European Economic Area where the Base Prospectus has been notified to the competent authority in that Member State in accordance with the Prospectus Directive, subject to further particularities set out in the relevant Final Terms.
Arranger	BNP Paribas.
Dealers	BNP Paribas, Crédit Agricole Corporate and Investment Bank and Société Générale. The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint one or more additional dealers either generally in respect of the Programme or in relation to a particular Tranche (as defined below) of Notes. References in this Base Prospectus to " Permanent Dealers " are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and to " Dealers " are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.
Fiscal Agent, Principal Paying Agent and Paris Paying Agent	Société Générale.
Calculation Agent	The Fiscal Agent unless an alternative Calculation Agent is appointed in relation to a particular issue of Notes.
Programme Limit	Up to Euro 30,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding

at any one time.

Any increase to this Programme limit will require the publication of a Supplement to the Base Prospectus.

Method of Issue

The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**") on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the final terms (the "**Final Terms**").

Form of Notes

Notes may be issued in either dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**").

Dematerialised Notes may, at the option of the Issuer, be issued in bearer dematerialised form (*au porteur*) or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder, in either fully registered form (*au nominatif pur*) or administered registered form (*au nominatif administré*). No physical documents of title will be issued in respect of Dematerialised Notes.

Materialised Notes will be in bearer materialised form ("**Materialised Bearer Notes**") only. A Temporary Global Certificate will be issued initially in respect of each Tranche of Materialised Bearer Notes. Materialised Notes may only be issued outside France.

Initial Delivery of Dematerialised Notes

One Paris business day before the issue date of each Tranche of Dematerialised Notes, the *lettre comptable* relating to such Tranche shall be deposited with Euroclear France as central depository.

Initial Delivery of Materialised Notes

On or before the issue date for each Tranche of Materialised Bearer Notes, the Temporary Global Certificate issued in respect of such Tranche shall be deposited with a common depository for Euroclear and Clearstream, Luxembourg or with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer.

Summary

Currencies	Notes may be denominated in any currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Payments in respect of Notes may, subject to compliance as aforesaid, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated and based on rates of exchange for such other currency/ies.
Status	Notes and, where applicable, any related Coupons and Receipts, will constitute direct, unconditional, unsubordinated and (subject to the provisions of <i>Negative Pledge</i> below) unsecured obligations of the Issuer and rank and will rank pari passu without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.
Negative Pledge	There will be a negative pledge.
Events of Default (including cross default)	There will be events of default and a cross-default.
Issue Price	Notes may be issued at any price and either on a fully or partly paid basis, as specified in the relevant Final Terms.
Maturities	Any maturity subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Redemption	Notes may be redeemable in whole or in part (detailed in a formula or otherwise), at maturity or in instalments, as may be specified in the relevant Final Terms.
Optional Redemption	The Final Terms issued in respect of an issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders and, if so, the terms applicable to such optional redemption.
Early Redemption	Except as provided in the Terms and Conditions of the Notes, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons.
Interest	Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed or floating rate or be linked to an index or formula, and may vary during the lifetime of the relevant Series.
Interest Periods and Interest Rates	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time

Summary

or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.

Denominations

Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/ or regulatory and/or central bank requirements and save that the minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive will be €1,000 (or, if the Notes are denominated in a currency other than Euro, the equivalent amount in such currency).

Consolidation

Notes of one Series may be consolidated with Notes of another Series.

Redenomination

Notes issued in the currency of any Member State of the EU which will participate in the single currency of the European Economic and Monetary Union may be redenominated into Euro.

Further Issues

Further Notes may be issued so as to form a single Series with the Notes of any particular Series.

Taxation

Unless otherwise specified in the relevant Final Terms, payments with respect to Notes will be made without the withholding tax set out under Article 125 A III of the French Tax Code (*Code général des impôts*).

Governing Law

French law.

Listing and Admission to Trading

As specified in the relevant Final Terms, a Series of Notes may or may not be listed and admitted to trading on Euronext Paris and/or any regulated market as defined by the Markets in Financial Instruments Directive 2004/39/EC (a "**Regulated Market**") or other stock exchange.

Method of Publication of the Base Prospectus and the Final Terms

The Base Prospectus, any supplement to this Base Prospectus and the Final Terms related to the Notes listed and admitted to trading on Euronext Paris will always be published on the websites of (a) the *Autorité des marchés financiers* (www.amf-france.org) and (b) the Issuer (www.edf.com) and may be obtained, free of charge, during normal business hours from Electricité de France, 22-30, avenue de Wagram, 75008 Paris, France and at the specified offices of each of the Paying Agents. In addition, if the Notes are

listed and admitted to trading on a Regulated Market other than Euronext Paris, the relevant Final Terms will provide whether additional methods of publication are required and what they consist of.

Clearing Systems

Euroclear France as central depository in relation to Dematerialised Notes and, in relation to Materialised Notes, Clearstream, Luxembourg and Euroclear or any other clearing system that may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer.

Selling Restrictions

There are restrictions on the sale of Notes and the distribution of offering material in various jurisdictions.

In connection with the offering and sale of a particular Tranche, additional selling restrictions may be imposed which will be set out in the relevant Final Terms.

Risk Factors

A. Essential risks associated with EDF

The EDF Group operates in an environment that is experiencing profound change, generating various risks, some of which are outside of its control and which are in addition to the risks inherent in carrying on its businesses. The risks that the EDF Group believes are material for its businesses are described below and more extensively in "Risk Factors" below. One or several of these risks could possibly have an adverse effect on the EDF Group's activities and/or its results. Moreover, other risks, of which it is currently unaware, or which it believes are not material at present, may have the same adverse effect.

The risks identified below relate to:

- European energy markets;
- the EDF Group's activities;
- the EDF Group's nuclear activities;
- the EDF Group's structure and changes within the EDF Group; and
- EDF's capital structure and the listing of its shares.

B. Essential risks associated with the Notes to be issued by EDF

An investment in the Notes involves certain risks which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. While all of these risk factors are

contingencies which may or may not occur, potential investors should be aware that the risks involved with investing in the Notes may lead to a volatility and/or decrease in the market value of the relevant Tranche whereby the market value falls short of the expectations (financial or otherwise) of an investor upon making an investment in such Notes.

However, each prospective investor of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

These risks include:

- **risk relating to potential conflicts of interest between the Issuer, the Dealers, their respective affiliates and the Holders of the Notes**

- **risks related to legality of purchase**

The acquisition of the Notes may be restricted by the laws of the jurisdiction of the Holder of the Notes, and may be subject to regulation by local authorities.

- **risk of modification, waivers or substitutions, of the conditions of the Notes by a General Meeting of Holders of the Notes binding all Holders of the Notes including those who did not attend or who voted in a manner contrary to the majority**

- **risks related to taxation**

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other charges or duties in accordance with the law and practices of the country where the Notes are transferred or where any other action is taken in relation to the Notes.

- **risks related to the EU Savings Directive**

Directive 2003/48/EC relating to the taxation of savings income provides that during a transitional period, certain Member States will withhold an amount on interest payments in respect of the taxation of that income.

- **risk of a change of law**

The Terms and Conditions of the Notes are based on French law in effect as of the date of the Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in French law or the official application or interpretation of French law after the date of this Base Prospectus.

- **risk relating to the liquidity/trading market for the Notes**

Notes issued under the Programme may not be widely distributed and there may be no active trading market in respect of such Notes.

- **risks relating to exchange rates risks and exchange controls**

The Issuer will pay principal and interest in the currency specified in the relevant Final Terms. For investors whose financial activities are denominated in a currency other than the specified currency in which the related Notes are denominated, there is a risk of significant fluctuation in the rate of exchange between these two currencies.

- **risks relating to credit ratings**

The credit ratings assigned to the Notes may not reflect the potential impact of all risks relating to the Notes, and other factors which may affect the value of the Notes.

- **risks related to the market value of the Notes**

The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors.

There are also risks relating to the structure of a particular issue of Notes (Notes subject to optional redemption of the Issuer, Fixed Rate Notes, Floating Rate Notes, Inverse Floating Rate Notes, Fixed/Floating Rate Notes, Notes issued at a substantial discount or premium, Index-Linked Notes, Partly Paid Notes, Variable Rate Notes, Structured Notes, etc.) and particular risks relating to Notes denominated in certain currencies, such as RMB.

These risk factors are more detailed in "Risk Factors" below.

RÉSUMÉ EN FRANCAIS (SUMMARY IN FRENCH)

Le présent résumé (le "**Résumé**") est établi dans le cadre de l'émission de Titres d'une dénomination inférieure à 50 000€ (ou son équivalent dans une autre monnaie). Les personnes investissant en Titres d'une dénomination égale ou supérieure à 50 000€ ne doivent en aucun cas se fonder sur le présent Résumé et Electricité de France (**"Emetteur"**) n'est pas responsable vis-à-vis de tels investisseurs⁵.

Le paragraphe suivant doit être lu comme une introduction au Résumé si l'Etat membre concerné n'a pas transposé les modifications apportées par la Directive 2010/73/EU (la "Directive modifiant la Directive Prospectus 2010") aux informations requises dans le Résumé.

Le Résumé doit être lu comme une introduction au présent prospectus de base (le "**Prospectus de Base**"). Toute décision d'investir dans des titres (les "**Titres**") doit être fondée sur un examen exhaustif du présent Prospectus de Base ainsi que de tout document incorporé par référence. Lorsqu'une action concernant l'information contenue dans le Prospectus de Base est intentée devant le tribunal, l'investisseur plaignant peut, selon la législation nationale des Etats membres de la Communauté Européenne ou parties à l'accord sur l'Espace Economique Européen, avoir à supporter les frais de traduction du Prospectus de Base avant le début de la procédure judiciaire. Les personnes qui ont présenté le résumé, y compris le cas échéant sa traduction et en ont demandé la notification au sens de l'article 212-41 du règlement général de l'Autorité des marchés financiers, n'engagent leur responsabilité civile que si le contenu du résumé est trompeur, inexact ou contradictoire par rapport aux autres parties du Prospectus de Base, y compris tout document incorporé par référence.

Le paragraphe suivant doit être lu comme une introduction au Résumé si l'Etat membre concerné a transposé les modifications apportées par la Directive modifiant la Directive Prospectus de 2010 aux informations requises dans le Résumé.

Le présent résumé doit être lu comme une introduction au présent Prospectus de Base et est fourni afin d'aider les investisseurs lorsqu'ils envisagent d'investir dans les Titres, mais ne remplace pas le Prospectus de Base. Toute décision d'investir dans des Titres doit être fondée sur un examen exhaustif du présent Prospectus de Base ainsi que de tout document incorporé par référence et tout supplément subséquent. Suite à la transposition des dispositions applicables de la Directive Prospectus (Directive 2003/71/CE, telle que modifiée par la Directive 2010/73/UE) dans tout Etat membre de l'Espace Economique Européen, aucune responsabilité civile ne pourra être attribuée à un Emetteur dans cet Etat Membre sur la base du seul résumé, y compris sa traduction, sauf si son contenu est trompeur, inexact ou contradictoire par rapport aux autres parties du prospectus, ou s'il ne fournit pas, lu en combinaison avec les autres parties du prospectus, les informations essentielles permettant d'aider les investisseurs lorsqu'ils envisagent d'investir dans ces Titres. Lorsqu'une action concernant l'information contenue dans le présent Prospectus de Base est

⁵ Le présent Résumé est fourni dans le cadre de l'émission de Titres d'une Valeur Nominale inférieure à 50 000 euros dont la Date d'Emission intervient avant ou au 30 décembre 2010, date d'entrée en vigueur de la Directive 2010/73/UE (la "**Directive modifiant la Directive Prospectus de 2010**") et après cette date, dans la mesure où la Directive modifiant la Directive Prospectus 2010 n'a pas été transposée par l'Etat Membre concerné. Après le 30 décembre 2010 et dans la mesure où la Directive modifiant la Directive Prospectus 2010 a été transposée par l'Etat Membre concerné, ce Résumé s'appliquera à l'émission de Titres d'une Valeur Nominale inférieure à 100 000 euros.

intentée devant un tribunal d'un Etat membre de l'Espace Economique Européen, l'investisseur plaignant peut, selon la législation nationale de l'Etat membre de la Communauté Européenne ou partie à l'accord sur l'Espace Economique Européen, avoir à supporter les frais de traduction de ce Prospectus de Base avant le début de toute procédure judiciaire.

Les références à "EDF" ou "EDF SA" dans la présente section sont des références à l'Emetteur et les références au "Groupe EDF" sont des références à l'Emetteur et à ses filiales par intégration globale.

1. Informations concernant l'Emetteur

Présentation générale du Groupe EDF

La dénomination sociale et le nom commercial de l'Emetteur est "Electricité de France". L'Emetteur peut aussi être légalement et commercialement dénommé "EDF".

L'Emetteur est une société anonyme constituée conformément au droit français pour une période de 99 ans à compter du 20 novembre 2004. Il est immatriculé au Registre du Commerce et des Sociétés de Paris sous le numéro 552 081 317 RCS Paris.

Le siège social de l'Emetteur est situé au 22-30 avenue de Wagram, 75008 Paris. Le numéro de téléphone de l'Emetteur est le + 33 (0)1 40 42 22 22.

Le Groupe EDF est un énergéticien intégré, présent sur l'ensemble des métiers de l'électricité : la production nucléaire, renouvelable et fossile, le transport, la distribution, la commercialisation et les services d'efficacité et de maîtrise de l'énergie, ainsi que le négoce d'énergies. Il est l'acteur principal du marché français de l'électricité et détient des positions fortes en Europe (Royaume-Uni, Italie, pays d'Europe centrale et orientale) qui en font l'un des électriciens leader dans le monde et un acteur gazier reconnu.

Avec une puissance installée nette de 134,6 Gwe⁶ dans le monde au 31 décembre 2011 (124,2 GWe en Europe) pour une production mondiale de 628,2 TWh, le Groupe EDF dispose, parmi les grands énergéticiens mondiaux, du parc de production le plus important et le moins émetteur de CO₂ par kilowattheure⁷ produit grâce à la part du nucléaire, de l'hydraulique et des autres énergies renouvelables dans son mix de production. Le Groupe EDF fournit de l'électricité, du gaz et des services associés à plus de 37,7 millions de comptes client⁸ dans le monde (dont près de 27,9 millions en France).

Informations de base concernant les états financiers du Groupe EDF

⁶ Source : EDF. Chiffres calculés conformément aux règles de consolidation comptable.

⁷ Source : PriceWaterhouseCoopers, Facteur carbone européen, novembre 2011.

⁸ Source : EDF. Un client peut avoir deux comptes client : un pour l'électricité et un autre pour le gaz.

Résumé

Les informations financières sélectionnées présentées ci-dessous sont extraites des comptes consolidés du Groupe EDF pour l'exercice clos le 31 décembre 2011 qui ont été audités par les Commissaires aux comptes d'EDF.

Les informations financières sélectionnées ci-après doivent être lues conjointement avec (i) les comptes consolidés figurant à la section 20.1 ("Informations financières historiques") du Document de Référence 2011 et (ii) l'examen de la situation financière et du résultat du Groupe EDF figurant au chapitre 9 du Document de Référence 2011.

Exercices clos au 31 décembre <i>(en millions d'euros)</i>	2011	2010 (1)
Extraits des comptes de résultat consolidés :		
Résultat net part du Groupe EDF	3 010	1 020
Extraits des bilans consolidés :		
Total de l'actif	231 707	240 559
Total des capitaux propres et du passif	231 707	240 559
Extraits des tableaux de flux de trésorerie consolidés:		
Variation nette de la trésorerie et des équivalents de trésorerie	115	(1 512)
Informations relatives à l'endettement financier net		
Endettement financier net	33 285	34 389

(1) Données publiées en 2010 au titre de l'exercice 2010.

Se reporter à la section "Description de l'Emetteur" du Prospectus de Base.

2. Informations concernant le Programme:

Description	Euro Medium Term Note Programme pour l'émission de Titres à destination des investisseurs qualifiés et du public en France ou dans tout autre pays de l'Espace Economique Européen dans lequel le Prospectus de Base a été notifié à l'autorité compétente de cet Etat membre conformément à la Directive Prospectus, sous réserve des informations complémentaires mentionnées dans les Conditions Définitives.
Arrangeur	BNP Paribas.
Etablissements Placeurs	BNP Paribas, Crédit Agricole Corporate and Investment Bank et Société Générale. L'Emetteur pourra, à tout moment révoquer tout établissement placeur nommé au titre du Programme ou nommer un ou plusieurs autres établissements placeurs soit de manière permanente dans le cadre du Programme, soit dans le cadre d'une Tranche particulière de Titres (telle que définie ci-dessous). Dans le présent Prospectus, le terme " Etablissements Placeurs

	<p>Permanents" désigne les établissements placeurs mentionnés ci-dessus et tout autre établissement placeur qui aura été nommé de manière permanente dans le cadre du Programme (et qui n'aura pas été révoqué) et "Etablissements Placeurs" désigne tous les Etablissements Placeurs Permanents et toutes les autres établissements placeurs nommés dans le cadre d'une ou plusieurs Tranches.</p>
Agent Financier, Agent Payeur Principal et Agent Payeur à Paris	Société Générale.
Agent de Calcul	L'Agent Financier sauf si un Agent de Calcul alternatif est nommé en rapport avec une émission particulière de Titres.
Montant Maximum du Programme	<p>Le montant nominal total des Titres en circulation ne pourra, à aucun moment, excéder la somme de 30 000 000 000 d'euros (ou sa contre-valeur dans une autre devise, calculée à la date d'émission).</p> <p>Toute augmentation du montant maximum du présent Programme donnera lieu à la publication d'un Supplément au Prospectus de Base.</p>
Méthode d'Emission	<p>L'émission des Titres fera l'objet d'une syndication ou non. Les Titres seront émis par série (chacune une "Série", à une même date d'émission ou à des dates d'émission différentes, et seront soumises pour leurs autres caractéristiques (à l'exception du premier paiement des intérêts) à des modalités identiques, les Titres de chaque Série étant supposés interchangeables entre eux. Chaque Série peut être émise par tranches (chacune une "Tranche") à une même date d'émission ou à des dates d'émission différentes. Les modalités spécifiques de chaque Tranche (qui seront complétées, si nécessaire par les termes et conditions concernés et, à l'exception de la date d'émission, du prix d'émission, du premier paiement d'intérêt et du montant nominal de la Tranche, seront soumises à des modalités identiques que celles des autres Tranches de la même Série) figureront dans les conditions définitives (les "Conditions Définitives").</p>
Forme des Titres	<p>Les Titres pourront être émis soit sous forme de titres dématérialisés ("Titres Dématérialisés"), soit sous forme de titres matérialisés ("Titres Matérialisés").</p> <p>Les Titres Dématérialisés pourront, au gré de l'Emetteur, être émis sous forme de titres au porteur ou sous forme de</p>

titres au nominatif, et dans ce dernier cas, au gré du Porteur de Titre, soit au nominatif pur soit au nominatif administré. Aucun titre physique ne sera émis en relation avec les Titres Dématérialisés.

Les Titres Matérialisés seront uniquement au porteur. Un Certificat Global Temporaire relatif à chaque Tranche de Titres Matérialisés au porteur sera initialement émis. Les Titres Matérialisés pourront uniquement être émise hors de France.

Création Initiale des Titres Dématérialisés Un jour ouvrable de Paris avant la date d'émission de chaque Tranche de Titres Dématérialisés, la lettre comptable relative à la Tranche concernée devra être déposée auprès d'Euroclear France en sa qualité de dépositaire centrale.

Création Initiale des Titres Matérialisés Au plus tard à la date d'émission de chaque Tranche de Titres Matérialisés au porteur, le Certificat Global Temporaire émis dans le cadre de la Tranche concernée sera déposé auprès d'un dépositaire commun pour Euroclear et Clearstream, Luxembourg ou auprès de tout autre système de compensation ou en dehors de tout système de compensation sous réserve que cette méthode ait été convenue au préalable par l'Emetteur, l'Agent Financier et l'Etablissement Placeur concerné.

Devises Les Titres peuvent être libellés dans toute devise sous réserve du respect de la législation et/ou de la réglementation applicable(s) et/ou des exigences des banques centrales. Les paiements relatifs aux Titres pourront, sous réserve du respect de la législation et/ou de la réglementation applicable(s), être effectués et/ou liés à toute devise ou toutes les devises autres que la devise dans laquelle ces Titres sont libellés.

Rang Les Titres et, le cas échéant, tout Coupon et Reçu constitueront des engagements directs, inconditionnels, non-subordonnés de l'Emetteur et (sous réserve de la clause de maintien de L'emprunt à son rang ci-dessous) non assortis de sûretés et viennent et viendront au minimum au même rang sans préférence entre eux et (sous réserve de certaines exceptions légales prévues par le droit français) au même rang que tous les autres engagements non-subordonnés et non assortis de suretés, présents ou futurs, de l'Emetteur.

Maintien de l'Emprunt à son Rang Une clause de maintien de l'emprunt à son rang (*Negative*

Résumé

Pledge) sera prévue.

Cas de Défaut (y compris de défaut croisé)	Une clause portant sur les cas de défaut (y compris le cas de défaut croisé) sera prévue.
Prix d'Emission	Les Titres pourront être émis à un quelconque prix et pourront être libérés totalement ou partiellement, conformément aux Conditions Définitives concernées.
Échéances	Toute échéance sous réserve, pour les devises spécifiques, du respect de la législation et/ou de la réglementation applicable(s) et/ou des exigences des banques centrales.
Remboursement	Les Titres sont remboursables en totalité ou en partie (tel que précisé dans une formule ou autrement) tel qu'indiqué dans les Conditions Définitives concernées, à leur échéance ou par échelonnements, tel que spécifié dans les Conditions Définitives concernées.
Remboursement Anticipé Optionnel	Les Conditions Définitives concernées pourront prévoir le remboursement anticipé des Titres au gré de l'Emetteur (en totalité ou en partie) et/ou des porteurs et, dans ce cas, les termes applicables à tel remboursement anticipé optionnel.
Remboursement Anticipé	Sauf dans les cas indiqués au paragraphe "Termes et Conditions des Titres — Remboursement et Achat", le remboursement anticipé des Titres au gré de l'Emetteur sera possible pour raisons fiscales uniquement.
Intérêts	Les Titres émis pourront porter intérêt. Dans ce cas, les intérêts (s'il y en a) seront calculés à un taux fixe ou variable, ou liés à un indice ou une formule, et pourront varier au cours de la durée de vie de la Série concernée.
Périodes d'Intérêt et Taux d'Intérêt	La durée des périodes d'intérêt pour les Titres et le taux d'intérêt applicable ou sa méthode de calcul peuvent être modifiés de temps à autre ou être constants pour toutes les Séries. Les Titres pourront avoir soit un taux d'intérêt maximum soit un taux d'intérêt minimum ou les deux. Le recours à des périodes d'intérêts cumulées permettra aux Titres de porter des intérêts à des taux différents au cours de la même période d'intérêt. Ces informations seront décrites dans les Conditions Définitives concernées.
Valeur nominale	Les Titres seront émis à la valeur nominale indiquée dans les Conditions Définitives concernées, sous réserve de la législation et/ou de la réglementation applicable(s) et/ou des exigences des banques centrales et sous réserve que

la valeur nominale de chaque Titres admis à la négociation sur un marché réglementé à l'intérieur de l'Espace Economique Européenne ou offert au public dans un Etat membre de l'Espace Economique Européenne dans des circonstances qui requièrent la publication d'un prospectus en application de la Directive Prospectus soit au minimum de 1000 euros (ou, si les Titres sont libellés dans une devise autre que l'euro, la contrevaletur de ce montant dans cette devise).

Consolidation

Les Titres d'une Série pourront être consolidés avec les Titres d'une autre Série.

Redénomination

Les Titres émis dans la devise de tout Etat Membre de l'UE qui adoptera la monnaie unique de l'Union Economique et Monétaire Européenne seront convertis en Euro.

Emissions Assimilables

De nouveaux Titres pourront être émis de manière à ce qu'ils forment qu'une seule Série avec les Titres de toute autre Série.

Fiscalité des Titres

Sauf mention contraire dans les Conditions Définitives concernées, les paiements dus en vertu des Titres ne seront pas soumis à la retenue à la source prévue à l'article 125 A III du Code général des impôts.

Droit Applicable

Droit français.

Cotation et Admission aux Négociations

Les Conditions Définitives préparées à l'occasion de chaque émission de Titres indiqueront si ceux-ci ont vocation à être cotés et admis aux négociations sur Euronext Paris et/ou sur tout autre marché réglementé au sens de la Directive 2004/39/CE concernant les marchés d'instruments financiers (un "**Marché Réglementé**") ou bourse de valeurs.

Mode de Publication du Prospectus de Base et des Conditions Définitives

Le Prospectus de Base, tout supplément au Prospectus de Base et les Conditions Définitives préparées à l'occasion de chaque émission de Titres cotés et admis à la négociation sur Euronext Paris seront toujours disponibles sur les sites internet (a) de l'Autorité des marchés financiers (www.amf-france.org) et (b) de l'Emetteur (www.edf.com) et peuvent être obtenus gratuitement pendant les heures d'ouverture au public d'Electricité de France, 22-30, avenue de Wagram, 75008 Paris, France et dans les bureaux mentionnés de chaque Agent Payeur. Par ailleurs, si les Titres sont cotés et admis aux négociations sur un Marché Réglementé autre qu'Euronext Paris, les Conditions Définitives préparées à l'occasion de

l'émission indiqueront si d'autres modes de publications sont requis et en quoi ils consistent.

Systèmes de Compensation

Euroclear France en tant que dépositaire central pour les Titres Dématérialisés et, pour les Titres Matérialisés, Clearstream, Luxembourg, Euroclear ou tout autre système de compensation que l'Emetteur, l'Agent Financier et l'Etablissement Placeur concerné auraient convenu de désigner.

Restrictions de Vente

La vente de Titres et la diffusion des documents d'offre seront soumises à des restrictions dans plusieurs juridictions.

Dans le cadre d'une offre ou d'une vente d'une Tranche particulière, des restrictions de ventes additionnelles pourront être imposées qui seront exposées dans les Conditions Définitives concernées.

Facteurs de Risque

A. Principaux facteurs de risques relatifs à EDF

Le Groupe EDF exerce son activité dans un environnement en forte évolution induisant de nombreux risques, dont certains échappent à son contrôle, et qui s'ajoutent aux risques inhérents à l'exercice de ses métiers. Le Groupe EDF décrit ci-dessous les risques significatifs auxquels il estime être exposé, tel que plus amplement détaillé dans "Facteurs de Risques" ci-dessous. Ces risques ou l'un de ces risques pourraient avoir une incidence négative sur son activité et/ou ses résultats. En outre, d'autres risques, dont il n'a pas actuellement connaissance ou qu'il considère comme non significatifs à ce jour pourraient avoir le même effet négatif.

Les risques présentés ci-dessous concernent:

- les marchés européens de l'énergie;
- les activités du Groupe EDF;
- les activités nucléaires du Groupe EDF;
- la structure et à la transformation du Groupe EDF; et
- la structure du capital d'EDF et à la cotation de ses actions.

B. Principaux facteurs de risques relatifs aux Titres à émettre par EDF

Investir dans les Titres implique certains risques importants qui doivent être pris en compte dans l'évaluation des risques de marché associés aux Titres

émis dans le cadre du Programme. Bien que ces risques ne soient qu'éventuels, les investisseurs sont avertis que lesdits risques peuvent entraîner une certaine volatilité et/ou une baisse de la valeur de marché des Titres en deçà des attentes (financières ou autres) des investisseurs de ces Titres.

Chaque investisseur potentiel doit déterminer, selon son appréciation personnelle et sur les conseils des professionnels qu'il considérera appropriés selon les circonstances, si l'acquisition des Titres est conforme à sa situation personnelle, ses besoins financiers et ses objectifs. Il doit aussi déterminer si l'acquisition des Titres est conforme aux politiques d'investissement, aux règles et aux restrictions qui lui sont applicables, et s'il s'agit d'un investissement satisfaisant et conforme à son attente, malgré les risques réels et substantiels liés à tout investissement ou détention des Titres.

Ces facteurs de risques relatifs aux Titres incluent notamment:

- **les risques liés aux conflits d'intérêts potentiels entre l'Emetteur, les banques, leurs affiliés respectifs et les porteurs des Titres**
- **les risques liés à l'acquisition légale des Titres**

L'acquisition des Titres peut être sujette à des lois et règlements ou à un contrôle ou une régulation par certaines autorités.

- **le risque de modification des modalités des Titres par une décision de l'assemblée générale des porteurs des Titres, les porteurs non présents ou en désaccord pouvant se retrouver liés par le vote de la majorité**
- **les risques liés à la fiscalité**

Les acquéreurs et vendeurs de Titres doivent savoir qu'il est possible qu'ils aient à payer des droits de timbre ou toute autre taxe similaire en application des lois et pratiques de l'état dans lequel les Titres sont transférés et/ou dans lequel un quelconque actif est délivré.

- **les risques liés à la directive européenne sur la fiscalité de l'épargne**

La directive 2003/48/CE relative à l'imposition des revenus tirés de l'épargne prévoit que, pendant une période de transition, certains Etats membres doivent appliquer une retenue à la source sur tout paiement d'intérêt au sens de

ladite directive.

- **les risques relatifs à un changement législatif**

Les Titres sont régis par la loi française à la date du Prospectus de Base. Aucune assurance ne peut être donnée quant aux conséquences d'une décision judiciaire ou d'une modification de la législation ou de son interprétation postérieure à la date du Prospectus de Base.

- **les risques liés au marché secondaire des Titres**

Les Titres émis peuvent ne pas faire l'objet d'une distribution importante et il ne peut être garanti qu'un marché actif des Titres se développera.

- **les risques relatifs aux taux de change**

L'Emetteur paiera le principal et les intérêts des Titres dans la devise prévue par les Conditions Définitives, pouvant présenter notamment des risques relatifs à la conversion des devises si les activités financières d'un investisseur sont effectuées principalement dans une unité monétaire différente de la devise prévues par les Conditions Définitives.

- **les risques liés à la notation des Titres**

La notation des Titres ne reflète pas nécessairement tous les risques liés aux Titres et autres facteurs qui peuvent affecter la valeur des Titres.

- **les risques à la valeur des Titres sur le marché**

La valeur des Titres sur le marché peut être affectée par la solvabilité de l'Emetteur et un certain nombre de facteurs additionnels.

Il existe aussi des facteurs de risques liés à la structure de certains Titres en particulier (Titres pouvant être remboursés de façon anticipée à l'initiative de l'Emetteur, Titres portant intérêt à taux flottant, Titres portant intérêt à taux fixe, Titres dont le taux d'intérêt est lié à un sous-jacent ou index, Titres subordonnés, etc.) et des risques relatifs aux émissions de Titres libellés dans certaines devises, notamment le Renminbi.

Pour une description détaillée des facteurs de risques, se reporter à "Facteurs de Risques" ci-dessous.

RISK FACTORS
A. RISK FACTORS RELATING TO THE NOTES

The following paragraphs describe some risk factors that are material to the Notes to be offered and/or admitted to trading in order to assess the market risk associated with these Notes. They do not describe all the risks of an investment in the Notes. Prospective investors should consult their own financial and legal advisers about risks associated with investment in a particular Series of Notes and the suitability of investing in the Notes in light of their particular circumstances. These risk factors may be completed in the Final Terms of the relevant Notes for a particular issue of Notes.

Terms defined herein shall have the same meaning as in the Terms and Conditions of the Notes.

1. General Risks Relating to the Notes

Independent review and advice

Each prospective investor of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

A prospective investor may not rely on the Issuer or the Dealers, the Arranger or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

Provision of information

None of the Issuer, the Dealers, the Arranger or any of their respective affiliates makes any representation as to an index. Any of such persons may have acquired, or during the term of the Notes may acquire, non-public information with respect to an index that is or may be material in the context of index-linked Notes. The issue of index-linked Notes will not create any obligation on the part of any such persons to disclose to the Noteholders or any other party such information (whether or not confidential).

Potential conflicts of interest

Each of the Issuer, the Dealers, the Arranger or their respective affiliates may deal with and engage generally in any kind of commercial or investment banking or other business with any issuer of the securities taken up in an index, their respective affiliates or any guarantor or any other person or entities having obligations relating to any issuer of the securities taken up in an index or their respective affiliates or any guarantor in the same manner as if any index-linked Notes issued under the Programme did not exist, regardless of whether any such action might have an adverse effect on an issuer of the securities taken up in the index, any of their respective affiliates or any guarantor.

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The Issuer may from time to time be engaged in transactions involving an index or related derivatives which may affect the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

In respect of Notes which are not offered to the public in France or listed in France (the AMF not permitting such discretion in respect of such Notes), potential conflicts of interest may arise between the Calculation Agent, if any, for a Tranche and the Holders of the Notes, including with respect to certain discretionary determinations and judgments that such Calculation Agent may make pursuant to the Terms and Conditions of the Notes that may influence the amount receivable upon redemption of the Notes.

Legality of purchase

Neither the Issuer, the Dealers, the Arranger nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

Modification, waivers and substitution

The Terms and Conditions of the Notes contain provisions for calling meetings of holders of the Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders of the Notes including holders of the Notes who did not attend and vote at the relevant meeting and holders of the Notes who voted in a manner contrary to the majority.

Regulatory restrictions

Investors whose investment activities are subject to investment laws and regulations or to review or regulation by certain authorities may be subject to restrictions on investments in certain types of debt securities. Investors should review and consider such restrictions prior to investing in the Notes.

Credit ratings

Electricité de France, and Electricité de France's debt, have credit ratings which are the subject of review from time to time by the independent credit rating agencies which assign such credit ratings.

In addition, one or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this section, and other factors that may affect the value of the Notes.

A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time and without notice. Any such revision suspension or withdrawal of any such credit rating could adversely affect the value of the Notes.

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In general, European regulated investors are restricted under Regulation (EC) No 1060/2009 of the European Parliament and of the Council dated 16 September 2009, as amended by Regulation (EU) No 513/2011 of the European Parliament and of the Council dated 11 May 2011 (the "**CRA Regulation**") from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended).

The relevant Final Terms will specify whether or not such credit ratings are issued by a credit rating agency established in the European Union, and whether or not the relevant credit rating agency is registered (or has applied for registration) under the CRA Regulation and is included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority (www.esma.europa.eu).

Taxation

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for innovative financial instruments such as the Notes. Potential investors are advised not to rely upon the tax summary contained in this Base Prospectus and/or in the Final Terms but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Base Prospectus and the additional tax sections, if any, contained in the relevant Final Terms.

EU Savings Directive

On 3 June 2003, the European Council of Economics and Finance Ministers adopted a directive 2003/48/EC regarding the taxation of savings income in the form of interest payments (the "**Directive**"). The Directive requires Member States, subject to a number of conditions being met, to provide to the tax authorities of other Member States details of payments of interest and other similar income made by a paying agent located within its jurisdiction to an individual resident in that other Member State, except that, for a transitional period, Luxembourg and Austria will instead withhold an amount on interest payments unless the relevant beneficial owner of such payment elects otherwise and authorises the paying agent to disclose the above information (see "**Taxation - EU Taxation**").

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any paying agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such

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withholding tax. If a withholding tax is imposed on a payment made by a paying agent, the Issuer will be required to maintain a paying agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Directive.

The European Commission has proposed a number of changes to the Directive which have been adopted by the European Parliament. The European Parliament adopted an amended version of this proposal on 24 April 2009. If any of these proposed changes are made in relation to the Directive, they may amend or broaden the scope of the requirements described above. Investors who are in doubt as to their position should consult their professional advisors.

French insolvency law

Under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the "**Assembly**") in the event of the opening in France of a preservation procedure (*procédure de sauvegarde*), accelerated financial safeguard (*procédure de sauvegarde financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) of the Issuer, in order to defend their common interests.

The Assembly comprises holders of all debt securities issued by the Issuer (including the Notes), whether or not under a debt issuance programme (EMTN) and regardless of their governing law.

The Assembly deliberates on the draft safeguard plan (*projet de plan de sauvegarde*), draft accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) or judicial reorganisation plan (*projet de plan de redressement*) applicable to the Issuer and may further agree to:

- increase the liabilities (*charges*) of holders of debt securities (including the Noteholders) by rescheduling and/or writing-off debts;
- establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances; and/or
- decide to convert debt securities (including the Notes) into shares.

Decisions of the Assembly will be taken by a two-third majority (calculated as a proportion of the debt securities held by the holders attending such Assembly or represented thereat). No quorum is required on convocation of the Assembly.

For the avoidance of doubt, the provisions relating to the Representation of the Noteholders described in this Base Prospectus will not be applicable in these circumstances.

No active secondary/trading market for the Notes

Notes issued under the Programme will be new securities which may not be widely distributed and for which there may be no active trading market. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions

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and the financial condition of the Issuer. Although in relation to Notes to be admitted to trading on Euronext Paris and/or any other Regulated Market in the European Economic Area, the Final Terms of the Notes will be filed with the *Autorité des marchés financiers* and/or with the competent authority of the Regulated Market of the European Economic Area where the Notes will be admitted to trading, which, in the case of Notes to be admitted to trading on Euronext Paris shall be the *Autorité des marchés financiers*, there is no assurance that such filings will be accepted, that any particular Tranche will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular Tranche.

In addition, certain Notes may be designed for specific investment objectives or strategies and therefore may have a more limited secondary market and experience more price volatility than conventional debt securities.

Investors may not be able to sell Notes readily or at prices that will enable investors to realise their anticipated yield. No investor should purchase Notes unless the investor understands and is able to bear the risk that certain Notes may not be readily sellable, that the value of Notes may fluctuate over time and that such fluctuations may be significant.

Furthermore, the secondary market for securities is currently experiencing significantly reduced liquidity, which could limit investors' ability to resell Notes and adversely affect the price of Notes.

Exchange rate risks and exchange controls

The principal of, or any return on, Notes may be payable in, or determined by reference or indexed to, one or more specified currencies (including exchange rates and swap indices between currencies or currency units). For investors whose financial activities are denominated principally in a currency or currency unit (the "**investor's currency**") other than the specified currency in which the related Notes are denominated, or where principal or return in respect of Notes is payable by reference to the value of one or more specified currencies other than by reference solely to the investor's currency, an investment in such Notes entails significant risks that are not associated with a similar investment in a debt security denominated and payable in such investor's currency. Such risks include, without limitation, the possibility of significant fluctuations in the rate of exchange between the applicable specified currency and the investor's currency and the possibility of the imposition or modification of exchange controls by authorities with jurisdiction over such specified currency or the investor's currency. Such risks generally depend on a number of factors, including financial, economic and political events over which the Issuer has no control.

Appreciation in the value of the investor's currency relative to the value of the applicable specified currency would result in a decrease in the investor's currency-equivalent yield on a Note denominated, or the principal of or return on which is payable, in such specified currency, in the investor's currency-equivalent value of the principal of such Note payable at maturity (if any) and generally in the investor's currency-equivalent market value of such Note. In addition, depending on the specific terms of a Note denominated in, or the payment of which is determined by reference to the value of, one or more specified currencies (other than solely the investor's currency), indices (including exchange rates and swap indices between currencies or currency units) or formulas, fluctuations in exchange rates relating to

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any of the currencies or currency units involved could result in a decrease in the effective yield on such Note and, in certain circumstances, could result in a loss of all or a substantial portion of the principal of such Note to the investor.

Government and monetary authorities have imposed from time to time, and may in the future impose, exchange controls that could affect exchange rates, as well as the availability, of the specified currency in which a Note is payable at the time of payment of the principal or return in respect of such Note.

Market value of the Notes

The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors, including the value of the reference assets or an index, including, but not limited to, the volatility of the reference assets or an index, or the dividend on the securities taken up in the index, market interest and yield rates and the time remaining to the maturity date.

The value of the Notes, the reference assets or the index depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Notes, the reference assets, the securities taken up in the index, or the index are traded. The price at which a holder of the Notes will be able to sell the Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser. The historical market prices of the reference assets or an index should not be taken as an indication of the reference assets' or an index's future performance during the term of any Note.

Change of law

The Terms and Conditions of the Notes are based on French law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in French law or the official application or interpretation of French law after the date of this Base Prospectus.

2. Risks related to the structure of a particular issue of Notes

The Programme allows for different types of Note to be issued. Accordingly, each Tranche may carry varying risks for potential investors depending on the specific features of such Notes such as, *inter alia*, the provisions for computation of periodic interest payments, if any, redemption and issue price.

Optional redemption

Unless in the case of any particular Tranche the relevant Final Terms specify otherwise, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the country of domicile (or residence for tax purposes) by the Issuer, or on behalf of France, or any political subdivision thereof or any authority therein or thereof

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having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Terms and Conditions.

In addition, if in the case of any particular Tranche the relevant Final Terms specify that the Notes are redeemable at the Issuer's option in certain other circumstances the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. During a period when the Issuer may elect, or has elected, to redeem Notes, such Notes may feature a market value not substantially above the price at which they can be redeemed. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

Fixed Rate Notes

Investment in Notes which bear interest at a fixed rate involves the risk that subsequent changes in market interest rates may adversely affect the value of the relevant Tranche.

Floating Rate Notes

Investment in Notes which bear interest at a floating rate comprise (i) a reference rate and (ii) a margin to be added or subtracted, as the case may be, from such base rate. Typically, the relevant margin will not change throughout the life of the Notes but there will be a periodic adjustment (as specified in the relevant Final Terms) of the reference rate (e.g., every three months or six months) which itself will change in accordance with general market conditions. Accordingly, the market value of floating rate Notes may be volatile if changes, particularly short-term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate.

Inverse Floating Rate Notes

Inverse floating rate Notes have an interest rate equal to a fixed base rate minus a rate based upon a reference rate. The market value of such Notes typically is more volatile than the market value of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse floating rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed to Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/ Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

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Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Index-linked Notes

Index-linked Notes are debt securities which do not provide for predetermined redemption amounts and/or interest payments but amounts due in respect of principal and/or interest will be dependent upon the performance of an index, which itself may contain substantial credit, interest rate or other risks. The amount of principal and/or interest, if any, payable by the Issuer might be substantially less than the issue price or, as the case may be, the purchase price invested by the holder of the Notes and may even be zero in which case the Holder of the Notes may lose its entire investment.

Index-linked Notes are not in any way sponsored, endorsed, sold or promoted by the index sponsor or the respective licensor of the index and such index sponsor or licensor makes no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of the index and/or the figure at which the index stands at any particular time. Each index is determined, composed and calculated by its respective index sponsor or licensor, without regard to the relevant Issuer or the Notes. None of the index sponsors or licensors is responsible for or has participated in the determination of the timing of, prices of, or quantities of the Notes to be issued or in the determination or calculation of the equation by which the Notes settle into cash. None of the index sponsors or licensors has any obligation or liability in connection with the administration, marketing or trading of the Notes. The index sponsor or licensor of an index has no responsibility for any calculation agency adjustment made for the index.

Partly Paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of his investment.

Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features, their market values may be even more volatile than those for securities that do not include those features.

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Structured Notes

An investment in Notes, the premium and/or the interest on or principal of which is determined by reference to one or more values of currencies, commodities, interest rates or other indices or formulae, either directly or inversely, may entail significant risks not associated with similar investments in a conventional debt security, including the risks that the resulting interest rate will be less than that payable on a conventional debt security at the same time and/or that an investor may lose the value of its entire investment or part of it, as the case may be. Neither the current nor the historical value of the relevant currencies, commodities, interest rates or other indices or formulae should be taken as an indication of future performance of such currencies, commodities, interest rates or other indices or formulae during the term of any Notes.

The prices at which Zero Coupon Notes, as well as other Notes issued at a substantial discount from their principal amount payable at maturity, trade in the secondary market tend to fluctuate more in relation to general changes in interest rates than do the prices for conventional interest-bearing securities of comparable maturities.

Risks Relating to Renminbi-denominated Notes

Notes denominated in RMB ("**RMB Notes**") may be issued under the Programme. RMB Notes contain particular risks for potential investors, including the following:

Renminbi is not freely convertible; there are significant restrictions on remittance of Renminbi into and outside the PRC

Renminbi is not freely convertible at present and despite a movement towards liberalization of cross-border RMB remittances, notably in the current account activity, there is no assurance that the PRC government will continue such movement in the future or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC.

Holders of RMB Notes may be required to provide certifications and other information (including Renminbi account information) in order to allow such holder to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of RMB Notes and the Issuer's ability to source Renminbi outside the PRC to service such RMB Notes

As a result of the restrictions by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited. However, pursuant to arrangements between the PRC Central Government and the Hong Kong government, all corporations are now allowed to open RMB accounts in Hong Kong. There is no longer any limit on the ability of corporations to convert RMB and there is no longer any restriction on the transfer of RMB funds between different accounts in Hong Kong.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on

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foreign exchange and of requirements by the Hong Kong Monetary Authority (such as maintaining no less than 25 per cent. of Renminbi deposits in cash or in the form of settlement account balance with the RMB Clearing Bank). There is no assurance that a change in PRC regulations will not have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of its RMB Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service its RMB Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

RMB Notes issued under the Programme may only be held in Euroclear France, Euroclear and Clearstream, Luxembourg

Noteholders may only hold RMB Notes if they have an account with Euroclear France or maintained with an Account Holder which itself has an account with Euroclear France (which include Euroclear and Clearstream, Luxembourg).

Investment in RMB Notes is subject to exchange rate risks

The value of Renminbi against the Euro, the U.S. dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors. All payments of interest and principal with respect to RMB Notes will be made in Renminbi. As a result, the value of these Renminbi payments in Euro or U.S. dollar terms may vary with the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the Euro, the U.S. dollar or other foreign currencies, the value of investment in Euro, U.S. dollar or other applicable foreign currency terms will decline.

Investment in RMB Notes is also subject to interest rate risks

The PRC government has gradually liberalised the regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. RMB Notes will generally carry a fixed interest rate. Consequently, the trading price of such RMB Notes will vary with fluctuations in Renminbi interest rates. If a Noteholder tries to sell such RMB Notes before their maturity, he may receive an offer that is less than his original investment.

RMB currency risk

Except in limited circumstances, all payments of Renminbi under the RMB Notes will be made solely by transfer to a Renminbi bank account maintained in Hong Kong in accordance with the prevailing rules and regulations for such transfer and in accordance with the terms and conditions of the RMB Notes. The Issuer cannot be required to make payment by any other means (including by transfer to a bank account in the PRC or anywhere else outside Hong Kong). For persons holding a beneficial interest in the RMB Notes through Euroclear or Clearstream, payments will also be made subject to the procedures of Euroclear or Clearstream, as applicable.

Developments in other markets may adversely affect the market price of any RMB Notes

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The market price of RMB Notes may be adversely affected by declines in the international financial markets and world economic conditions. The market for RMB denominated securities is, to varying degrees, influenced by economic and market conditions in other markets, especially those in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of issuers in other countries, including the PRC. Since the sub-prime mortgage crisis in 2008, the international financial markets have experienced significant volatility. Should similar developments occur in the international financial markets in the future, the market price of RMB Notes could be adversely affected.

The Issuer may make payments of interest and principal in U.S. dollars in certain circumstances

Although the primary obligation of the Issuer is to make all payments of interest and principal with respect to the RMB Notes in Renminbi, in the event access to Renminbi deliverable in Hong Kong becomes restricted to the extent that, by reason of Inconvertibility, Non-transferability or Illiquidity (each as defined the Terms and Conditions of the Notes) the Issuer would not be able, or it would be impracticable for it to pay interest or principal under such RMB Notes in Renminbi in Hong Kong, the terms of such RMB Notes allow the Issuer to make such payment in U.S. dollars at the prevailing spot rate of exchange, all as provided for in more detail in the Terms and Conditions of the Notes. As a result, the value of such payments in Renminbi may vary with the prevailing exchange rates in the marketplace. If the value of the Renminbi depreciates against the U.S. dollar the value of a Noteholder's investment in U.S. dollar will decline.

B. RISK FACTORS RELATING TO THE ISSUER AND ITS OPERATIONS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. The risk factors may relate to the Issuer or any of its subsidiaries.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. The risks described below are not the only risks the Issuer faces. Additional risks and uncertainties not currently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its business operations. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision. In particular, investors should make their own assessment as to the risks associated with the Notes prior to investing in Notes issued under the Programme.

References to sections in the factors described below are, where applicable, references to sections of the 2011 *Document de Référence* of the Issuer (see "Documents Incorporated by Reference").

Risks associated with the European energy markets

The EDF Group faces stiff competition in the European energy markets and, in particular, in the French electricity market, which is its main market

In France, since 1 July 2007, the electricity market has been totally open to competition. All EDF customers may now choose their electricity supplier and can therefore choose any of EDF's competitors. EDF has implemented measures to meet the competition, but the changing competitive landscape (new regulations, emergence of new players, mergers between existing players, etc.) could cause EDF to lose market share. This loss of market share could, at constant consumption and price levels, have a negative impact on the EDF Group's sales. Lastly, to achieve its objectives, EDF could be forced to increase its marketing expenditures or reduce its margins (especially in the event of price competition), which would have a negative effect on its profitability.

Elsewhere in Europe, the EDF Group faces differing contexts, depending on the competitive situation (more or less totally open markets, position of competitors, regulations, etc.). Therefore, in some countries, or in certain regions within a country, the EDF Group must pursue a defensive strategy to protect its market share, as it does in France. On the other hand, in other countries, the EDF Group must pursue an offensive strategy to gain market share. The type of competition, the expansion of such competition and its effect on the EDF Group's activities and its results vary from one country to another. These factors depend on the degree of deregulation in the country in question and on various other factors over which the EDF Group has no control.

Within this context, despite the fact that the EDF Group considers that the European electricity market offers opportunities, the EDF Group may not be able to defend its market share or gain expected market shares, or it may see its margins decrease, which would have a negative effect on its activities, its strategy and its financial results.

The legal framework governing the liberalisation of the energy sector is recent. This framework may change in the future and become more restrictive

The EDF Group's activities in France and abroad are subject to numerous regulations. Moreover, laws may vary from one country to another, including in the European Union where directives only establish a general framework.

This legal framework organising the liberalisation of the energy sector is relatively recent and does not necessarily provide comprehensive solutions to the difficulties created by market liberalisation. The legal framework is therefore subject to change, and such changes could be unfavourable to the EDF Group. Such future changes to the legal framework, whether in France or abroad, could lead to additional costs, be inconsistent with the EDF Group's growth model or change the competitive context in which the EDF Group operates.

For example, in the United Kingdom, the legal framework governing electricity producers' access to the main UK transportation and transmission network was amended in August 2010. The UK regulator (Ofgem) is currently reviewing a draft revision of tariffs for access to electricity networks that may lead to higher costs for existing generating units and also impact the profitability of all new power plants. This review has been termed Project TransmiT and Ofgem's recommendations are expected by spring 2012.

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Risks associated with the importance of the EDF Group's position in the French electricity market

Although it has seen a decrease in its market share due to market liberalisation, EDF should remain the largest operator in the French electricity market over the next few years, particularly with respect to power generation and supply.

The transmission and distribution businesses operated by RTE and Électricité Réseau Distribution France (ERDF), respectively, are required to be operated in a manner that ensures they are independent from generation and marketing activities in order to ensure non-discriminatory access to all users.

Although EDF complies and will continue to strictly comply with the applicable competition and non-discrimination rules, competitors have initiated and may initiate litigation for non-compliance with these rules, which could be decided against the EDF Group's interests.

In addition, the competent authorities or certain governments could, in order to maintain or enhance competition in certain energy markets, make decisions contrary to the EDF Group's economic or financial interests or to its model as an integrated and balanced operator, which could have a negative impact on the EDF Group's model, activities and financial results.

In France, for example, a provision of the NOME (New Organisation of Electricity Markets) law of 7 December 2010, provides for a transition period, until the end of 2025, of regulated access to electricity generated by existing nuclear capacity ("*accès régulé à l'électricité nucléaire historique*" or "ARENH") for operators supplying end users and network managers to cover their losses in mainland France. The impact of this measure may be significant for the businesses and results of EDF.

Other European countries may also claim that the liberalisation of the French market is insufficient and implement measures intended to slow the EDF Group's expansion in their own countries.

Laws and regulations that require transmission and distribution activities to be managed independently limit control over these activities

In accordance with current laws and regulations, EDF manages its transmission and distribution networks independently from its generation and supply activities and has transferred its distribution and transmission activities to wholly-owned subsidiaries. EDF has been and may be affected by the loss of control over certain strategic and operational decisions, which may have an impact on the outlook for and profitability of its transmission and distribution activities in France. At the same time, EDF will continue to bear certain risks associated with its operations, potential liability to third parties and factors that may affect the profitability of its assets.

The EDF Group may face similar risks in countries where it owns or manages transmission or distribution networks and where it is subject to similar regulatory restrictions.

Risks associated with the EDF Group's activities

The EDF Group operates facilities that may cause significant harm to the natural or human environment or for which accidents, natural disasters or external attacks may have serious consequences

The risks specific to nuclear facilities are described separately below ("Specific risks related to the EDF Group's nuclear activities").

Although the EDF Group is not the owner of hydropower facilities, but only a concession holder, as the operator thereof, it is responsible for the safety of the facilities. The main risks associated with hydropower facilities and their operations are the risk of dams or associated hydropower facilities bursting, risks associated with operating the facilities during floods, the risk associated with flow or level variations due to the operation of the facilities and risks related to natural disasters, external attacks or malicious acts of any kind. During the construction and operation of hydroelectric facilities, the EDF Group takes necessary accident prevention and safety measures in conjunction with the public authorities. Nonetheless, the EDF Group cannot guarantee that such events will never occur or that the measures taken will be fully effective in all cases, in particular, in dealing with external events (floods, natural disasters, negligence or malicious acts).

Persons working in or near electricity transmission and distribution facilities may, in the event of an accident, error or negligence, be exposed to the risk of electrocution. In this field, the EDF Group also implements accident prevention and safety measures. However, the EDF Group cannot guarantee that these measures will prove sufficient in all cases.

Questions concerning the risks to human health from exposure to electromagnetic fields (EMF), in particular, from power lines operated by the EDF Group, have been raised both in France and abroad. Based on studies completed over the past 20 years, numerous international health organisations (including the World Health Organisation (WHO), the International Agency for Research on Cancer (IARC), the American Academy of Sciences, the American National Institute of Environmental Health Sciences (NIEHS) and the UK Health Protection Agency) consider, based on currently available scientific information, that the existence of health risks due to exposure to EMFs has not been proven. Various reports published in 2009 (Scientific Committee on Emerging and Newly Identified Health Risks (SCENIHR)) and 2010 (AFFSET and OPECST) do not change these conclusions. Since 2002, the IARC has classified low-frequency electromagnetic fields at level 2B (possible carcinogen) on its scale of scientific evidence. In addition, in a report published in June 2007, the World Health Organisation considers that health risks, if any, are low. In 2010, RTE, in conjunction with the French Mayor's Association, launched an information and measurement campaign on the subject of very low-frequency (50Hz) electromagnetic fields for the mayors of 18,000 municipalities located near high and very high voltage power lines. This joint campaign reinforces existing communication on EMFs and aims to respond openly to the questions most frequently asked on the subject. Medical knowledge about health risks related to exposure to EMFs may evolve, public sensitivity about such risks could increase or the precautionary principle could be applied very broadly. At both the EU and French level, new regulations aimed at understanding the risks associated with EMFs are being drafted. For example, in France, the Grenelle 2 law of 12 July 2010, and its implementing decree of 1 December 2011, provide that as of 1 January 2012 managers of public electricity

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transmission networks must regularly monitor electromagnetic fields generated by power lines. The results of these actions must be submitted annually to the French Environmental and Occupational Health and Safety Agency (*Agence française de sécurité sanitaire de l'environnement et du travail*), which will publish them. All of the foregoing could expose the EDF Group to risks of increased litigation or lead to the adoption of more stringent and costly safety measures for the operation or construction of transmission or distribution networks.

Lastly, and more generally, the EDF Group operates or has operated facilities which, as currently operated, could be or could have been the source of industrial accidents or environmental and public health impacts (such as inadequately controlled emissions, leakages in electricity supply lines insulated with pressurised oil, a failure of decontamination facilities, pathogenic micro-organisms, asbestos, polychlorobiphenyls ("PCBs"), SF₆ gas emissions, etc.). In particular, large quantities of hazardous materials (in particular, explosive or flammable materials, such as gas and fuel oil) are stored in certain facilities. These facilities may be located in industrial areas where other activities subject to similar risks are operated, which means that the EDF Group's own facilities may be impacted by accidents occurring at neighbouring facilities owned by other operators and not under the EDF Group's control.

In accordance with ISO 14001, the EDF Group implements appropriate measures to prevent and, if necessary, repair any industrial accidents or environmental damage caused by the facilities that it operates. These measures are intended, in particular, to protect the EDF Group both against the risk of an accident (such as explosion, fire, etc.) occurring in its own facilities and against the impact of such an accident occurring in a neighbouring facility owned by a third party. However, in general, the EDF Group cannot guarantee that the measures taken to control these risks will prove fully effective if any of the events listed above were to occur. An accident of the type described above could have serious consequences for persons, property and business continuity, and the EDF Group could be found liable. Insurance policies for civil liability and damages taken out by the EDF Group could prove to be significantly inadequate, and the EDF Group cannot guarantee that it will always be able to maintain a level of cover at least equal to current cover levels and at the same cost. The frequency and magnitude of natural disasters seen over the past few years, in particular the nuclear accident that occurred in Japan in March 2011, could have a significant impact on the capacities of the insurance and reinsurance market and on the costs of civil liability and damages insurance cover for the EDF Group. Such accidents could also lead to the shutdown of the facility affected and, potentially, of similar facilities that may be considered to present the same risks.

Lastly, facilities or assets operated by the EDF Group may be targeted by external attacks or malicious acts of any kind. Safety measures were incorporated into the design of the facilities and sites, and protective measures have been taken by EDF. Moreover, safety measures to counter all forms of attacks have been implemented in conjunction with the public authorities. Nonetheless, like any safety measures intended to counter an external threat, the EDF Group cannot guarantee that these will prove fully effective in all cases. An attack or malicious act committed on these facilities could have consequences such as damage to persons and property, the EDF Group's liability being sought on the basis of measures that are judged inadequate and interruptions to operations. In addition, the EDF Group cannot guarantee that European and national legislation regarding the protection of sensitive sites

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and critical infrastructure will not become more restrictive, which could generate additional investments or costs for the EDF Group.

Any one of these events may have material, negative consequences on the EDF Group's image, activities, results and financial position.

A significant share of the EDF Group's revenue is generated from activities subject to regulated rates, and changes in such rates may have an impact on the EDF Group's results

In France, a significant share of EDF Group's revenue depends on regulated rates that are set by the public and/or regulatory authorities (integrated regulated sale rates and TURPE). This method of setting rates with the participation of regulatory authorities also applies in other countries where the EDF Group operates.

The public and regulatory authorities may decide to limit or block rate increases, yet require quality of service to remain unchanged. These authorities may also change the conditions of access for such regulated rates. For example, the NOME law of 7 December 2010 grants suppliers in competition with EDF access to ARENH at an initial price set at €40/MWh on 1 July 2011, then €42/MWh on 1 January 2012, by the Ministers in charge of the economy and energy portfolios, but the mechanisms governing these price changes are still subject to uncertainties. The NOME law also provides that medium and large businesses will cease benefiting from the regulated rates as from 1 January 2016, but individuals and professional businesses will continue to qualify. Individuals and professional business customers will be allowed to change between market-based offers and regulated rates for an indefinite time, but medium and large businesses will be entitled to do so only until 31 December 2015.

The EDF Group cannot guarantee that the statutes and regulations concerning such reversibility rights will not be extended beyond what is currently anticipated, or that other rate systems will not be adopted. The EDF Group also cannot guarantee that the regulated or purchase rates will always be set at a level which would allow it to maintain its short-, medium- or long-term investment capacity or its property interests, while ensuring a fair return on the capital invested by the EDF Group in its generation, transmission and supply assets.

EDF has certain obligations, in particular public service obligations, that are remunerated by mechanisms that may not provide complete compensation for additional costs incurred in connection with such obligations, or that are subject to change

The public service contract entered into by the French government and EDF on 24 October 2005 specifies the objectives and terms for performing the public service obligations that EDF is appointed to perform under Article 2 of law n° 2000-108 of 10 February 2000, and also sets out the mechanisms under which EDF is compensated for the performance of these obligations.

EDF cannot be sure that the compensation mechanisms provided in the laws and regulations applicable to it regarding remuneration for these public service obligations and the adoption of regulated rates will fully compensate additional costs incurred to perform such obligations and/or adopt such rates. Furthermore, EDF cannot guarantee that these compensation

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mechanisms will never be subject to change or that existing mechanisms will fully cover potential additional costs that may be incurred in relation with new duties imposed on EDF in connection with its public service obligations.

The occurrence of any of these events may have a negative impact on EDF's activities and financial results.

The EDF Group's activities require numerous administrative permits that may be difficult to obtain or that may be obtained only subject to conditions that may become significantly more stringent

The operation and expansion of the EDF Group's industrial activities – generation, transmission and distribution – require numerous administrative permits, at both local and national levels, in France and abroad. The procedures for obtaining and renewing these permits can be drawn-out and complex. These permits are not obtained systematically and the requirements for obtaining them may change and are not always predictable. Accordingly, the EDF Group may incur significant expenses in complying with the requirements for obtaining or renewing these permits (for example, costs of preparing permit applications, investments associated with installing equipment required before a permit will be issued, setoffs of environmental impacts of structures to be built). This may handicap the EDF Group's industrial activities. Delays, overly high costs or the suspension of its industrial activities due to the inability to obtain, retain, or renew permits may have a negative impact on the EDF Group's activities and profitability. In addition, the EDF Group may also have invested resources without obtaining necessary permits and authorisations and therefore have to cancel or withdraw from a project, which may have a negative impact on its business, expansion or financial results.

At times, the EDF Group operates its generation, transmission, distribution or supply businesses pursuant to public service concession arrangements and it is not always the owner of the assets it operates

The EDF Group does not always own the assets that it uses for its activities and, in such case, frequently operates them pursuant to a public service concession arrangement.

In France, for example, ERDF does not own all distribution network assets but operates them under concession agreements negotiated with local authorities which grants the company exclusive right to perform assignment related to developing the going concern of the electricity distribution public network, as well as deliver to the regulated tariffs. Under the law, only ERDF can be appointed by local authorities to operate their distribution networks, except for networks operated by local distribution companies (LDC). Therefore, at this time, when a concession agreement is renewed, ERDF does not compete with other operators. However, the EDF Group cannot guarantee that such provisions will not be amended by law in the future. Furthermore, the EDF Group may not obtain the renewal of these contracts under the same economic terms.

In France, RTE is both the owner and operator of the public transmission system pursuant to the standard concession terms of reference signed by the Minister of Industry (Decree no. 2006-1731 of 23 December 2006).

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Hydropower generation facilities of 4.5 MW or more are also operated under concessions awarded by the French government. When they expire, these concessions are now renewed by a competitive tender procedure. In addition, the Water law adopted on 30 December 2006 eliminated the preferential right of the incumbent concession holder at the time of renewal, and Decree no. 2008-1009 of 26 September 2008, provides the conditions under which concessions may be renewed. If an expired concession is not renewed, under current laws, the incumbent concession holder will not receive any compensation. However, the 2006 Supplementary Finance law provides for either reimbursement of non-amortised expenditures incurred for modernisation works or works for increasing generation capacity if such works are performed during the second half of the concession's term.

In addition, in April 2010, the French government announced the scope of the hydropower concessions that will be renewed by 2015, thus confirming the decision to advance the expiry of certain concessions in order to group them by valley. Because some of these renewal deadlines have already been exceeded, in 2011, the Rhône Alpes Environmental, Land Planning and Housing Department (DREAL) updated the anticipated schedule for the first two concessions (Lac Mort and Drac). A complete update by the General Energy and Climate Department (DGEC) of the schedule for invitations to tender concerning hydropower concessions is expected in 2012. If the French government shortens the term of a concession, it may compensate the incumbent concession holder the shortfall due to the early termination of the concession, in accordance with the concession's terms of reference. When renewed, hydropower concessions are subject to an annual fee indexed to the revenue from sales of electricity produced by the concession hydropower facilities, which is paid to the French government and allocated in part to the departments through which the watercourses used flow. The Grenelle 2 law of 12 July 2010 provides that the fee shall not exceed a limit set on a case-by-case basis by the concession grantor as part of each competitive tender.

The EDF Group cannot guarantee that each of the concessions that it currently operates will be renewed, or that any concession will be renewed under the same financial terms as the initial concession.

Furthermore, the EDF Group cannot guarantee that the compensation paid by the government in the event of early termination of a concession's operations will fully compensate the EDF Group's consequent loss of revenue, or that future regulations regarding the limitation of fees will not change in a way that could negatively affect the EDF Group. These factors could have a negative impact on its activities and financial results.

Outside France, the EDF Group also operates under electricity distribution or generation concessions in other countries where it does business, particularly in Italy. Depending on the conditions in each country, the transmission, distribution or generation concessions may not be continued or may be renewed in its favour with changes to the financial conditions of the concession terms of reference, which would have a negative impact on the EDF Group's activities and financial results.

The EDF Group must comply with increasingly restrictive environmental and public health regulations, which generate costs and are sources of potential liability

The EDF Group's activities are subject to environmental protection and public health regulations, which are increasingly numerous and restrictive. These regulations relate to the EDF Group's energy generation, transmission and distribution industrial activities, as well as to energy supply and energy-related services, which must, for example, incorporate the concept of demand management in their offers. Failure to comply with these regulations could expose the EDF Group to significant litigation. The EDF Group could be found liable, even if it is not at fault or has not breached applicable regulations. Furthermore, the EDF Group may be compelled to compensate breaches, damage or injuries caused by entities that were not part of the EDF Group at the time they were committed, if the EDF Group thereafter takes over their facilities.

Furthermore, these regulations may be significantly reinforced by the national or European authorities, which would have a negative impact on the EDF Group's activities and financial results.

Current regulations, and future changes to such regulations, have resulted and are likely to continue to result in an increasing level of operating costs and investments in order to comply with such regulations. The EDF Group may even be required to close facilities that cannot be made compliant with new regulations. In addition, other regulations, which may be more restrictive or which may apply to new areas which are not currently foreseeable, may be adopted by the competent authorities and have a similar effect.

In addition, stakeholders' external perception of the EDF Group's sustainable development policy may change, resulting in a deterioration of the EDF Group's non-financial rating and image.

Changes to regulations concerning energy savings certificates (ESC) could impose additional obligations on EDF and generate costs in relation thereto

The energy savings certificates (ESC) measure, which was created by Programme law n° 2005-781 of 13 July 2005 setting energy policy guidelines (POPE Act) and its implementing decrees, as amended by the Grenelle 2 law of 12 July 2010, and which is now codified as Articles L. 221-1 *et seq.* of the French Energy Code, imposes energy savings obligations on energy suppliers.

In accordance with the conditions and procedures specified in the regulations, three-year energy savings objectives were established and allocated among persons subject to the obligation to achieve energy savings (the "obligors") on the basis of their sales volumes. This objective was 54 cumulative discounted TWh for the first period between 1 July 2006 and 30 June 2009. The second period covers 1 January 2011 to 31 December 2013 and the objective is 345 cumulative discounted TWh. Subject to financial penalties, payment of which discharges liability, by the end of the relevant period, obligors must produce energy savings certificates corresponding to their obligation, which are obtained in exchange for directly or indirectly carrying out energy savings actions, or which may be purchased from other so-called "eligible" economic entities through the national certificates register.

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Increased competition and a decrease in the principal mineral deposits associated with more stringent regulatory requirements have slowed the rate at which ESCs are produced and made them more expensive. This trend has been accentuated by the economic crisis, which has reduced households' investment capacity and hurt the construction sector.

Against this background, the proposal Energy Efficiency Directive adopted in June 2011 and the French political decisions that may be taken as a result thereof if the measure is extended for a third period after 2014 may lead to considerably more stringent obligations. These provisions could significantly increase EDF's sales costs and require a considerable increase in regulated sale rates, because such rates are set by the public authorities. Therefore EDF cannot guarantee that increased sales costs will be completely reflected in the rates.

The expansion of an integrated European electricity market may be slowed by a lack of cross-border transmission system interconnections

The development of an integrated European electricity market is inhibited by a lack of cross-border interconnections. This situation limits exchange capacity between operators in different countries, in particular the capacity to rapidly adapt supply to demand ("blackout risk"), and allows price differences in different countries to persist, which would be significantly reduced in an efficient integrated European market. It also impedes the emergence of efficient operators with a European scope as it limits the possibilities for synergies between companies within a same group located on different sides of a border. Although there are currently several projects to develop interconnections (investments are determined by transmission network managers independently from producers), their construction has nonetheless been slowed down, mainly by environmental, regulatory and local acceptability considerations.

Furthermore, the lack of adequate interconnections between countries where the EDF Group is based or the failure to develop such interconnections at an adequate pace may limit the industrial synergies that the EDF Group strives to achieve between its various entities or may cause network interruptions in countries in which the EDF Group is established, which could have a negative impact on its results, business and outlook.

Repeated or widespread blackouts in France or in an area served by a subsidiary of EDF, particularly if they are attributable to the Group, may have consequences for the Group's activities, results and image

The EDF Group may be the source of repeated or widespread blackouts or be blamed for one, even if the causal event occurred in another network or was attributable to another operator.

The causes of blackouts vary: local or regional imbalances between electricity generation and consumption, accidental interruptions to the power supply, cascading power failures (more difficult to stop in a market with cross-border exchanges), interconnection problems at borders and difficulty in coordinating operators in a liberalised market.

The initial impact of such power failures would be repair costs incurred to re-establish power or restore the network. Power failures may also generate capital expenditures if it were decided, for example, to install additional generation or network capacity. This could also

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cause a decline in the EDF Group's sales. Lastly, power failures may have a negative impact on the EDF Group's image with its customers, particularly if the blackouts are attributable to the EDF Group.

Natural disasters, significant weather changes and any major event on a scale that is difficult to predict may have a significant negative impact on the EDF Group's industrial and commercial activities

EDF and its subsidiaries have developed crisis management plans to deal with natural disasters or major events. These crisis management plans are assessed and tested on a regular basis.

As was the case with storms Klaus (2009) and Xynthia (2010) in France, natural disasters (floods, landslides, earthquakes, etc.), other significant weather changes (droughts, etc.), or any other event on a scale that is difficult to predict (large-scale epidemics, etc.) may affect the EDF Group's activities. Based on its experience with this type of events, the EDF Group implements measures aimed at limiting the consequences should such events reoccur.

The measures may generate costs in addition to the costs of repairing the damage caused by the natural disaster and the loss of earnings from the interruption to supply.

In August 2011, ERDF entered into a five-year contract covering ERDF's aerial distribution network against the consequences of major "storms" risks. In the event of a loss, this policy, which provides cover in the amount of €150 million, provides compensation calculated using a parametric index based on wind speed. Neither RTE's aerial distribution networks nor the Isolated Energy Systems are covered for property damage. Damage to these networks could have a negative impact on the EDF Group's financial position in the absence of insurance cover or of inadequate cover. In addition, renewing or taking out specific cover may be difficult or more costly due to the impact, frequency and magnitude of natural disasters experienced in recent years by the alternative risk transfer markets.

To deal with a wide-spread health epidemic, EDF has created a plan intended to ensure the continuity of electricity supply, depending on the intensity of the crisis, while guaranteeing the safety of facilities and reducing the health risks to which employees are exposed.

Lastly, following the Fukushima accident in 2011, EDF supplemented its national crisis teams with a National Rapid Action Force (FARN) capable of delivering, in less than 24 hours, teams with "operational/ maintenance" and "logistical" expertise to a nuclear power generating centre in difficulty.

Despite the establishment of a crisis management structure in place that enables it to react promptly to such events, the EDF Group cannot guarantee that the occurrence of a natural disaster, a weather event or any other event on a scale that by its nature is difficult to predict will not have significant negative consequences on its activities, income and financial position.

Risks associated with weather conditions and seasonal variations in the business

Electricity consumption is seasonal and depends to a great extent on weather conditions. Accordingly, in France, electricity consumption is generally higher during winter months.

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Furthermore, available power may also depend on weather conditions. Thus, low water levels or heat waves may limit nuclear power generation due to the requirement that rivers downstream of facilities not exceed maximum temperatures. Similarly, power generated by wind power or solar plants depends on wind conditions or hours of sunshine at the sites where such facilities are installed.

Therefore, the EDF Group's results reflect the seasonal character of the demand for electricity and may be adversely affected by exceptional weather conditions or wind or sunshine conditions that are less favourable than anticipated. In such case, the EDF Group may have to compensate the reduced availability of economical power generation means by using other means with higher production costs, or by having to access the wholesale markets at high prices.

The EDF Group's activities are sensitive to economic cycles and general economic conditions

The EDF Group's activities are sensitive to economic cycles and general economic conditions in the geographical areas in which the EDF Group does business. An economic slowdown in these areas would result in a drop in energy consumption, investments and industrial production by the EDF Group's customers and, consequently, would have a negative effect on the demand for electricity and other services offered by the EDF Group.

The EDF Group cannot guarantee that the effects of an economic downturn, such as experienced since October 2008, in the geographical areas in which it does business, will not have a significant adverse impact on its activities, operating income, financial position or outlook.

Technological choices made by the EDF Group may be outperformed by more efficient technologies

The EDF Group's business activities rely on a certain number of technological choices, which may be outperformed by other technologies that prove more efficient, more profitable, safer or more pertinent in light of possible future standardisation and standards than the technologies used by the EDF Group. The use of such technologies by the EDF Group's competitors could reduce or eliminate the competitive advantage that the EDF Group has obtained from certain of its technologies, and thus have a negative impact on its activities, financial results and outlook.

The EDF Group is exposed to risks associated with the wholesale energy and CO₂ emission allowances markets

In conducting its production, marketing and distribution activities, the EDF Group does business in deregulated energy markets, primarily in Europe. Therefore, the EDF Group is exposed to price fluctuations in the wholesale energy markets (electricity, gas, coal, petroleum products) and the CO₂ emissions allowances markets. These fluctuations are particularly significant in the current context of major tensions and volatility in the energy markets.

The EDF Group manages its exposure to these risks primarily through purchases and sales on wholesale markets. With the exception of petroleum products markets, these are recent

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markets that are still under development. Therefore, a lack of liquidity may limit the EDF Group's ability to hedge its exposure to risks in the energy market. Moreover, certain of these markets continue to be partially partitioned by country due to, in particular, the lack of interconnections. Furthermore, these markets may experience significant price increases or decreases that are difficult to foresee, as well as liquidity crises.

Energy market risks are managed in accordance with the "Energy market risks" policy adopted by the EDF Group. The EDF Group hedges its positions on these markets through derivatives, such as futures, forwards, swaps and options traded on organised markets or over the counter. However, the EDF Group cannot guarantee that it is totally protected, in particular against liquidity risks and significant price fluctuations, which could have a negative impact on its financial results.

The EDF Group is exposed to variations in the price and availability of materials and services (other than fuels) that it purchases in connection with its business operations

In the event of significant and sustained increases in the prices of raw materials, the EDF Group may experience higher procurement costs for certain critical products or services. Such increases may also lead certain suppliers to reduce supply due to reduced profit margins. In addition, there is increased demand for certain materials or services, which may have an impact on their availability, in particular materials used for gas-fired combined cycle power stations, wind turbines and services and materials in the nuclear sector.

The EDF Group is exposed to risks in the financial markets

As a result of its activities, the EDF Group is exposed to risks associated with the financial markets:

- (a) Liquidity risk: the EDF Group must at all times have sufficient financial resources to finance its day-to-day business activities, the investments necessary for its expansion and the annual appropriations to the dedicated portfolio of assets covering long-term nuclear commitments, as well as to deal with any exceptional events that may arise. Furthermore, in accordance with the practice in the organised energy and financial markets, some EDF Group entities have set up a margin call system for certain over-the-counter transactions in order to limit counterparty risk. This system may require the EDF Group to mobilise cash in case of the high current volatility on financial and energy markets.
- (b) Currency risk: due to the diversity of its activities and the geographical distribution thereof, the EDF Group is exposed to the risks of fluctuations in foreign exchange rates, which may impact currency translation adjustments, balance sheet items and the EDF Group's financial expenses, equity and financial results.
- (c) Equity risk: the EDF Group is exposed to equity risk on securities held primarily as dedicated assets constituted to cover the cost of long-term commitments in relation with the nuclear business or as part of externally

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managed pension funds and, to a lesser extent, in connection with its cash assets and investments held directly by the EDF Group.

- (d) Interest rate risk: the EDF Group's exposure to changes in interest rates involves two types of risks: (i) the risk of changes in the value of fixed-rate financial assets and liabilities and (ii) the risk of changes in cash flows associated with variable-rate financial assets and liabilities. Interest rate risk is also associated with debt securities held in connection with the management of dedicated assets constituted to cover the EDF Group's long-term commitments in relation with the nuclear business and its commitments with respect to pensions and other specific employee benefits.

The EDF Group cannot guarantee that it is totally protected, in particular in the event of significant fluctuations in foreign exchange rates, interest rates and the equities markets.

A default by the EDF Group's counterparties (partners, subcontractors, service providers, suppliers or customers) may have an impact on its activities and results

Like all economic operators, the EDF Group is exposed to a possible default by certain counterparties (partners, subcontractors, service providers, suppliers or customers), in particular in the event they experience occasional financial difficulties or if bankruptcy proceedings are initiated against them. A default by these counterparties may impact the cost of projects carried out by the EDF Group, the quality of work performed, completion deadlines or the procurement of certain critical products or services, and exposes the EDF Group to reputational risk, business continuity risk for certain projects or the loss of contracts, as well as significant additional costs, in particular if EDF is required to find satisfactory alternatives or take over the relevant activities and/or pay contractual penalties, which would have a negative impact on its activities and financial results.

The EDF Group could be held liable for the occurrence of occupational illnesses or accidents

Although the EDF Group takes the steps necessary to comply with the health and safety laws and regulations in the various countries in which it operates, and considers that it has taken the measures required to ensure the health and safety of its employees and of its subcontractors' employees, the risk of occupational illnesses or accidents cannot be excluded. The occurrence of such events may lead to lawsuits against the EDF Group and may result in the payment of damages, which could be significant.

Regarding asbestos, the EDF Group has taken measures to treat materials, as well as information and protection measures.

Specific risks related to the EDF Group's nuclear activities

The EDF Group is the world's leading nuclear operator⁹. Nuclear-generated electricity accounts for approximately 91.6% of the power it generates in France. Since 2009, EDF has operated nuclear assets in the United Kingdom and the United States (through CENG). The share of nuclear energy in the EDF Group's electricity mix is thus a major competitive

⁹ Source: Nuclear Power Reactors in the World, International Atomic Energy Agency, 2010 edition.

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advantage. The EDF Group also plays an active role in construction projects for new nuclear plants in France, the United Kingdom, China and potentially in other countries. Any event that has a negative effect on the nuclear business is likely to have greater consequences for the EDF Group's image, activities, productivity, financial position and results than for its competitors that generate proportionally less electricity using this source of energy.

Due to its nuclear activities, the EDF Group is exposed to substantial liability risks and potentially significant additional operating costs.

Although the EDF Group has adopted risk control strategies and procedures for its nuclear activities that are consistent with high standards, such activities, by their nature, still present potential risks. Therefore, the EDF Group may face significant liability as a result of inter alia incidents and accidents, security breaches, malicious or terrorist acts, aircraft crashes, natural disasters (such as floods or earthquakes), equipment malfunctions or problems in the course of storing, handling, transporting, processing or packaging nuclear substances and materials. Such events could lead to significantly tougher operating requirements for nuclear plants, or the partial or total closure of the operation of the EDF Group's power generation plants, and may have serious consequences, especially in the event of radioactive contamination or irradiation of persons working for the EDF Group, the general population and the environment, as well as a material, negative impact on the EDF Group's activities, strategy, outlook and financial position.

A nuclear operator is responsible for the nuclear safety of its facilities. The liability scheme that applies to European nuclear facility operators is based on the principle of the operator's strict liability. Accordingly, if an event occurs that causes damage, the EDF Group would be automatically liable up to a monetary maximum set by the law applicable in the country where the event occurs, regardless of the source of the event that caused the damage and any safety measures that may have been taken.

The EDF Group cannot guarantee that in countries where it operates nuclear facilities the maximum liability set by law will not be increased or cancelled. For example, the protocols amending the Paris Convention and the Brussels Convention, which are currently being ratified, provide for these maximum amounts to be increased. The entry into force of these amending protocols or any other reform that seeks to increase the maximum liability of nuclear plant operators could have a significant impact on the cost of insurance, which the company is not currently in a position to estimate. Furthermore, the EDF Group cannot guarantee that insurance covering this liability will always be available or that it will always be able to maintain such insurance.

Property damage to EDF's nuclear facilities is covered by insurance programmes. Despite this coverage, any event that would cause significant damages to an EDF Group's nuclear facility could have a negative impact on the EDF Group's business, financial results and financial position.

Lastly, the EDF Group cannot guarantee that the insurers that cover both its liability as a nuclear plant operator and property damage to its facilities will always have available capacity or that the costs of cover will not significantly increase, particularly in light of the impacts on the insurance market of events such as the nuclear accident in Japan that occurred on 11 March 2011.

A serious nuclear accident anywhere in the world may have significant consequences for the EDF Group

Despite the precautions taken in their design and operation, a serious accident at a nuclear facility cannot be excluded, such as the nuclear accident in Japan, following the earthquake and tsunami that devastated the north of the country on 11 March 2011. This type of accident may turn public opinion against nuclear power and lead the competent authorities to substantially tighten power plant operating requirements or to refuse authorisation for proposed extensions of the operating life of power plants, leading to a temporary or permanent suspension of the operation of one or more nuclear facilities, or leading the authorities to consider a moratorium on the use of nuclear power to generate electricity and, therefore, also to suspend or cancel all ongoing nuclear power plant development projects. Such decisions were taken in Germany (suspension of nuclear power generation) and Italy (suspension of nuclear power plant construction projects) following the Fukushima accident. Such decisions could be taken even if no accident occurs.

If such an accident were to occur near one or more of the EDF Group's facilities, it could also contaminate the environment and thus jeopardise their operation.

Such events would have a material, negative impact on the business model, strategy, activities, results, financial position and outlook of the EDF Group.

The EDF Group's nuclear business is subject to particularly detailed and restrictive regulations that may become more stringent

The EDF Group's nuclear business is subject to detailed and restrictive regulations, with a system in place, in particular in France, that monitors and periodically re-examines operating authorisations, primarily on the basis of nuclear safety, environmental and public health protection and national safety considerations (terrorist threats in particular). These regulations may be significantly tightened by national and European authorities. Furthermore, the regulations may be tightened due to inter alia decisions that may be taken following the Fukushima accident or possible non-compliance with current or future regulations, which could result in the temporary or permanent shutdown of one or more of the EDF Group's plants.

Such events may result in a significant increase in the costs of the EDF Group's nuclear power plants, which may have a negative impact on its financial position.

For its nuclear business, the EDF Group depends on a limited number of contractors

Although the EDF Group has adopted a policy to diversify the suppliers and service providers for its nuclear business, it is currently dependent on a limited number of contractors and persons who have the necessary qualifications and experience. This limits competition in the markets in which EDF is a buyer and exposes the EDF Group to the risk of a default of one or more of these suppliers or service providers with specific expertise, which could have a negative impact on the EDF Group's results and financial position.

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The EDF Group is exposed to changes in the conditions for procuring uranium and conversion and enrichment services

The EDF Group's operating costs include nuclear fuel purchases.

For its nuclear power plants in France and the United Kingdom, EDF purchases uranium and conversion and enrichment services through long-term contracts containing hedging mechanisms that mitigate and smooth price fluctuation over time. Its main supplier is the AREVA group, but EDF pursues a diversification policy by also buying supplies from other industrial companies. Prices and availability of uranium and conversion and enrichment services are subject to fluctuations due to factors that are mainly political and economic, which the EDF Group cannot control (in particular, increased demand due to worldwide growth of the nuclear energy sector or shortages associated with, for example, an operating accident in a uranium mine or an internal or external event leading to political instability in a uranium producing country).

In the United States, CENG purchases uranium and conversion, enrichment and assembly services from several suppliers. The current contracts with these suppliers ensure a supply of fuel and conversion, enrichment and assembly services for several years for the Calvert Cliffs, Nine Mile Point and Ginna plants.

However, the EDF Group cannot guarantee that its contracts, in France and abroad, will completely protect it from sudden or significant price increases. The EDF Group cannot guarantee that when these long-term contracts expire, it will be able to renew them, in particular at an equivalent price. This could have a negative impact on the EDF Group's financial results.

Risks related to the transportation of nuclear fuel

The transportation of new or spent nuclear fuel is a very particular operation that requires specific and restrictive safety and security measures. These constraints could become more stringent, generating additional difficulties and costs for the EDF Group. Furthermore, several factors that are beyond the EDF Group's control (such as opposition by local residents or anti-nuclear associations, for example, in the form of manoeuvres to prevent nuclear material from being shipped) may slow these operations. Operations may also be interrupted, in particular, in the event of an accident. In such case, the EDF Group may be required to slow or halt some or all power generation at the relevant sites, due to non-delivery of new fuel assemblies or the saturation of onsite storage facilities, which may have a negative impact on the EDF Group's financial results.

The nuclear power plants operated by the EDF Group may require significant and/or costly repairs or modifications

The group of nuclear facilities that the EDF Group currently operates in France is highly standardised. This enables the EDF Group to achieve economies of scale in equipment purchases and engineering, to apply improvements made to its newest power plants to all plants and, in the event of a malfunction in a facility, to anticipate the measures to be taken in other plants. However, such standardisation carries the risk of a malfunction that is common to several power plants or series of power plants. The EDF Group cannot guarantee that it will never again be required to make other significant or costly repairs or

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modifications to all or some of its plants, or that events will not occur that may have an impact on the operation of its plants or their output or cause a temporary or permanent shutdown of all or some of its plants. In particular, following the additional safety inspections carried out after the Fukushima accident, the French Nuclear Safety Agency (ASN) will take decisions in 2012 that may require EDF to carry out significant works prior to the next safety re-evaluations and ten-year inspections. This may bring forward relatively significant expenditures and result in extended shutdowns.

The EDF Group also operates nuclear power plants elsewhere in Europe, in particular the United Kingdom, as well as in the United States, and it may also be required to make costly repairs or modifications to these units or it could be faced with events that may impact their performance, generation or availability. Like in France, following the Fukushima accident, the safety authorities in the United Kingdom and the United States may take decisions that require additional works.

Despite the maintenance work carried out by the EDF Group on its power plants, it is possible that certain plants may not operate at full capacity, in particular due to the age of certain equipment.

All such events may have a negative impact on the EDF Group's financial results and activities.

The EDF Group may not be authorised to operate its nuclear power plants over a period at least equal to the period used, in particular, to calculate depreciation and provisions

In connection with the studies associated with the third ten-year inspections of the 900 MW units, in early July 2009 the ASN publicly stated that it had not detected any generic problem calling into question EDF's ability to ensure the safety of its 900 MW reactors for up to 40 years. As required by the regulations, the ASN's opinion will be subsequently supplemented by an opinion on each reactor following each of the third ten-year inspections. In 2010, a first reactor (Tricastin 1) obtained a favourable recommendation from the ASN for operation for an additional ten years until the fourth ten-year inspection. On 4 July 2011, the ASN issued a favourable recommendation on the operation of Fessenheim 1 for an additional ten years, although the recommendation was conditioned on the forthcoming conclusions of additional safety inspections and the performance of certain works. However, the EDF Group cannot guarantee that it will obtain the necessary authorisations at the relevant times, or that such authorisations will not be subject to conditions that entail significant expenditures or investments for the EDF Group.

Nonetheless, the EDF Group assumes an operating life of 40 years for the purpose of calculating the accounting treatment associated with the operating life of its nuclear plants in France (depreciation of fixed assets, provisions, etc.). If the safety authorities decide to close some units or power plants before this 40-year period, the EDF Group would be required to accelerate replacement of the corresponding generation capacity and to make additional investments or electricity purchases on the market. It would also be necessary to review the depreciation and provisioning plan and reassess the residual operating life of the relevant plants. This may have a significant adverse impact on the EDF Group's financial results and its financial position.

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In the United Kingdom, the current projected operating life of EDF Energy's power plants ranges between 30 and 40 years, depending on the power plant. However, in light of the safety rules applicable in the United Kingdom, the EDF Group cannot guarantee that EDF Energy will obtain the necessary authorisations at the relevant times to operate its existing nuclear power plants until the end of their currently projected operating life, or that these authorisations will not be obtained subject to conditions that entail significant expenditures or investments for the EDF Group. Nonetheless, EDF Energy assumes the currently projected operating lives for the purpose of calculating the accounting treatment (depreciation, provisions, etc.) associated with the operating life of its nuclear plants in the United Kingdom.

In the United States, the Nuclear Regulatory Commission ("NRC") granted an operating life of 60 years¹⁰ to all CENG nuclear plants (which were commissioned between 1970 and 1988. CENG is the joint venture created by EDF and Constellation Energy Group (CEG), to which were transferred the nuclear assets previously held by CEG.

However, the EDF Group cannot guarantee that these power plants will be actually operated for such period, particularly in the event of an incident affecting the safety or availability of the facilities.

If the safety authorities require the closure of certain power plants before the end of their accounting operating lives, the EDF Group would be required to accelerate replacement of the corresponding generation capacity and to make additional investments or electricity purchases on the market. It would also be necessary to review the depreciation plan and reassess the residual operating life of the relevant plants. This may have a significant adverse impact on the EDF Group's financial results and financial position.

The EDF Group may not obtain the authorisations necessary to extend the operating life of its power plants beyond the currently projected durations

To postpone construction of replacement units and the investments related thereto, and to continue to receive cash flows from its existing plants, the EDF Group aims to extend the operating life of its nuclear plants in France beyond 40 years. As of 2009, EDF provided the ASN with the safety improvements it proposed in order to operate its plants beyond 40 years. In the course of 2012, the ASN will have a panel of experts it appoints review the proposed safety improvements for operation beyond 40 years. This review will take account of the technical instructions that the ASN is scheduled to publish in the first half of 2012, following its review of the additional safety inspections.

In the United Kingdom, EDF Energy is also attempting to extend the operating life of its nuclear plants beyond the initial period, and has already announced and taken into account the extension of the operating life of certain power plants.

The EDF Group cannot guarantee that it will obtain such extensions, especially in the current context. Furthermore, these extensions may be obtained under certain conditions, the financial impact of which, particularly in terms of investment, might affect the EDF Group's strategy to extend the operating life of its plants or the EDF Group's capacity to pursue its global investment strategy.

¹⁰ Except for Nine Mile Point 2, which has an operating life of 58 years.

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A decision by the French public authorities to halt one or more nuclear power generation segments could have significant negative consequences for the EDF Group

The public authorities may decide the early termination of one or more segments for other than industrial considerations. A decision to halt all nuclear power generation by a specific date cannot be completely excluded. Lastly, it may be decided that any new nuclear construction project, in which the EDF Group has already invested considerable sums, should be halted. Such events would have significant negative consequences on the outlook, financial position, results and image of the EDF Group.

Construction of EPRs may encounter problems or not be completed

The EDF Group has launched construction of the European Pressurised Water Reactor (EPR) in Flamanville in order to renew its nuclear power generation facilities in France and to serve as a model for the construction of new facilities abroad.

The EDF Group may not obtain the authorisations required for the construction, commissioning and operation of the EPR, or authorisations may be challenged by court rulings. In particular with respect to the Flamanville EPR, which is a “prototype” reactor, technical or other difficulties may occur during development and construction, or during early stages of the operation of the EPR. These difficulties could slow or prevent the construction and commissioning of EPRs or affect their performance. In addition, total constructions costs could be higher than EDF estimates. After an initial reassessment that was announced at the end of June 2010, in July 2011, EDF stated that the commissioning of the Flamanville EPR was now scheduled for 2016 and that its cost would be around €6 billion.

The EPR programme is an essential component of the EDF Group’s strategy. Any event that delays or blocks this programme or affects the construction of the “prototype” EPR or subsequent units would thus have a material adverse impact on the EDF Group’s activity and financial position.

The EDF Group is responsible for most spent fuel and radioactive waste from its nuclear power plants, especially long life medium- and high-level waste from spent fuel

In France, as an operator and waste producer, EDF is legally responsible for spent fuel from the time it leaves the power plant and for radioactive waste processing and long-term management operations. EDF assumes this responsibility in accordance with guidelines laid down by the public authorities and under their supervision.

The EDF Group’s liability may be alleged, in particular as a nuclear power operator or producer within the meaning of applicable legislation on waste, in the event of an accident or any damage to third parties or the environment from spent fuel or waste, even if they are handled, transported, kept, warehoused or stored by contractors other than the EDF Group (especially, in France, the AREVA group and ANDRA), in particular in the event of a breach by such contractors. If the EDF Group were held liable for damage to third parties, the specific strict liability scheme applicable to nuclear plant operators would apply, up to the maximum amounts specified by this scheme.

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In France, the long-term management of radioactive waste has been the subject of various initiatives under the programme laws of 30 December 1991 and 28 June 2006 on sustainable management of radioactive materials and waste. The EDF Group cannot guarantee that all long-life high- and medium-level waste will constitute “final radioactive waste” within the meaning of Article 6 of the law of 28 June 2006, and that therefore such waste may be directly stored in deep geological layers. Furthermore, the EDF Group cannot guarantee the timeframe in which the public authorities will authorise such storage, or predict certain technical instructions related to such authorisations, which creates uncertainties about the future of such waste and the resulting liability and costs for EDF.

In the United Kingdom, EDF Energy Nuclear Generation Limited has entered into agreements with the authorities concerning the management of certain radioactive waste from the nuclear power plants it operates. Under the terms of these agreements, the liability and certain costs associated with the management of certain radioactive waste are transferred to the British government. However, EDF Energy Nuclear Generation Limited remains financially, technically and legally liable for the management, storage and processing of waste that does not come within the scope of the aforementioned agreements.

In the United States, in accordance with the Nuclear Waste Policy Act (NWPA), CENG is a party to the contracts entered into with the Department of Energy (DOE). In such capacity, since November 2009, CENG has paid the contributions stipulated by the NWPA to fund the cost of construction by the DOE of a federal storage site for final disposal of spent fuel (CEG paid these contributions until November 2009). Because the DOE has stated that it could not take possession of spent fuel before 2020 (instead of 1998 as originally planned), CEG has had to take additional actions, and incur the costs thereof, to provide onsite fuel storage, thereby allowing the operation of its plants until the federal storage site becomes available. The sums that the DOE will reimburse until the end of the transaction with EDF will be received by CEG. CENG will receive subsequent reimbursements.

The EDF Group cannot guarantee that it will have at its disposal, in due course and under acceptable financial conditions, long-term storage and treatment solutions for the radioactive waste generated by the operation of power plants located in the relevant countries, which could have a negative impact on the EDF Group’s financial results and financial position.

Provisions booked by the EDF Group for spent fuel processing operations and long-term radioactive waste management may prove insufficient

In France, EDF has booked provisions for spent nuclear fuel management operations (transportation, processing, conditioning for recycling) based on the price and volume conditions in the master agreement signed with AREVA in December 2008 and broken down in an agreement signed on 12 July 2010, which covers the period from 2008 to 2012. The amount of provisions currently constituted to cover the period after 2012 may prove insufficient if the terms under which this agreement is renewed for such future period prove more onerous than those currently applicable.

EDF has booked provisions for long-term waste management based on an assumption of geological storage, and on a reasonable interpretation of the work conducted in 2006 by a working group comprising ANDRA, the public authorities and nuclear waste producers. Although the programme law of 28 June 2006 on sustainable management of radioactive

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materials and waste confirms, without excluding other areas for additional research, that “final radioactive waste” will be stored in deep geological layers, the EDF Group cannot guarantee that all long-life high- and medium-level waste will be considered as such or within what timeframe this type of storage, if it is selected, can be used. Consequently, the final cost of long-term waste management of the EDF Group may exceed the provisions booked in its financial statements.

In the United States, CENG has also booked provisions to cover its long-term nuclear waste management commitments.

The EDF Group cannot guarantee that the amount of these provisions will be sufficient. Determining the amount of these provisions is sensitive to assumptions made in terms of costs, inflation rate, long-term discount rate and payment schedules. Given these sensitivity factors, changes in certain parameters may require significant adjustments of the provisions booked. In such case, the insufficiency of the provisions for long-term nuclear commitments may have a significant negative impact on the EDF Group's financial results and financial position.

Decommissioning existing nuclear facilities may present currently unforeseen difficulties or be much more costly than currently anticipated

Given the number of nuclear plants operated by the EDF Group, decommissioning them presents a significant technical and financial challenge. Although the EDF Group has assessed the challenges, in particular the technical challenges, involved in decommissioning (particularly decommissioning the first-generation power plants in France), and has identified the solutions to be developed, it has never decommissioned nuclear power plants similar to those currently in service.

In France and the United States, the EDF Group has booked provisions to cover the anticipated costs of decommissioning and offloading last cores. Determining the amount of these provisions is sensitive to assumptions made in terms of costs, inflation rate, long-term discount rate and payment schedules. Given these sensitivity factors, changes in certain parameters may require significant adjustments of the provisions booked and, therefore, the EDF Group cannot guarantee that the provisions booked will equal the costs actually incurred at the relevant time, which may have a negative impact on the EDF Group's financial results and financial position.

In the United Kingdom, under the agreements to restructure EDF Energy Nuclear Generation Limited, the costs of decommissioning EDF Energy Nuclear Generation Limited's existing nuclear power plants will be paid by the Nuclear Liabilities Fund. If this fund proves insufficient, these costs will be borne by the UK Government.

Dedicated assets allocated by the EDF Group to cover the costs of its long-term nuclear business commitments (such as radioactive waste and decommissioning) may prove insufficient and require additional expenditures

In France, as of 31 December 2011, the market value of EDF's portfolio of dedicated assets was €15.7 billion, compared to €15.8 billion on 31 December 2010. These assets have been built up gradually in compliance with the deadlines and requirements laid down by the law of 28 June 2006 on sustainable management of radioactive materials and waste and by the

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NOME law of 7 December 2010. Provided various criteria are met, including a requirement regarding the level of coverage provided by provisions booked as of 29 June 2011, the NOME law¹¹ grants a five-year extension (from 29 June 2011 to 29 June 2016) of the deadline by which the portfolio of dedicated assets must cover all long-term nuclear business commitments, as required by stipulated by the law of 28 June 2006.

These dedicated assets may prove to be insufficient at the time actual payment is required if true costs are different or if the schedule for decommissioning and storage costs is modified, which could have a significant negative impact on EDF's financial position. Moreover, stricter regulations at the national level (in particular those that impact the base for determining the dedicated assets to be constituted by EDF) or European level may lead to more stringent requirements regarding the constitution of dedicated assets and have an effect on EDF's financial position.

Lastly, although these assets are constituted and managed in accordance with strict prudential rules, the EDF Group cannot guarantee that price fluctuations in the financial markets will not have a significant negative impact on the value of these assets which could require EDF to disburse additional amounts to restore the value of these assets.

In the United States, in accordance with NRC regulations and requirements imposed by the relevant states, CENG has established funds strictly dedicated to covering the costs of power plant decommissioning. The strategy adopted in establishing these funds is based on the estimated costs necessary for decommissioning and the disbursement schedule associated therewith. CENG's estimate of the revenue generated by these funds is based on various factors, including the asset allocation strategy for the investments, the historical rate of return and market conditions. At this time, it is anticipated that decommissioning activities will continue until 2083. Any changes that affect decommissioning costs or schedules, or any changes that affect the revenues generated by the funds may impact the ability of the funds to cover the decommissioning costs of power plants, which could lead CENG to incur additional expenditures.

Such events could have a negative impact on the EDF Group's financial position.

Risks related to the EDF Group's structure and changes within the EDF Group

The EDF Group's development strategy may not be implemented in accordance with the objectives set by the EDF Group

The EDF Group intends to continue its expansion in the electricity, gas and energy services industries, both in France and abroad, in line with its industrial development plan, in accordance with its business model for each geographical area and in light of any relevant experience (upstream/downstream balance, marketing strategy, development of renewable energy sources or other production methods, such as nuclear, hydropower, coal, gas combined-cycle power plants, etc.). The EDF Group thus implements programmes that focus on expansion, reorganisation, increasing profitability (see the discussion below of the risk factor entitled "The EDF Group implements programmes to improve its operating and financial performance and to increase its financial flexibility") and disposals.

¹¹ Article 20, as amended, of law n° 2006-739 of 28 June 2006, today in the article L.594-1 at L594-10 Environmental Code

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In the field of nuclear power generation, the EDF Group may not achieve the expansion it anticipates, or it may be unable to carry out projects it has initiated abroad or it may be unable to carry out such projects under satisfactory economic, financial and legal conditions.

Through partnerships or equity investments, the EDF Group is committed to international projects for the construction and operation of nuclear power plants (in particular, in China and the United Kingdom). During the development phase, these projects require obtaining administrative authorisations, licences, permits and, in certain cases, setting up additional partnerships. These are major projects involving significant investment, and their funding conditions are subject to confirmation. Given the current economic climate, obtaining such funding may be delayed. Furthermore, the regulatory framework in some countries is in the process of being updated, which could have an impact on EDF's commitments and liability. Even when it has negotiated protective contractual arrangements, the EDF Group cannot guarantee that any or all of these projects will be carried out in accordance with the anticipated schedules, under satisfactory economic, financial, regulatory or legal conditions or that they will, in the long term, generate the profitability anticipated at the outset, which could have a significant negative impact on the EDF Group and its financial position.

Furthermore, the expansion of the EDF Group's gas business is an important issue, both in terms of the use of gas in power generation and the development of dual gas/electricity offers. The outlook for global supply and demand for gas is changing (the boom in unconventional sources of gas, particularly in the United States, rising demand in emerging countries, etc.). The competitive environment for the gas sector is evolving in France and in Europe with the emergence of new operators and the mergers of energy companies. The dependence of European countries on imports of natural gas is already high and continues to increase, due mainly to the depletion of local resources and increasingly distant sources of supply. To implement its gas strategy, the EDF Group must not only have access to competitive sources of supply, but also to logistical infrastructure (such as storage, gas pipelines and LNG terminals) that allow it to transport its gas to locations near points of consumption, have the requisite flexibility and generate synergies between the various entities of the EDF Group, including those which it does not control. The EDF Group cannot guarantee that it will always have access to gas supply sources (through long-term contracts or the acquisition of gas fields, for example) or to gas infrastructure, or that it will be able to generate the synergies anticipated. All of these factors may slow the expansion of the EDF Group's gas strategy, which would have a negative impact on its activities, financial results and outlook.

Lastly, the EDF Group also intends to develop and strengthen its offer of integrated services, including eco-efficiency energy services as part of a sustainable development approach. The energy services market is very competitive, and the energy efficiency market has strong development potential. The EDF Group cannot guarantee that its service offer will be successful or that it will always be able to implement its development policy in this area, which may have a negative impact on its financial results and outlook.

More generally, the EDF Group may face unexpected changes in its regulatory, economic and competitive context, which may render its decisions inappropriate, or it may encounter difficulties in implementing or changing its strategy, which may have a negative impact on the EDF Group's financial results and outlook.

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Risks associated with acquisitions and disposals

As part of its development strategy, the EDF Group has carried out and may carry out transactions involving the acquisition of assets or equity interests, as well as mergers or the creation of joint ventures and, more generally, all types of external growth transactions.

External growth transactions involve inter alia the following risks: (i) the assumptions used by the EDF Group in valuing the acquisition may not prove accurate, particularly concerning market prices, cost savings, profits, synergies and profitability; (ii) difficulties concerning the quality and performance of assets acquired or the underassessment of the liabilities of acquired companies may be encountered; (iii) difficulties integrating the businesses or companies acquired may occur; (iv) the EDF Group may not be able to retain certain key employees, customers or suppliers of the acquired companies; (v) the EDF Group may be required or wish to terminate certain pre-existing contractual relationships on costly and/or unfavourable financial terms; (vi) the EDF Group may increase its debt to finance these acquisitions, limiting its financial flexibility and the opportunity to obtain additional loans in the future; and (vii) the EDF Group may be required to make commitments to the antitrust authorities, which may be implemented on terms that are less favourable than anticipated for the EDF Group.

Consequently, the benefits expected from future or completed acquisitions may be lower or may not be obtained as quickly as expected, which could have a negative impact on the EDF Group's financial results, financial position and outlook.

The EDF Group has also carried out and may carry out transactions involving the disposal of assets or equity investments. In the connection with such disposals, the EDF Group may provide guarantees concerning the assets sold and, consequently, may have to pay compensation or make price adjustments to the purchaser, which could have a negative impact on the EDF Group's financial results, financial position and outlook.

The EDF Group may also decide to not carry out external growth transactions and disposals it has planned, or to carry them out for a price other than the desired price, due inter alia to contractual, financial or regulatory limitations, or political intervention. This may have a negative impact on the EDF Group's financial results, financial position and outlook.

The various reorganisations required by market liberalisation could have operational and financial consequences for EDF

Liberalisation of the market has resulted inter alia in a transfer mainly of distribution and transport activities to subsidiaries and the reorganisation of the joint entities through which EDF and primarily GDF Suez (formerly Gaz de France) previously managed sales, billing, customer services and their distribution networks. The various reorganisations may impact the functioning of marketing and distribution activities and relationships with local authorities. Furthermore, they may generate substantial costs to adapt support structures and functions, in particular information systems.

Risks associated with information systems

The EDF Group operates multiple and highly complex information systems (servers, networks, applications, databases, etc.), which are essential for the conduct of its

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commercial and industrial business, and which must adapt to a rapidly changing environment. A failure of one of these systems could have significant adverse consequences for the EDF Group. In particular, the EDF Group's activities may be adversely affected if the information systems in place, to be put in place or to be adapted following full liberalisation of the market are not sufficiently reliable or productive.

Lastly, in general, the EDF Group cannot guarantee that the policy of reinforcing information backup systems will not meet with technical deployment difficulties and/or delays in implementation, which could, in the event of a serious incident, have a significant adverse impact on the EDF Group's business, financial results and financial position.

EDF is controlled by the French government, which is its majority shareholder

Pursuant to the Article L.111-67 of Energy Code, the French government is EDF's principal shareholder and must retain ownership of at least 70% of its share capital. Under French law, a majority shareholder controls most corporate decisions, including resolutions that must be adopted by general meetings (in particular, the appointment and dismissal of members of the Board of Directors, the distribution of dividends and amendments to the articles of association). In addition, the legal restriction on dilution of the French government's stake may limit EDF's capacity to access capital markets or carry out external growth transactions.

A non-negligible share of the EDF Group's workforce is employed by organisations common to EDF and GDF Suez. Therefore, the EDF Group depends in part on management mechanisms set up in these joint structures

A significant number of persons who work for the EDF Group are employed by organisations common to EDF and GDF Suez (almost all by the joint department of ERDF and GrDF, the two distribution subsidiaries of the EDF and GDF Suez groups). Therefore, certain decisions made within these joint organisations can have an impact on EDF, in particular on costs and on the manner in which its resources are managed. Furthermore, EDF and GDF Suez may have divergent interests or views concerning these joint structures, which may have a negative impact on the EDF Group's labour relations, financial results and financial position.

The EDF Group may not hold majority control or may share control of some of its subsidiaries and affiliates

Certain EDF Group activities are or, in the future, may be exercised within other entities in which the EDF Group shares control, or in which the EDF Group is a minority shareholder. In such situations, the EDF Group may face deadlocks when partners disagree, or decisions contrary to its interests could be made, which could limit the EDF Group's ability to implement the strategies it has defined, and thus have an adverse effect on its activities, financial results, financial position and outlook.

The EDF Group could be forced to initiate a tender offer against listed companies in which it holds or may come to hold an equity interest

The EDF Group holds or may acquire interests in listed companies subject to laws that may, under certain conditions, compel any person exceeding certain thresholds of capital ownership to initiate a tender offer against all outstanding shares. Therefore, the EDF Group

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could be forced to initiate such an offer under unfavourable conditions, especially with respect to price, which may have a negative impact on its financial position.

Risks related to the international scope of the EDF Group's activities

Certain EDF Group investments and commitments are exposed to risks and uncertainties associated with doing business in countries that may experience, or have recently experienced, periods of political or economic instability. Several countries in which the EDF Group operates have regulations that are less advanced and less protective, practice or may initiate controls or restrictions on repatriation of profits and capital invested, levy or may levy taxes and fees affecting the EDF Group's activities and impose or may impose restrictive rules on the business of international groups. In these countries, the electricity sector is also subject to sometimes rapidly changing regulations which may be influenced by political, social and other considerations, which may affect the operations or financial position of EDF Group subsidiaries in a way that is contrary to its interests. The occurrence of any of these events may have a negative impact on the EDF Group's activities, financial results and financial position.

Lastly, the EDF Group has developed or built a portfolio of "Independent Power Plants" (IPP) in different parts of the world, including Brazil, Vietnam, Laos and China, in which it plays one or more roles (engineering, project owner, project manager, investor and/or operator). In these different capacities, the EDF Group may incur liability or its financial performance may be affected, especially if the return on capital employed for the IPP is lower than expected, if long-term electricity contracts or "pass-through" clauses, if applicable, are challenged, or in the event of major changes to electricity market rules in the relevant country.

The EDF Group must continually adapt its expertise in a rapidly changing environment and renew a significant share of its workforce, while ensuring experience and skills are transferred to new employees

The challenges associated with achieving the EDF Group's strategic objectives in a rapidly changing environment (in particular, the full liberalisation of markets, the international development of nuclear and "clean coal" power, the development of renewable energies, etc.) require continuously adapting and planning its expertise requirements, especially in functional and geographic areas.

In France, a large number of EDF employees reaches retirement age each year, despite the impact of the reform of the special pension scheme for Electricity and Gas Industry employees on average retirement age. For example, in the nuclear power generation and network maintenance sectors, approximately 40% to 45% of the workforce will be eligible for retirement within the next ten years. Although this situation represents an opportunity to adapt employees' expertise to the EDF Group's new challenges, the renewal of this workforce requires planning the transfer of knowledge and involves competing in the market to recruit the most competent people.

The EDF Group considers skills development to be a major challenge and, therefore, takes all necessary measures to recruit, retain, redeploy or renew such skills in a timely manner and under satisfactory conditions.

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However, it cannot guarantee that measures adopted will always prove sufficient, which may have an impact on its activities and financial results.

The EDF Group may be required to meet significant commitments related to pensions and other employee benefits

The pension plans applicable in the various countries in which the EDF Group operates involve long-term commitments to pay benefits to the EDF Group's employees. In France, in addition to these pension commitments, the EDF Group also owes obligations for post-employment benefits and long-term benefits for employees currently in service.

To cover these commitments, the EDF Group has set up outsourced funds or pension funds, as appropriate. At the end of 2011, such assets only partially covered these commitments, although, for the EDF Group, the maturity dates of these obligations are relatively smoothed over time.

The amounts of these commitments, the provisions booked, the outsourced funds or pension funds set up and the additional contributions required to make up insufficient funding are calculated based on (i) certain actuarial assumptions, including a discount rate subject to adjustment depending on market conditions; (ii) the rules governing retirement benefits paid out by the general retirement scheme; and (iii) amounts owed by the EDF Group. These assumptions and rules may be adjusted in the future, which could increase the EDF Group's current commitments for pensions and other employee benefits and, therefore, require a corresponding increase in provisions.

Furthermore, if the value of outsourced funds or pension funds proves insufficient to meet the corresponding commitments, in particular in the United Kingdom and the United States, primarily due to calculation assumptions or developments in the financial markets, the EDF Group may be obliged to make additional contributions to the relevant funds, which may have a negative impact on its financial position and financial results.

Labour disputes could have a negative impact on the EDF Group's business

The EDF Group cannot exclude that labour disputes or unrest, such as strikes, walkouts, claims or other labour disturbances, will not disrupt its business. The EDF Group has not taken out any insurance to cover losses due to business disruptions caused by labour movements. Consequently, its financial position and operating results may be adversely affected by labour unrest.

The EDF Group has set up programmes to improve its operating and financial performance and increase its financial flexibility. The objectives set for these programmes may not be achieved

The EDF Group has set up and may set up programmes to improve its operating and financial performance and increase financial flexibility. In 2011, building on prior programmes, the EDF Group initiated a new "Group Synergies and Transformation" programme, which focuses on three areas for improving performance: purchases, by pooling purchases at the EDF Group level; the development of synergies within the EDF Group; and, lastly, continuation of the measures initiated in 2008 pursuant to the prior programme entitled "Operational Excellence". The EDF Group has identified areas offering potential gains of

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over €2.5 billion by 2015: margins, operating costs and investments. The EDF Group cannot guarantee that the programmes to improve performance that it implements will have the expected results or that those results will be achieved on schedule.

Risks associated with amendments to the IFRS standards applicable to the EDF Group

The EDF Group's consolidated financial statements for the financial year ended 31 December 2011 have been prepared in accordance with the international accounting standards published by the International Accounting Standards Board (IASB), as approved by the European Union on 31 December 2011.

This accounting standards framework is evolving and new standards and interpretations are currently in the process of being drafted and/or approved by the competent international bodies. The EDF Group is studying the potential impact of these standards and interpretations, but cannot foresee their development or potential impact on its consolidated financial statements.

Risks associated with EDF's capital structure and the listing of its shares

Significant volatility in share price

Stock markets have experienced significant fluctuations in recent years, which have not always been related to the performance of the specific companies whose shares are traded. Such fluctuations may significantly affect the EDF share price.

The EDF share price may also be significantly affected by a number of factors that affect the EDF Group, its competitors, general economic conditions and/or the energy industry in particular, which may be due, for example, to political decisions concerning energy policy.

Fluctuation in foreign exchange rates

EDF shares are listed only in euros and any future payments of dividends will be made in euros. The equivalent amount in foreign currencies of the share price or of any dividends paid to an EDF shareholder could be adversely affected by a fall in the value of the euro.

Risks associated with sales of EDF shares by the French government

As of 31 December 2011, the French government held 84.44% of EDF's share capital. If the French government decides to further reduce its equity stake in EDF, such sales by the French government, or the perception that such sales are imminent, could adversely affect EDF's share price.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents (in the French language only) which have previously been published and/or have been approved by the AMF or filed with it (i) are hereby incorporated by reference in, and form part of, this Base Prospectus, (ii) with the exception of the items mentioned below as being excluded from this Base Prospectus: the 2011 *Document de Référence* filed with the AMF under No. D.12-0321 on 10 April 2012 prepared by the Issuer (hereafter the "**2011 Document de Référence**") which contains (a), *inter alia*, the audited annual consolidated financial statements of the Issuer for the period ended 31 December 2011 as well as the related statutory auditors report and (b) which incorporates by reference the annual consolidated financial statements of the Issuer for the periods ended 31 December 2009 and 2010 as well as the related statutory auditors' reports, with the full exception of the following items (originally included in the 2011 *Document de Référence*), which are hereby explicitly excluded from the scope of incorporation to this Base Prospectus:

- Chapter 1 of the 2011 *Document de Référence* relating to EDF Chairman's declaration of responsibility regarding the content of the 2011 *Document de Référence*; and
- Chapter 13 of the 2011 *Document de Référence* relating to the financial outlook announced for 2012;

The attention of international investors is drawn to the fact that the 2011 *Document de Référence* filed with the AMF on 10 April 2012 under No. D.12-0321 includes (i) the statutory auditors' special report on agreements involving members of the Board of Directors for the financial year ended 31 December 2011 in Appendix C and (ii) the statutory auditors' report prepared in accordance with article L.225-235 of the French commercial code in Appendix B.

Both of these reports correspond to French law specific requirements and are addressed to EDF's shareholders only. In addition, the procedures and practices followed by the statutory auditors in France in respect to such reports may differ from those generally accepted and applied by auditors in other countries on issues that could appear to be similar as those covered by such reports.

Attention is also drawn to the statutory auditors' report included in Section 20.2 of the 2011 *Document de Référence*. The statutory auditors' report includes for the information of the reader explanatory paragraphs discussing their assessment of significant accounting matters performed for purpose of issuing their audit opinion on the consolidated financial statements taken as a whole as required under French law in any auditors' report, whether qualified or not. Such report shall be construed in accordance with French law and French auditing professional standards.

Any statement contained in this Base Prospectus or in a document which is incorporated by reference herein shall only be modified or superseded for the purpose of this Base Prospectus to the extent that it is modified or incorporated by a supplement prepared in accordance with Article 16 of the Prospectus Directive.

For as long as the Programme remains in effect or any Notes are outstanding, copies of this Base Prospectus, documents incorporated by reference in this Base Prospectus, any supplement to this Base Prospectus and the Final Terms related to the Notes will be

Documents incorporated by reference

available for viewing on the website of the AMF (www.amf-france.org), on the Issuer's website (www.edf.com) and may be obtained, free of charge, during normal business hours from Electricité de France, 22-30, avenue de Wagram, 75008 Paris, France and at the specified offices of each of the Paying Agents.

An English translation of the 2011 *Document de Référence* is available on the website of the Issuer for information purposes only.

In addition, if the Notes are listed and admitted to trading on a Regulated Market other than the Paris Stock Exchange (Euronext Paris), the relevant Final Terms will provide whether additional methods of publication are required and what they consist of.

The relevant page references for the information incorporated herein by reference are set out below:

Statutory Auditors

Please refer to Chapter 2, Sections 2.1 and 2.2 of the 2011 *Document de Référence* (page 12).

Selected Financial Information

Please refer to Chapter 3 of the 2011 *Document de Référence* (pages 15-17).

Information about the Issuer

Please refer (i) to Chapter 5 (pages 49-51), Chapter 7 (pages 169-172) and Chapter 21 (pages 399-408) of the 2011 *Document de Référence*, (ii) to Chapter 18 (pages 279-280), Chapter 19 (pages 283-284) of the 2011 *Document de Référence*, (iii) to Chapter 20, Section 20.4 (page 389) of the 2011 *Document de Référence*, and (iv) to Chapter 24 (page 415) of the 2011 *Document de Référence* for details of the history and development of the Issuer.

Please refer also to Chapter 9, Section 9.2 Paragraph 9.2.2 (pages 188-192) and to Chapter 20, Section 20.1 (page 289) of the 2011 *Document de Référence*, (ii) to Chapter 20, Section 20.5 (pages 389-396) and Section 20.6 (page 396) of the 2011 *Document de Référence*, for details about any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.

Please refer to Chapter 6 of the 2011 *Document de Référence* (pages 53-166) for details of the Issuer's investments.

Business Overview

Please refer to Chapter 6 of the 2011 *Document de Référence* (pages 53-166) for details of the Issuer's principal activities and the principal markets in which the Issuer competes. Please also refer to Chapter 4, Section 4.2 Paragraph 4.2.3 of the 2011 *Document de Référence* (pages 42-44) for a complete description of Insurance issues relating to the Issuer's activity.

Documents incorporated by reference

Organisational Structure

Please refer to Chapter 7 of the 2011 *Document de Référence* (pages 169-172) for details of the Issuer's organisational structure.

Administrative, Management and Supervisory Bodies

Please refer to Chapter 14 (pages 233-245) and Chapter 16 (pages 253-260) of the 2011 *Document de Référence* for details of the administrative, management, and supervisory bodies of the Issuer.

Board Practices

Please refer to Chapter 14 (pages 233-245) and Chapter 16 (pages 253-260) of the 2011 *Document de Référence* for details of the Issuer's board practices, as well as Appendixes A, B, and D of the 2011 *Document de Référence*.

Financial Information concerning the Issuer's Assets and Liabilities, Financial Position and Profits and Losses

Please refer to Chapter 9 (pages 179-215) of the 2011 *Document de Référence* and Chapter 20 (pages 287-396) of the 2011 *Document de Référence* for details of selected financial information relating to the Issuer.

Please refer to Chapter 20 (pages 267-395) of the 2010 *Document de Référence* filed with the AMF under No. D.11-0320 on 18 April 2011 for the annual consolidated financial statements of the Issuer for the year ended 31 December 2010.

In respect of legal arbitration and proceedings relating to the Issuer, please refer to Chapter 20, Section 20.5 (pages 389-396) of the 2011 *Document de Référence*.

Additional Information

Please refer (i) to Chapter 21, Sections 21.1 (pages 400-405) and 21.2 Paragraph 21.2.1 (page 405) of the 2011 *Document de Référence* for details of the Issuer's share capital and constitutional documents.

Material Contracts

Apart from the agreements described in Chapter 6 of the 2011 *Document de Référence*, the public service contract described in Section 6.4.3.5 "*Public service in France*" of the 2011 *Document de Référence*, the contracts entered into with A2A relating to the joint control of Edison mentioned in Section 6.3.2.1.2 ("*Governance and agreements between EDF and A2A*") of the 2011 *Document de Référence*, the industrial partnership agreement entered into with Exeltium and detailed in Section 6.2.1.2.2 ("*Activity by client category*") of the 2011 *Document de Référence*, the cooperation agreement entered into with Enel relating to the nuclear field mentioned in Section 6.2.1.1.3.5 ("*Preparing for the future of the nuclear fleet in France*") of the 2011 *Document de Référence* and the Memorandum of Understanding relating to fossil-fixed generation means mentioned in Section 6.2.1.1.5 ("*Fossil-fuel fired generation ("THF")*") of the 2011 *Document de Référence*, the agreement entered into with Constellation Energy in respect of the acquisition of 49.99% of the nuclear activities of Constellation Energy described in Section 6.3.3.3.2.1 ("*Existing nuclear business unit: Constellation Energy Nuclear Group (CENG)*") of the 2011 *Document de Référence*, and the joint-venture agreement entered into with China Guangdong Nuclear

Documents incorporated by reference

Power Holding Co., Ltd mentioned in Section 6.3.3.4.1 ("*EDF group's activities in China*") of the 2011 *Document de Référence*, EDF has not entered into any major contract except for those of its daily business within the last two years preceding the 2011 *Document de Référence*. For information relating to the contracts concluded by the EDF Group during the 2011 financial year, see notes 44 and 49 to the consolidated financial statements for the year ended 31 December 2011 included in the 2011 *Document de Référence*.

Investors should when reading the information incorporated by reference take into account the "Recent Events" section of this Base Prospectus which may modify or supersede the information incorporated by reference.

SUPPLEMENT TO THE BASE PROSPECTUS

If at any time the Issuer shall be required to prepare a supplement to this Base Prospectus pursuant to the provisions of Article 16 of the Prospectus Directive and article 212-25 of the General regulations (*Règlement général*) of the AMF and any legislation in any Member State of the European Economic Area that implements the Prospectus Directive and subordinated legislation hereto, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus which in respect of any subsequent issue of Notes shall amend or supplement this Base Prospectus. Such supplement to this Base Prospectus will be submitted to the AMF for the purposes of obtaining its visa thereon.

TEMPORARY GLOBAL CERTIFICATES ISSUED IN RESPECT OF MATERIALISED BEARER NOTES

Temporary Global Certificates

A Temporary Global Certificate, without interest Coupons, will initially be issued in connection with Materialised Bearer Notes. Upon the initial deposit of such Temporary Global Certificate with a common depositary for Euroclear and Clearstream, Luxembourg (the "**Common Depositary**"), Euroclear or Clearstream, Luxembourg will credit the accounts of each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

The Common Depositary may also credit with a nominal amount of Notes the accounts of subscribers with (if indicated in the relevant Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, a nominal amount of Notes that is initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

Exchange

Each Temporary Global Certificate issued in respect of Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined below):

- (i) if the relevant Final Terms indicate that such Temporary Global Certificate is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable¹², in whole, but not in part, for the Definitive Materialised Bearer Notes; and
- (ii) otherwise, in whole but not in part upon certification as to non-U.S. beneficial ownership (a form of which shall be available at the specified offices of any of the Paying Agents) for Definitive Materialised Bearer Notes.

Delivery of Definitive Materialised Bearer Notes

On or after its Exchange Date, the holder of a Temporary Global Certificate may surrender such Temporary Global Certificate to or to the order of the Fiscal Agent. In exchange for any Temporary Global Certificate, the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Materialised Bearer Notes.

¹² The Hiring Incentives to Restore Employment Act of 2010 (the "**HIRE Act**") repealed the TEFRA C rules and TEFRA D rules for Notes issued after 18 March 2012. Based on Notice 2012-20, the US Department of Treasury and the US Internal Revenue Service intend to provide in future regulations that rules identical to the TEFRA C rules and TEFRA D rules will apply for purposes of establishing an exemption from the excise tax under Section 4701 of the US Internal Revenue Code. Consequently, Materialised Bearer Notes issued after 18 March 2012 in accordance with the TEFRA C rules or TEFRA D rules should continue to be treated as "foreign targeted obligations" that are exempt from the excise tax.

Temporary Global Certificates issued in respect of Material Bearer Notes

In this Base Prospectus, "**Definitive Materialised Bearer Notes**" means, in relation to any Temporary Global Certificate, the Definitive Materialised Bearer Notes for which such Temporary Global Certificate may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Temporary Global Certificate and a Talon). Definitive Materialised Bearer Notes will be security printed in accordance with any applicable legal and Regulated Market requirements. Forms of such Definitive Bearer Materialised Notes shall be available at the specified offices of any of the Paying Agent(s).

Exchange Date

"**Exchange Date**" means, in relation to a Temporary Global Certificate, the day falling after the expiry of 40 days after its issue date, provided that, in the event any further Materialised Notes are issued prior to such day pursuant to Condition 14(a), the Exchange Date for such Temporary Global Certificate shall be postponed to the day falling after the expiry of 40 days after the issue of such further Materialised Notes.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion and as supplemented in accordance with the provisions of Part A of the relevant Final Terms, shall be applicable to the Notes. In the case of Dematerialised Notes, the text of the terms and conditions will not be endorsed on physical documents of title but will be constituted by the following text as completed by Part A of the relevant Final Terms. In the case of Materialised Notes, either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the Final Terms or (ii) these terms and conditions as so completed or supplemented (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed or attached on Definitive Materialised Bearer Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Final Terms. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are issued by Electricité de France (the "**Issuer**") with the benefit of an amended and restated agency agreement dated 1 June 2012 between the Issuer, Société Générale as fiscal agent and the other agents named in it (as amended or supplemented from time to time, the "**Amended and Restated Agency Agreement**"). The fiscal agent, the paying agents, the redenomination agent, the consolidation agent and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Fiscal Agent**", the "**Paying Agents**" (which expression shall include the Fiscal Agent), the "**Redenomination Agent**", the "**Consolidation Agent**" and the "**Calculation Agent(s)**".

References below to "**Conditions**" are, unless the context requires otherwise, to the numbered paragraphs below.

A copy of the Amended and Restated Agency Agreement is available for inspection during normal business hours at the specified offices of each of the Paying Agents.

For the purpose of these Conditions, "**Regulated Market**" means any regulated market situated in a Member State of the European Economic Area ("**EEA**") as defined in the Markets in Financial Instruments Directive 2004/39/EC and as listed on the website of Europa (http://ec.europa.eu/internal_market/securities/isd/mifid_fr.htm#reg_markets).

1. **Form, Denomination(s), Title, Redenomination**

- (a) **Form:** Notes may be issued either in dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**").
 - (i) Title to Dematerialised Notes will be evidenced in accordance with Article L.211-3 of the French *Code monétaire et financier* by book entries (*inscriptions en compte-titres*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Dematerialised Notes.

Dematerialised Notes are issued, at the option of the Issuer and as specified in the relevant final terms ("**Final Terms**"), in either bearer dematerialised form (*au porteur*), which will be inscribed in the books

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of Euroclear France ("**Euroclear France**") (acting as central depository) which shall credit the accounts of Account Holders, or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder in either administered registered form (*au nominatif administré*) inscribed in the books of an Account Holder or in fully registered form (*au nominatif pur*) inscribed in an account in the books of Euroclear France maintained by the Issuer or the registration agent (designated in the relevant Final Terms) acting on behalf of the Issuer (the "**Registration Agent**").

For the purpose of these Conditions, "**Account Holder**" means any authorised financial intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes Euroclear Bank S.A./N.V. ("**Euroclear**") and the depository bank for Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**").

- (ii) Materialised Notes are issued in bearer form ("**Materialised Bearer Notes**"). Materialised Bearer Notes are serially numbered and are issued with coupons (each, a "**Coupon**") and, where appropriate, a talon (a "**Talon**") attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more receipts attached (the "**Receipt**").

In accordance with Article L.211-3 of the French Code monétaire et financier, securities (such as Notes) which are governed by French law and are in materialised form must be issued outside the French territory.

- (b) **Denomination(s)**: Notes shall be issued in the specified denomination(s) set out in the relevant Final Terms (the "**Specified Denomination(s)**") subject to compliance with the regulations of the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency and save that the minimum denomination of each Note listed and admitted to trading on a regulated market, or offered to the public, in a Member State of the European Economic Area ("**EEA**") in circumstances which require the publication of a prospectus under the Prospectus Directive will be Euro 1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the issue date). Dematerialised Notes shall be issued in one Specified Denomination only.
- (c) **Title**:
 - (i) Title to Dematerialised Notes in bearer dematerialised form (*au porteur*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of Account Holders. Title to Dematerialised Notes in fully registered

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form (*au nominatif pur*) and in administered registered form (*au nominatif administré*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of the Issuer or of the Registration Agent.

- (ii) Title to Materialised Bearer Notes in definitive form having, where appropriate, Coupons, Receipt(s) and/or a Talon attached thereto on issue ("**Definitive Materialised Bearer Notes**"), shall pass by delivery.
 - (iii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note (as defined below), Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.
 - (iv) In these Conditions, "**holder of Notes**" or "**holder of any Note**", or "**Noteholder**" means (i) in the case of Dematerialised Notes, the person whose name appears in the account of the relevant Account Holder or the Issuer or the Registration Agent (as the case may be) as being entitled to such Notes and (ii) in the case of Materialised Notes, the bearer of any Definitive Materialised Bearer Note and the Receipts, Coupons ("**Receiptholder**" and "**Couponholder**" being construed accordingly), or Talon relating to it, and capitalised terms have the meanings given to them in the relevant Final Terms, the absence of any such meaning indicating that such term is not applicable to the Notes.
- (d) **Redenomination**
- (i) The Issuer may (if so specified in the relevant Final Terms), on any Interest Payment Date, without the consent of the holder of any Note, Receipt, Coupon or Talon, by giving at least 30 days' notice in accordance with Condition 15 (*Notices*) and on or after the date on which the European Member State in whose national currency the Notes are denominated has become a participating Member State in the single currency of the European Economic and Monetary Union (as provided in the Treaty establishing the European Community (the "**EC**"), as amended from time to time (the "**Treaty**")), or events have occurred which have substantially the same effect, redenominate all, but not some only, of the Notes of any Series into Euro and adjust the aggregate principal amount and the Specified Denomination(s) set out in the relevant Final Terms accordingly, as described below. The date on which such redenomination becomes effective shall be referred to in these Conditions as the "**Redenomination Date**".
 - (ii) Unless otherwise specified in the relevant Final Terms, the redenomination of the Notes pursuant to Condition 1(d)(i)

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(*Redenomination*) shall be made by converting the principal amount of each Note from the relevant national currency into Euro using the fixed relevant national currency Euro conversion rate established by the Council of the European Union pursuant to applicable regulations of the Treaty and rounding the resultant figure to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). If the Issuer so elects, the figure resulting from conversion of the principal amount of each Note using the fixed relevant national currency Euro conversion rate shall be rounded down to the nearest Euro. The Euro denominations of the Notes so determined shall be notified to Noteholders in accordance with Condition 15 (*Notices*). Any balance remaining from the redenomination with a denomination higher than Euro 0.01 shall be paid by way of cash adjustment rounded to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). Such cash adjustment will be payable in Euro on the Redenomination Date in the manner notified to Noteholders by the Issuer.

- (iii) Upon redenomination of the Notes, any reference in the relevant Final Terms to the relevant national currency shall be construed as a reference to Euro.
 - (iv) Unless otherwise specified in the relevant Final Terms, the Issuer may, with the prior approval of the Redenomination Agent and the Consolidation Agent, in connection with any redenomination pursuant to this Condition or any consolidation pursuant to Condition 14 (*Further Issues and Consolidation*), without the consent of the holder of any Note, Receipt, Coupon or Talon, make any changes or additions to these Conditions or Condition 14 (including, without limitation, any change to any applicable business day definition, business day convention, principal financial centre of the country of the Specified Currency, interest accrual basis or benchmark), taking into account market practice in respect of redenominated euromarket debt obligations and which it believes are not prejudicial to the interests of such holders. Any such changes or additions shall, in the absence of manifest error, be binding on the holders of Notes, Receipts, Coupons and Talons and shall be notified to Noteholders in accordance with Condition 15 (*Notices*) as soon as practicable thereafter.
 - (v) Neither the Issuer nor any Paying Agent shall be liable to the holder of any Note, Receipt, Coupon or Talon or other person for any commissions, costs, losses or expenses in relation to or resulting from the credit or transfer of Euro or any currency conversion or rounding effected in connection therewith.
- (e) **Method of Issue:** The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each

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Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**") on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in the relevant Final Terms.

2. Conversion and Exchanges of Notes

(a) **Dematerialised Notes**

- (i) Dematerialised Notes issued in bearer dematerialised form (*au porteur*) may not be converted into Dematerialised Notes in registered dematerialised form, whether in fully registered form (*au nominatif pur*) or in administered registered form (*au nominatif administré*).
- (ii) Dematerialised Notes issued in registered dematerialised form (*au nominatif*) may not be converted into Dematerialised Notes in bearer dematerialised form (*au porteur*).
- (iii) Dematerialised Notes issued in fully registered form (*au nominatif pur*) may, at the option of the Noteholder, be converted into Notes in administered registered form (*au nominatif administré*), and *vice versa*. The exercise of any such option by such Noteholder shall be made in accordance with Article R.211-4 of the French *Code monétaire et financier*. Any such conversion shall be effected at the cost of such Noteholder.

(b) **Materialised Notes**

Materialised Bearer Notes of one Specified Denomination may not be exchanged for Materialised Bearer Notes of another Specified Denomination.

3. Status of the Notes

The Notes and, where applicable, any related Coupons and Receipts, constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4 (*Negative Pledge*)) unsecured obligations of the Issuer and rank and will rank *pari passu* without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.

4. Negative Pledge

- (a) So long as any of the Notes remains outstanding, the Issuer has agreed that it will not create or have outstanding any mortgage, charge, pledge or other security interest upon the whole or any part of its undertaking, revenues or assets, present or future, in order to secure any Indebtedness (as defined

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below), or any guarantee or indemnity in respect of any Indebtedness, without at the same time according to the Notes the same security.

- (b) For the purposes of this Condition 4 and Condition 9 (*Events of Default*), "**Indebtedness**" means any indebtedness of the Issuer which, in each case, is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market).

For the avoidance of doubt, the Indebtedness shall include any obligations of the Issuer under dematerialised debt securities that may be issued from time to time by the Issuer and are traded under a book-entry transfer system.

5. Interest and other Calculations

- (a) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below. Certain defined terms contained in the 2007 FBF Master Agreement relating to transactions on forward financial instruments as supplemented by the Technical Schedules published by the *Fédération Bancaire Française* ("**FBF**") (together the "**FBF Master Agreement**") and in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. ("**ISDA**"), have either been used or reproduced in this Condition 5.

"**Business Day**" means:

- (i) in the case of Euro, a day on which TARGET2 (as defined below) is operating (a "**TARGET Business Day**"); and/or
- (ii) in the case of a specified currency other than Euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency (which, in the case of Renminbi, shall be Hong Kong); and/or
- (iii) in the case of a specified currency and/or one or more Business Centre(s) specified in the relevant Final Terms (the "**Business Centre(s)**"), a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres so specified.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Accrual Period or Interest Period, the "**Calculation Period**"):

- (i) if "**Actual/365 – FBF**" is specified in the relevant Final Terms, the fraction whose numerator is the actual number of days elapsed

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- during the Calculation Period and whose denominator is 365. If part of that Calculation Period falls in a leap year, Actual /365 – FBF shall mean the sum of (i) the fraction whose numerator is the actual number of days elapsed during the non-leap year and whose denominator is 365 and (ii) the fraction whose numerator is the number of actual days elapsed during the leap year and whose denominator is 366;
- (ii) if "**Actual/Actual – FBF**" is specified in the relevant Final Terms in respect of each calculation, the fraction whose numerator is the actual number of days elapsed during such period and whose denominator is 365 (or 366 if 29 February falls within the Calculation Period);
- (iii) if "**Actual/Actual**" or "**Actual/Actual – ISDA**" is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iv) if "**Actual/Actual – ICMA**" is specified in the relevant Final Terms:
- (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (B) if the Calculation Period is longer than one Determination Period, the sum of:
- the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year;

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in each case where:

"Determination Period" means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

"Determination Date" means the date specified in the relevant Final Terms or, if none is so specified, the Interest Payment Date;

- (v) if **"Actual/365 (Fixed)"** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365;
- (vi) if **"Actual/360"** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360;
- (vii) if **"30/360"**, **"360/360"** or **"Bond Basis"** is specified in the Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30.

- (viii) if **"30E/360"** or **"Eurobond Basis"** is specified in the Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30.

- (ix) if "**30E/360 (ISDA)**" is specified in the Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

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"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30.

"**Effective Date**" means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the relevant Final Terms or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

"**Euro-zone**" means the region comprised of member states of the European Union that have adopted or adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

"**FBF Definitions**" means the definitions set out in the FBF Master Agreement, (a copy of which may be obtained at the registered office of the Issuer during usual business hours), unless otherwise specified in the relevant Final Terms.

"**Interest Accrual Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

"**Interest Amount**" means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount as specified in the relevant Final Terms, as the case may be.

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified in the relevant Final Terms.

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro or (ii) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (iii) the day falling two Business Days in the city specified in the Final Terms for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro.

"**Interest Payment Date**" means the date(s) specified in the relevant Final Terms.

"**Interest Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

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"Interest Period Date" means each Interest Payment Date unless otherwise specified in the relevant Final Terms.

"ISDA Definitions" means the 2006 ISDA Definitions (a copy of which may be obtained at the registered office of the Issuer during usual business hours), as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified in the relevant Final Terms.

"Page" means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters Markets 3000 ("**Reuters**") and Telerate ("**Telerate**")) as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate.

"Rate of Interest" means the rate of interest payable from time to time in respect of the Notes and that is either specified or calculated in accordance with the provisions of the relevant Final Terms.

"Reference Banks" means the institutions specified as such in the relevant Final Terms or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark (which, if EURIBOR is the relevant Benchmark, shall be the Euro-zone).

"Relevant Financial Centre" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such in the relevant Final Terms or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR, shall be the Euro-zone) or, if none is so connected, Paris.

"Relevant Rate" means the Benchmark for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date.

"Relevant Time" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Final Terms or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Relevant Financial Centre or, if no such customary local time exists, 11.00 am in the Relevant Financial Centre and for the purpose of this definition, "**local time**" means, with respect to Europe and the Euro zone as a Relevant Financial Centre, Brussels time.

"Representative Amount" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such in the relevant Final Terms or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

"Specified Currency" means the currency specified as such in the relevant Final Terms or, if none is specified, the currency in which the Notes are denominated.

"Specified Duration" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified in the relevant Final Terms or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 5(c)(ii) (*Business Day Convention*).

"TARGET2" means the Trans-European Automated Real-time Gross Settlement Express Transfer system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.

- (b) ***Interest on Fixed Rate Notes:*** Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date except as otherwise provided in the relevant Final Terms. The amount of interest payable shall be determined in accordance with Condition 5(i) (*Calculations*).

If a Fixed Coupon Amount or a Broken Amount is specified in the relevant Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the relevant Final Terms.

- (c) ***Interest on Floating Rate Notes and Index Linked Interest Notes***
- (i) ***Interest Payment Dates:*** Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear (except as otherwise provided in the relevant Final Terms) on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(i) (*Calculations*). Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the Interest Period after the preceding Interest Payment

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Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is:

(A) the "**Floating Rate Business Day Convention**", such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment;

(B) the "**Following Business Day Convention**", such date shall be postponed to the next day that is a Business Day;

(C) the "**Modified Following Business Day Convention**", such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day; or

(D) the "**Preceding Business Day Convention**", such date shall be brought forward to the immediately preceding Business Day.

(iii) *Rate of Interest for Floating Rate Notes*: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Final Terms and, unless otherwise specified in the relevant Final Terms, the provisions below relating to either FBF Determination or ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the relevant Final Terms.

(A) **FBF Determination for Floating Rate Notes**

Where FBF Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant FBF Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), "**FBF Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Transaction

under the terms of an agreement incorporating the FBF Definitions and under which:

- (a) the Floating Rate is as specified in the relevant Final Terms; and
- (b) the relevant Floating Rate Determination Date (*Date de Détermination du Taux Variable*) is the first day of that Interest Accrual Period unless otherwise specified in the relevant Final Terms.

For the purposes of this sub-paragraph (A), "**Floating Rate**" (*Taux Variable*), "**Calculation Agent**" (*Agent*), "**Floating Rate Determination Date**" (*Date de Détermination du Taux Variable*) and "**Transaction**" (*Transaction*) have the meanings given to those terms in the FBF Definitions, provided that "**Euribor**" means the rate calculated for deposits in euro which appears on Reuters Page EURIBOR 01, as more fully described in the relevant Final Terms.

(B) **ISDA Determination for Floating Rate Notes**

Where ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub paragraph (B), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the Floating Rate Option is as specified in the relevant Final Terms;
- (b) the Designated Maturity is a period specified in the relevant Final Terms; and
- (c) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the relevant Final Terms.

For the purposes of this sub-paragraph (B), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**" and "**Swap Transaction**" have the meanings given to those terms in the ISDA Definitions.

(C) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

- (a) if the Primary Source for Floating Rate is a Page, subject as provided below, the Rate of Interest shall be:
 - (i) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity); or
 - (ii) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,

in each case appearing on such Page at the Relevant Time on the Interest Determination Date;

- (b) if the Primary Source for the Floating Rate is Reference Banks or if sub paragraph (a)(i) or (a)(ii) applies and the Page is not available at the Relevant Time on the Interest Determination Date, or if sub paragraph (a)(i) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (a)(ii) applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant time on the Interest Determination Date, as determined by the Calculation Agent; and
- (c) if paragraph (b) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of

the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is euro, in the Euro-Zone as selected by the Calculation Agent (the "**Principal Financial Centre**") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (I) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe (II) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

- (iv) **Rate of Interest for Index Linked Interest Notes:** The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Final Terms and interest will accrue by reference to an Index or Formula as specified in the relevant Final Terms.
- (d) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon and is repayable prior to the Maturity Date is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(e)(i) (*Zero Coupon Notes*)).
- (e) **Dual Currency Notes:** In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating a Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified in the relevant Final Terms.
- (f) **Partly Paid Notes:** In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the relevant Final Terms.

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- (g) **Accrual of interest:** Interest shall cease to accrue on each Note on the due date for redemption unless (i) in the case of Dematerialised Notes, on such due date or (ii) in the case of Materialised Notes, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8(b) (*Additional Amounts*)).
- (h) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding**
- (i) If any Margin is specified in the relevant Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (c) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
- (ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "**unit**" means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency.
- (i) **Calculations:** The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding nominal amount of such Note by the Day Count Fraction, unless an Interest Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

- (j) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Optional Redemption Amounts, Early Redemption Amounts and Instalment Amounts:** The Calculation Agent shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Optional Redemption Amount, Early Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Optional Redemption Amount, Early Redemption Amount or any Instalment Amount to be notified to the Issuer, the Fiscal Agent, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, such Regulated Market so require, such Regulated Market as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such Regulated Market of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(c)(ii) (*Business Day Convention*), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.
- (k) **Calculation Agent.** The Issuer shall use its best efforts to procure that there shall at all times one or more Calculation Agents if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding (as defined below). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely

connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Paris office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid. So long as the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, that Regulated Market so require, notice of any change of Calculation Agent shall be given in accordance with Condition 15 (*Notices*).

For the purpose of these Conditions:

"**outstanding**" means, in relation to the Notes of any Series, all the Notes issued other than (a) those that have been redeemed in accordance with these Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid (i) in the case of Dematerialised Notes in bearer form and in administered registered form, to the relevant Account Holders on behalf of the Noteholder as provided in Condition 7(a) (*Dematerialised Notes*), (ii) in the case of Dematerialised Notes in fully registered form, to the account of the Noteholder as provided in Condition 7(a) and (iii) in the case of Materialised Notes, to the relevant account with, or, by check drawn on, a Bank as provided in Condition 7(b) (*Materialised Bearer Notes*) and remain available for payment against presentation and surrender of Bearer Materialised Notes, Receipts and/or Coupons, as the case may be, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in these Conditions, (e) in the case of Materialised Notes (i) those mutilated or defaced Bearer Materialised Notes that have been surrendered in exchange for replacement Bearer Materialised Notes, (ii) (for the purpose only of determining how many such Bearer Materialised Notes are outstanding and without prejudice to their status for any other purpose) those Bearer Materialised Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Bearer Materialised Notes have been issued and (iii) any Temporary Global Certificate to the extent that it shall have been exchanged for one or more Definitive Bearer Materialised Notes, pursuant to its provisions.

6. Redemption, Purchase and Options

- (a) **Final Redemption:** Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within Condition 6(b) below, its final Instalment Amount.
- (b) **Redemption by Instalments:** Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on

each Instalment Date at the related Instalment Amount specified in the relevant Final Terms. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

- (c) **Redemption at the Option of the Issuer and Partial Redemption:** If a Call Option is specified in the relevant Final Terms, the Issuer may, subject to compliance by the Issuer with all relevant laws, regulations and directives and on giving not less than 15 nor more than 30 days' irrevocable notice in accordance with Condition 15 (*Notices*) to the Noteholders (or such other notice period as may be specified in the relevant Final Terms), redeem all, or, if so provided, some, of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified in the relevant Final Terms and no greater than the Maximum Redemption Amount to be redeemed specified in the relevant Final Terms.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption in respect of Materialised Notes, the notice to holders of such Materialised Notes shall also contain the number of the Definitive Materialised Bearer Notes to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and Regulated Market requirements.

In the case of a partial redemption in respect of Dematerialised Notes, the redemption may be effected, at the option of the Issuer, either (i) by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed or (ii) by redeeming in full some only of such Dematerialised Notes and, in such latter case, the choice between those Dematerialised Notes that will be fully redeemed and those Dematerialised Notes of any Series that will not be redeemed shall be made in accordance with Article R.213-16 of the *French Code monétaire et financier* and the provisions of the relevant Final Terms, subject to compliance with any other applicable laws and Regulated Market requirements.

So long as the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, such Regulated Market require, the Issuer shall, each time there has been a partial redemption of the Notes, cause to be published in accordance with Articles 221-3 and 221-4 of the General

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Regulations (*Règlement Général*) of the *Autorité des marchés financiers* and on the website of any other competent authority and/or Regulated Market of the EEA Member State where the Notes are admitted to trading, a notice specifying the aggregate nominal amount of Notes outstanding and, in the case of Materialised Notes, a list of any Definitive Materialised Bearer Notes drawn for redemption but not surrendered.

- (d) **Redemption at the Option of Noteholders:** If a Put Option is specified in the relevant Final Terms, the Issuer shall, at the option of the Noteholder, upon the Noteholder giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified in the relevant Final Terms) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option the Noteholder must deposit with any Paying Agent at its specified office during usual business hours a duly completed option exercise notice (the "**Exercise Notice**") in the form obtainable during usual business hours from any Paying Agent or the Registration Agent, as the case may be, within the notice period. Such notice shall, in the case of Materialised Bearer Notes, have attached to it such Note (together with all unmatured Receipts and Coupons and unexchanged Talons). In the case of Dematerialised Notes, the Noteholder shall transfer, or cause to be transferred, the Dematerialised Notes to be redeemed to the account of the Paris Paying Agent specified in the Exercise Notice. No option so exercised and, where applicable, no Note so deposited or transferred may be withdrawn without the prior consent of the Issuer.

- (e) **Early Redemption:**

- (i) *Zero Coupon Notes:*

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(f) (*Redemption for Taxation Reasons*) or Condition 6(j) (*Illegality*) or upon it becoming due and payable as provided in Condition 9 (*Events of Default*) shall be the Amortised Nominal Amount (calculated as provided below) of such Note unless otherwise specified in the relevant Final Terms.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Nominal Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the relevant Final Terms, shall be such rate as would produce an Amortised Nominal Amount equal to the issue

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price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(f) or Condition 6(j) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Nominal Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Amortised Nominal Amount becomes due and payable were the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(d) (*Zero Coupon Notes*).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the relevant Final Terms.

- (ii) *Other Notes:*

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(f) or Condition 6(j), or upon it becoming due and payable as provided in Condition 9 shall be the Final Redemption Amount together with interest accrued to the date fixed for redemption unless otherwise provided in the relevant Final Terms.

- (f) ***Redemption for Taxation Reasons:***

- (i) If, by reason of any change in French law or published regulations becoming effective after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 8(b) (*Additional Amounts*) below, the Issuer may, at its option, on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index-Linked Note) or, at any time (if this Note is neither a Floating Rate Note nor an Index Linked Note), subject to having given not more than 60 nor less than 30 days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 15 (*Notices*), redeem all, but not some only, of the Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption

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provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes.

- (ii) If the Issuer would on the next payment of principal or interest in respect of the Notes be prevented by French law from making payment to the Noteholders or, if applicable, Couponholders of the full amounts then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 8(b) below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven days' prior notice to the Noteholders in accordance with Condition 15, redeem all, but not some only, of the Notes then outstanding at their Redemption Amount together with any interest accrued to the date set for redemption on (A) the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes, provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice of Noteholders shall be the later of (i) the latest practicable date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes and (ii) 14 days after giving notice to the Fiscal Agent as aforesaid or (B) if so specified in the relevant Final Terms, at any time, provided that the due date for redemption of which notice hereunder shall be given shall be the latest practicable date at which the Issuer could make payment of the full amount payable in respect of the Notes, or, if applicable, Receipts or Coupons or, if that date is passed, as soon as practicable thereafter.
- (g) **Partly Paid Notes:** Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the provisions specified in the relevant Final Terms.
- (h) **Purchases:** The Issuer shall have the right at all times to purchase Notes (provided that, in the case of Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price, subject to the applicable laws and/or regulations.

Unless otherwise specified in the Final Terms, Notes purchased by the Issuer may be held and resold in such amount as may be permitted by and in accordance with Article L.213-1 A of the French *Code monétaire et financier* for the purpose of enhancing the liquidity of the Notes.

- (i) **Cancellation:** All Notes purchased by or on behalf of the Issuer, to the extent that the Issuer is not permitted to hold and resell such Notes in accordance with Article L.213-1 A of the French *Code monétaire et financier*, and all Notes cancelled at the option the Issuer, shall be cancelled, in the case of Dematerialised Notes, by transfer to an account in accordance with

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the rules and procedures of Euroclear France and, in the case of Materialised Bearer Notes, by surrendering to the Fiscal Agent the Temporary Global Certificate and the Definitive Materialised Bearer Notes in question together with all unmatured Receipts and Coupons and all unexchanged Talons and, in each case, if so transferred or surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights relating to payment of interest and other amounts relating to such Dematerialised Notes and, in the case of Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be re-issued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

- (j) **Illegality.** If, by reason of any change in French law or published regulations becoming effective after the Issue Date, it will become unlawful for the Issuer to perform or comply with one or more of its obligations under the Notes, the Issuer will, subject to having given not more than 45 nor less than 30 days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 15 (*Notices*), redeem all, but not some only, of the Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption.

7. Payments and Talons

- (a) **Dematerialised Notes:** Payments of principal and interest in respect of Dematerialised Notes shall (in the case of Dematerialised Notes in bearer dematerialised form or administered registered form) be made by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the Noteholders and, (in the case of Dematerialised Notes in fully registered form), to an account denominated in the relevant currency with a Bank (as defined below) designated by the Noteholders. All payments validly made to such Account Holders will be an effective discharge of the Issuer in respect of such payments.
- (b) **Materialised Bearer Notes:** Payments of principal and interest in respect of Materialised Bearer Notes shall, subject as mentioned below, be made against presentation and surrender during usual business hours of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Materialised Bearer Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi) (*Unmatured Coupons and Receipts and unexchanged Talons*)) or Coupons (in the case of interest, save as specified in Condition 7(f)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the Noteholder, by transfer to an account denominated in such currency with, a bank in the principal financial

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centre for such currency or, in the case of Euro, in a city in which banks have access to TARGET2 (a "**Bank**").

- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Materialised Bearer Notes are denominated in U.S. Dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (d) **Payments Subject to Fiscal Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment but without prejudice to the provisions of Condition 8 (*Taxation*). No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (e) **Appointment of Agents:** The Fiscal Agent, the Paying Agents, the Calculation Agent, the Redenomination Agent and the Consolidation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Redenomination Agent, the Consolidation Agent and the Registration Agent act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent experts(s) and, in each case such, do not assume any obligation or relationship of agency for any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Redenomination Agent, the Consolidation Agent and the Registration Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents, provided that the Issuer shall at all times maintain:
- (i) a Fiscal Agent;
 - (ii) one or more Calculation Agent(s) where the Conditions so require;
 - (iii) a Redenomination Agent and a Consolidation Agent where the Conditions so require;
 - (iv) Paying Agents having specified offices in at least two major European cities (including Paris so long as Notes are admitted to trading on Euronext Paris and, in either case, so long as the rules of, or applicable to, the relevant Regulated Market so require);
 - (v) in the case of Materialised Notes, a Paying Agent with a specified office in a European Union Member State (which may be any of the

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Paying Agents referred to in (iv) above) that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments, or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income;

- (vi) in the case of Dematerialised Notes, in fully registered form, a Registration Agent; and
- (vii) such other agents as may be required by any other Regulated Market on which the Notes may be admitted to trading.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Materialised Bearer Notes denominated in U.S. Dollars in the circumstances described in paragraph (c) above.

On a redenomination of the Notes of any Series pursuant to Condition 1(d) (*Redenomination*) with a view to consolidating such Notes with one or more other Series of Notes, in accordance with Condition 14 (*Further Issues and Consolidation*), the Issuer shall ensure that the same entity shall be appointed as both Redenomination Agent and Consolidation Agent in respect of both such Notes and such other Series of Notes to be so consolidated with such Notes.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 15 (*Notices*).

(f) ***Unmatured Coupons and Receipts and unexchanged Talons***

- (i) Upon the due date for redemption, Materialised Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes or Index-Linked Notes) should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Amortised Nominal Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 10 (*Prescription*)).
- (ii) Upon the due date for redemption of any such Materialised Bearer Note comprising a Floating Rate Note, Dual Currency Note or Index-Linked Note, unexpired Coupons relating to such Note (whether or

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not attached) shall become void and no payment shall be made in respect of them.

- (iii) Upon the due date for redemption of any Materialised Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
 - (iv) Upon the due date for redemption of any Materialised Bearer Note that is redeemable in instalments, all Receipts relating to such Materialised Bearer Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
 - (v) Where any Materialised Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
 - (vi) If the due date for redemption of any Materialised Bearer Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Definitive Materialised Bearer Note. Interest accrued on a Materialised Bearer Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Materialised Bearer Notes.
- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 10), provided that, in respect of Notes listed and admitted to trading on Euronext Paris, such exchange shall always take place at the specified office of the Fiscal Agent or of the Paying Agent, as a case may be, in Paris.
- (h) **Non-Business Days:** If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the Noteholder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) (A) (i) in the case of Dematerialised Notes, on which Euroclear France is open for business or (ii) in the case of Materialised Notes, on which banks and foreign exchange

markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as "**Financial Centres**" in the relevant Final Terms and (B) (i) (in the case of a payment in a currency other than Euro), where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) (in the case of a payment in Euro), which is a TARGET Business Day.

- (i) **Alternative Payment in U.S. Dollar:** if by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuer is not able, or it would be impracticable for it, to satisfy payments of principal or interest (in whole or in part) in respect of RMB Notes when due, the Issuer, on giving not less than five nor more than 30 days irrevocable notice in accordance with Condition 15 "Notices" to the Noteholders prior to the due date for payment, shall be entitled to satisfy its obligations in respect of such payment by making such payment in U.S. dollars on the basis of the Spot Rate on the second FX Business Day prior to such payment or, if such rate is not available on such second FX Business Day, on the basis of the rate most recently available prior to such second FX Business Day.

Any payment made under such circumstances in U.S. dollars will constitute valid payment, and will not constitute a default in respect of the Notes.

FX Business Day shall mean a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments in U.S. dollars in Hong Kong and New York.

Governmental Authority means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong.

Illiquidity means the general Renminbi exchange market in Hong Kong becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest and principal (in whole or in part) in respect of the RMB Notes as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two RMB Dealers.

Inconvertibility means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of the RMB Notes in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation becomes effective on or after the issue date of such RMB Notes and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

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Non-transferability means the occurrence of any event that makes it impossible for the Issuer to deliver Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation becomes effective on or after the issue date of the relevant RMB Notes and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

RMB Dealer means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in Hong Kong.

Spot Rate means the spot U.S. dollar/RMB exchange rate for the purchase of U.S. dollars with RMB in the over-the-counter Renminbi exchange market in Hong Kong for settlement in two Business Days, as determined by the Calculation Agent in good faith and in a commercially reasonable manner at or around 11.00 a.m. (Hong Kong time) on the date of determination, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Calculation Agent in good faith and in a commercially reasonable manner will determine the Spot Rate at or around 11:00 a.m. (Hong Kong time) on the date of determination as the most recently available U.S. dollar/RMB official fixing rate for settlement in two FX Business Days reported by The State Administration of Foreign Exchange of the PRC, which is reported on Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuters Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

The Calculation Agent will not be responsible or liable to the Issuer or any holder of the Notes for any determination of any Spot Rate determined in accordance with this provision in the absence of its own gross negligence, bad faith or wilful misconduct.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7 by the Calculation Agent, will (in the absence of manifest error) be binding on the Issuer, the Paying Agents and all Noteholders.

8. Taxation

- (a) **Tax exemption:** unless otherwise specified in the Final Terms, all payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within

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France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

- (b) **Additional Amounts:** If French law should require that payments of principal or interest in respect of any Note, Receipt or Coupon be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders or, if applicable, the Receiptholders and the Couponholders, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon, as the case may be:
- (i) *Other connection:* to, or to a third party on behalf of, a Noteholder or, if applicable, a Receiptholder or Couponholder, as the case may be, who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with the Republic of France other than the mere holding of the Note, Receipt or Coupon; or
 - (ii) *Presentation more than 30 days after the Relevant Date:* in the case of Materialised Notes, more than 30 days after the Relevant Date except to the extent that the Noteholder or, if applicable, a Receiptholder or Couponholder, as the case may be, would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day; or
 - (iii) *Payment to individuals:* where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC of 3 June 2003 or any EU Directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such Directive; or
 - (iv) *Payment by another Paying Agent:* in respect of Definitive Materialised Notes in bearer form, presented for payment by or on behalf of a holder of any Note, Receipt or Coupon, as the case may be, who would be able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the EU.

As used in these Conditions, "**Relevant Date**" in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or, in the case of Materialised Notes (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note, Receipt

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or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Nominal Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 (*Redemption, Purchase and Options*) or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 (*Interest and other Calculations*) or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition.

- (c) **Supply of Information:** Each Noteholder shall be responsible for supplying to the relevant Paying Agent, in a reasonable and timely manner, any information as may be required in a reasonable and timely manner in order to comply with the identification and reporting obligations imposed on it by the European Council Directive 2003/48/EC or any European Directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to such Directive.

9. Events of Default

The Representative (as defined in Condition 11 (*Representation of Noteholders*)), upon request of any Noteholder, may, upon written notice to the Issuer and the Fiscal Agent given before all defaults shall have been cured, cause all the Notes (but not some only) to become immediately due and payable at their principal amount, together with any accrued interest thereon, as of the date on which such notice for payment is received by the Fiscal Agent without further formality, if any of the following events (each an "**Event of Default**") shall occur:

- (i) the Issuer (a) fails to pay principal in respect of the Notes of the relevant Series or any of them within 15 days following the Maturity Date or date of redemption thereof or (b) fails to pay interest in respect of the Notes of the relevant Series or any of them within 15 days of the due date for payment thereof; or
- (ii) the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes of the relevant Series which default is continuing (except in any case where such default is incapable of remedy when no such continuation or notice, as is hereinafter mentioned, will be required) for a period of 30 days after the Issuer receives written notice specifying such default at the specified office of the Fiscal Agent by the Holder of any such Note; or

- (iii) (a) any Indebtedness (as defined in Condition 4 (*Negative Pledge*)) of the Issuer (being Indebtedness having an outstanding aggregate principal amount in excess of €100,000,000 or its equivalent in any other currency) is not paid within 30 days after its stated maturity or earlier redemption date, as the case may be, or within any longer applicable grace period, as the case may be, (b) any Indebtedness of the Issuer (being Indebtedness having an outstanding aggregate principal amount in excess of €100,000,000 or its equivalent in any other currency) becomes due and payable prior to its stated maturity as a result of a default thereunder which is not remedied within the relevant grace period or (c) the Issuer fails to pay when due any amount payable by it under any guarantee of Indebtedness (being Indebtedness having an outstanding aggregate principal amount in excess of €100,000,000 or its equivalent in any other currency) unless, in each case, the Issuer is contesting in good faith its obligations to make payment or repayment of any such amount; or
- (iv) the Issuer enters into a conciliation (*procédure de conciliation* in accordance with Articles L. 611-4 to L. 611-15 of the French *Code de commerce*) with creditors, or a judgment is issued for judicial liquidation (*liquidation judiciaire*) or for a transfer of the whole of its business (*cession totale de l'entreprise à la suite d'un plan de cession*) pursuant to a judicial reorganisation (*redressement judiciaire*), or the Issuer is subject to equivalent legal proceedings, or in the absence of legal proceedings the Issuer makes a voluntary conveyance, assignment or other arrangement for the benefit of its creditors or enters into a composition with its creditors or the Issuer is voluntarily wound up or dissolved (*dissolution or liquidation amiable*).

10. Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within five years (in the case of both principal and interest) from the appropriate Relevant Date in respect of them.

11. Representation of Noteholders

Except as otherwise provided by the relevant Final Terms, Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *masse* (in each case, the "**Masse**").

The Masse will be governed by the provisions of the French *Code de commerce* and, in the case only of Notes which are issued outside the Republic of France, with the exception of Articles L.228-48, L.228-59, the second sentence of Articles L.228-65 II, R.228-63, R.228-67 and R.228-69, subject to the following provisions:

(a) **Legal Personality**

The Masse will be a separate legal entity and will act in part through a representative (the "**Representative**") and in part through a general meeting of the Noteholders (the "**General Meeting**").

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The Masse alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which now or in the future may accrue respectively with respect to the Notes.

(b) **Representative**

The office of Representative may be conferred on a person of any nationality who agrees to perform such function. However, the following persons may not be chosen as Representatives:

- (i) the Issuer, the members of its Executive Board (*Directoire*), the members of its Supervisory Board (*Conseil de surveillance*), its general managers (*directeurs généraux*), its statutory auditors, or its employees as well as their ascendants, descendants and spouse; or
- (ii) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers (*directeurs généraux*), members of their Board of Directors (*Conseil d'administration*), Executive Board (*Directoire*), or Supervisory Board (*Conseil de surveillance*), their statutory auditors, or employees as well as their ascendants, descendants and spouse; or
- (iii) companies holding 10 per cent. or more of the share capital of the Issuer or companies having 10 per cent. or more of their share capital held by the Issuer; or
- (iv) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing an enterprise in whatever capacity.

The names and addresses of the initial Representative of the Masse and its alternate will be set out in the relevant Final Terms. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single Masse of all Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms.

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, retirement or revocation of appointment of the alternate Representative, an alternate will be elected by the General Meeting.

All interested parties will at all times have the right to obtain the names and addresses of the initial Representative and the alternate Representative at the head office of the Issuer and the specified offices of any of the Paying Agents.

(c) ***Powers of Representative***

The Representative shall (in the absence of any decision to the contrary of the General Meeting) have the power to take all acts of management necessary in order to defend the common interests of the Noteholders.

All legal proceedings against the Noteholders or initiated by them, must be brought by or against the Representative.

The Representative may not be involved in the management of the affairs of the Issuer.

(d) ***General Meeting***

A General Meeting may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth of the principal amount of the Notes outstanding, may address to the Issuer and the Representative a demand for convocation of the General Meeting. If such General Meeting has not been convened within two months after such demand, the Noteholders may commission one of their members to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, time, place and agenda of any General Meeting will be published as provided under Condition 15 (*Notices*).

Each Noteholder has the right to participate in a General Meeting in person, by proxy, by correspondence, or if the *statuts* of the Issuer so specify, by videoconference or by any other means of telecommunications allowing the identification of participating Noteholders¹³. Each Note carries the right to one vote or, in the case of Notes issued with more than one Specified Denomination, one vote in respect of each multiple of the lowest Specified Denomination comprised in the principal amount of the Specified Denomination of such Note.

(e) ***Powers of the General Meetings***

The General Meeting is empowered to deliberate on the dismissal and replacement of the Representative and the alternate Representative and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representative to act at law as plaintiff or defendant.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration

¹³

At the date of this Base Prospectus, the *statuts* of the Issuer do not contemplate the right for a Noteholder to participate in a General Meeting by videoconference or any other means of telecommunication allowing the identification of the participating Noteholders.

Terms and Conditions of the Notes

or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not increase the obligations (*charges*) of the Noteholders, nor establish any unequal treatment between the Noteholders, nor decide to convert Notes into shares.

General Meetings may deliberate validly on first convocation only if Noteholders present or represented hold at least one fifth of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a simple majority of votes cast by Noteholders attending such General Meetings or represented thereat.

In accordance with Article R. 228-71 of the French *Code de commerce*, the rights of each Noteholder to participate in the General Meetings must be evidenced by entries in the books of the relevant Account Holder of the name of such Noteholder on the third business day in Paris preceding the date set for the relevant General Meeting at 0.00, Paris time.

Decisions of General Meetings must be published in accordance with the provisions set forth in Condition 15 (*Notices*).

(f) ***Information to Noteholders***

Each Noteholder or Representative thereof will have the right, during the 15-day period preceding the holding of each General Meeting, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the General Meeting, all of which will be available for inspection by the relevant Noteholders at the registered office of the Issuer, at the specified offices of any of the Paying Agents during usual business hours and at any other place specified in the notice of the General Meeting.

(g) ***Expenses***

The Issuer will pay all the reasonable and duly documented expenses relating to the operation of the Masse, including the reasonable and duly documented expenses relating to the calling and holding of General Meetings and, more generally, all reasonable and duly documented administrative expenses resolved upon by the General Meeting, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.

(h) **Single Masse**

The holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of such first mentioned Series in accordance with Condition 14 (*Further Issues and Consolidation*), shall, for the defence of their respective common interests, be grouped in a single Masse. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single Masse of all such Series.

For the avoidance of doubt, in this Condition 11 "outstanding" shall not include those Notes purchased by the Issuer pursuant to Article L.213-1 A of the French *Code monétaire et financier* that are held by it and not cancelled.

12. **Modifications**

These Conditions may be completed in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

13. **Replacement of definitive Notes, Receipts, Coupons and Talons**

If, in the case of any Materialised Bearer Notes, a Definitive Materialised Bearer Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and Regulated Market regulations, at the specified office of the Fiscal Agent or such other Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Definitive Materialised Bearer Note, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Definitive Materialised Bearer Notes, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Materialised Bearer Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

14. **Further Issues and Consolidation**

- (a) **Further Issues:** Unless otherwise specified in the relevant Final Terms, the Issuer may from time to time without the consent of the Noteholders, Receiptholders or Couponholders create and issue further notes to be assimilated (*assimilées*) and form a single series with the Notes provided such Notes and the further notes carry rights identical in all respects (or in all respects save for the principal amount thereof and the first payment of interest in the relevant Final Terms) and that the terms of such further notes provide for such assimilation and references in these Conditions to "**Notes**" shall be construed accordingly.

Terms and Conditions of the Notes

- (b) **Consolidation:** The Issuer may, with the prior approval (which shall not be unreasonably withheld) of the Redenomination and Consolidation Agent, from time to time on any Interest Payment Date occurring on or after the Redenomination Date on giving not less than 30 days' prior notice to the Noteholders in accordance with Condition 15 (*Notices*), without the consent of the Noteholders, Receiptholders or Couponholders, consolidate the Notes of one Series with the Notes of one or more other Series issued by it, whether or not originally issued in one of the European national currencies or in Euro, provided such other Notes have been redenominated in Euro (if not originally denominated in Euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

15. Notices

- (a) Notices to the holders of Dematerialised Notes in registered form (*au nominatif*) shall be valid if either (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth weekday (being a day other than a Saturday or Sunday) after the mailing, or (ii) at the option of the Issuer, they are published in a leading daily newspaper with general circulation in Europe (which is expected to be the *Financial Times*) and, so long as such Notes are listed and admitted to trading on any Regulated Market and the rules of, or applicable to, such Regulated Market so require, in a leading daily newspaper with general circulation in the city where the Regulated Market on which such Notes are listed and admitted to trading is located, which in the case of Euronext Paris is expected to be *Les Echos*.
- (b) Notices to the holders of Materialised Bearer Notes and Dematerialised Notes in bearer form (*au porteur*) shall be valid if published in a daily leading newspaper with general circulation in Europe (which is expected to be the *Financial Times*) and so long as such Notes are listed and admitted to trading on any Regulated Market, in a leading daily newspaper with general circulation in the city where the Regulated Market on which such Notes are listed and admitted to trading is located, which in the case of Euronext Paris is expected to be *Les Echos*.
- (c) If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Bearer Notes in accordance with this Condition.
- (d) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) pursuant to these Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream,

Terms and Conditions of the Notes

Luxembourg and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication as required by Conditions 15(a), (b) and (c) above; except that notices relating to the convocation and decision(s) of the General Meetings pursuant to Condition 11 (*Representation of Noteholders*) shall also be published in a leading daily newspaper of general circulation in Europe.

16. **Governing Law and Jurisdiction**

16.1 **Governing Law**

The Notes (and, where applicable, the Receipts, the Coupons and the Talons) and any non-contractual obligations arising out of or in connection with the Notes (and, where applicable, the Receipts, the Coupons and the Talons) are governed by, and shall be construed in accordance with, French law.

16.2 **Jurisdiction**

- (a) The Paris Commercial Court (*Tribunal de Commerce de Paris*) has jurisdiction to settle any disputes arising out of or in connection with the Notes (and, where applicable, the Receipts, the Coupons and the Talons) (including a dispute relating to the existence, validity or termination of the Notes (and, where applicable, the Receipts, the Coupons and the Talons) or any non-contractual obligation arising out of or in connection with the Notes (and, where applicable, the Receipts, the Coupons and the Talons)) and accordingly, any legal action or proceedings arising out of or in connection therewith may be brought in such courts.
- (b) Any claim against the Issuer in connection with the Notes (and, where applicable, the Receipts, the Coupons and the Talons) will be brought before the said Paris Commercial Court (*Tribunal de Commerce de Paris*).

USE OF PROCEEDS

The net proceeds of the issue of each Tranche will be applied by the Issuer to meet part of its general financing requirements unless otherwise set out in the relevant Final Terms.

DESCRIPTION OF THE ISSUER

Detailed information in relation to the Issuer is contained in the documents referred to in the section headed "Documents incorporated by reference" in this Base Prospectus.

Information regarding the EDF Group's activities

General introduction to the EDF Group

The EDF Group is an integrated energy company with a presence in a wide range of electricity-related businesses: nuclear, renewable and fossil-fuel fired energy production, transmission, distribution, marketing as well as energy management and efficiency services, along with energy trading. It is France's leading electricity operator and has a strong position in Europe (United Kingdom, Italy, countries in Central and Eastern Europe), making it one of the world's leading electrical providers as well as a recognized player in the gas industry.

With a worldwide net installed capacity of 134.6 GWe¹ as of 31 December 2011 (124.2 GWe in Europe) and global energy generation of 628.2 TWh, the EDF Group has one of the largest generating capacities of all the major worldwide energy corporations with the lowest level of CO₂ emissions per KWh generated² due to the proportion of nuclear, hydroelectric power and other renewable energies in its generation mix. The EDF Group supplies electricity, gas and associated services to more than 37.7 million customer accounts³ worldwide (including nearly 27.9 million in France).

The EDF Group's businesses reflect its adoption of a model aimed at finding the best balance between French and international activities, competitive and regulated operations and based on an upstream-downstream integration. In 2011, the EDF Group's consolidated sales revenues was 65.3 billion Euros, earnings before interest, tax, depreciation and amortization came to 14.8 billion Euros, and net income excluding non-recurring items stood at 3.5 billion Euros.

The table below presents the breakdown of the EDF Group's fleet and electricity generation for France in 2011:

¹ Source: EDF. Figures calculated according to the rules of accounting consolidation.

² Source: PricewaterhouseCoopers: "European Carbon Factor", November 2011.

³ Source: EDF. One customer may have two accounts: one for electricity and one for gas.

Description of the Issuer

	Installed Capacity: 97,424MW⁽¹⁾⁽⁶⁾	Electricity Generated: 459.7TWh⁽⁵⁾
Nuclear power	65%	91.6%
Hydropower (2) (4)	20%	5.8%
Thermal (3)	15%	2.6%

(1) Expressed in MW of maximum power connected to the grid.

(2) Excluding Corsica and the French overseas departments: 400 MW of installed capacity and 1.1 TWh generated in 2011.

(3) Excluding Corsica and the French overseas departments: 1,482 MW in 2011 and 4.5 TWh in 2011 (and including 2,075 MW of units under guaranteed multi-year shutdown).

(4) Net production: the electricity consumption needed for the operation of pumped storage plants amounted to 6.9 TWh in 2011, resulting in a gross hydropower generation (net of pumped storage consumption) of 33.7 TWh.

(5) These values correspond to the sum of the specific values, corrected to one decimal place.

(6) This value also includes 12 MW of capacity of wind generation.

Deregulated and regulated operations in France

EDF's deregulated activities in France (activities open to competition), include electricity generation and the sale of electricity and natural gas. EDF is implementing an integrated model for the joint operational management of its portfolio of assets upstream (generation and procurement of energy and fuels) and downstream (wholesale and retail) to guarantee supply to its customers through the best possible management of operational and market risks and with a view to maximising gross margin.

In France, EDF's regulated operations consist of the following:

- transmission, managed by RTE Réseau Transport d'Electricité (RTE);
- distribution, managed by ERDF;
- EDF activities in Island Energy Systems (mainly Corsica, the French overseas departments and overseas municipalities of Saint Barthélemy, Saint Martin, and Saint Pierre-et-Miquelon.), which are managed by the Island Energy Systems Division (*Systèmes Energétiques Insulaires*, or "SEI").

The EDF Group's international activities

The EDF Group is positioned as an energy leader, with a priority aim of investing for sustainable and profitable industrial growth, based on the development of skills and the promotion of our technical expertise. The EDF Group intends to continue to strengthen its international businesses as a complement to its activities in France.

The international activities of the EDF Group are an operational expression of the EDF Group's strategic directions; these strategies involve strengthening European positions, and the international rollout of nuclear activities and projects and other key projects.

European Positions

Description of the Issuer

The EDF Group has consolidated its European presence, the mature market that forms the foundation for its industrial presence.

EDF Group activity in Europe is based upon a will to contribute to building a single market for both electricity and gas, encouraging the emergence of new technologies and innovative solutions that are customised to environmental, social and economic challenges, and lastly to respect natural and human resources, and the wishes of local stakeholder in their concerns over energy issues and associated services.

The principal events of the year illustrating this strategy were:

- In the UK: pursuing studies and investments to diversify local generating facilities;
- In Germany: the political authorities from the federated state of Baden-Württemberg, having made their request to give EnBW a strong regional shareholder to refocus the company's business on Baden-Württemberg, the EDF Group accepted the state's offer to buyback EDF International's stake in EnBW, which was completed on 17 February 2011;
- In Italy: on 26 December 2011, EDF, Edison, Delmi, A2A and Iren concluded a preliminary agreement concerning reorganising Edison's and Edipower's shareholder structures. This agreement of 24 January 2012 was approved by EDF's Board of Directors and was finalised and signed by all the parties concerned on 15 February 2012 giving EDF exclusive control of Edison and thus reinforcing the EDF Group's gas strategy and consolidating its position as pivotal player in Italy;
- In Poland: the launch of the construction project for a 900 MW supercritical coal-fired power plant.

The EDF Group's ambitions in Europe

The EDF Group aims to consolidate the coherent industrial group it has in Europe through organic growth and realising synergies at EDF Group level. It will review any new opportunity of profitable development in Europe, which is its core market.

In addition, the EDF Group intends to continue building its gas positions that are necessary to its ambition of becoming an active provider in both the gas and electricity sectors in Europe in order to secure provision of a multi-energy offer for its customers and to ensure competitive supply of the EDF Group's electricity generation means through the use of gas.

The EDF Group is also realising operational synergies among its various entities in France and Europe through the following actions:

- improving operational performance by sharing best practices observed within the EDF Group;
- using the opportunity of the various subsidiaries' generation assets construction projects in order to standardise the design and to group the orders placed with equipment manufacturers; coordinating gas supplies and investments in order to further the EDF Group's ambitions in the gas market;

Description of the Issuer

- coordinating gas supplies and investments in order to further the EDF Group's ambitions in the gas market; and
- developing upstream-downstream optimisation at a European level.

Key information regarding the EDF Group's annual financial data

Preamble

Pursuant to European regulation No. 1606/2002/EC of 19 July 2002 on the adoption of international accounting standards, the EDF Group's consolidated financial statements for the year ended 31 December 2011 are prepared under the international accounting standards published by the IASB and approved by the European Union for application as of 31 December 2011. These international standards are the IAS (International Accounting Standards), IFRS (International Financial Reporting Standards), and their interpretations (SIC and IFRIC).

Key financial information

The selected financial information presented below is taken from the EDF Group's consolidated financial statements as of 31 December 2011, which have been audited by EDF's Statutory Auditors.

The selected financial information below must be read in conjunction with (i) the consolidated financial statements included in section 20.1 ("Historical Financial Information") of the 2011 *Document de Référence*, and (ii) the operating and financial review contained in Chapter 9 of the 2011 *Document de Référence*.

Extracts from the consolidated income statements

<i>(in millions of Euros)</i>	2011	2010⁽¹⁾	2010⁽²⁾
Sales	65,307	65,320	65,165
Operating profit before depreciation and amortization (EBITDA)	14,824	16,623	16,623
Operating profit (EBIT)	8,286	6,240	6,240
Income before taxes of consolidated companies ⁽³⁾	4,506	1,814	1,814
EDF NET INCOME	3,010	1,020	1,020

(1) Figures fulfilled in 2011 for the 2010 final year have been restated for the impact of the change in presentation of EDF Luminus' optimization activities.

(2) Data published in 2010 for the 2010 fiscal year.

(3) Income before taxes of consolidated companies corresponds to the EDF group's net income before income taxes; share in income of companies accounted for under the equity method, net income from discontinued operations, and minority interests.

Extracts from the consolidated balance sheets

<i>(in millions of Euros)</i>	31 December 2011	31 December 2010
Non-current assets	163,026	158,744
Current assets	67,980	63,670
Assets classified as held for sale	701	18,145
TOTAL ASSETS	231,707	240,559
Equity (Group share)	30,570	31,317
Non controlling interests	4,337	5,586

Description of the Issuer

Non-current provisions	51,560	49,465
Other non-current liabilities	93,925	91,666
Current liabilities	50,909	49,651
Liabilities related to assets classified as held for sale	406	12,874
TOTAL EQUITY AND LIABILITIES	231,707	240,559

Extracts from the consolidated cash flow statements

<i>(in millions of Euros)</i>	2011	2010
Net cash flow from operating activities	8,497	11,110
Net cash flow used in investing activities	(6,791)	(14,927)
Net cash flow from financing activities	(1,591)	1,948
Cash flow from discontinued operations	-	357
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	115	(1,512)

Information concerning net indebtedness

The definition of net indebtedness was revised in 2010 to take into account the Group's lending to RTE Réseau de Transport d'Électricité, an entity consolidated by the equity method as of 31 December 2010.

	31 December	31 December
<i>(in millions of Euros)</i>	2011	2010
Loans and other financial liabilities	50,034	47,777
Derivatives used to hedge liabilities	(834)	49
Cash and cash equivalents	(5,743)	(4,829)
Liquid assets	(9,024)	(9,285)
Loans to RTE	(1,400)	(1,914)
Net indebtedness from assets held for sale	252	2,591
NET INDEBTEDNESS	33,285	34,389

Members of the Board of Directors as at 1 June 2012

Representatives of the French State

Pierre-Marie Abadie
Jean-Dominique Comolli
Yannick d'Escatha
François Loos
Julien Dubertret
Pierre Sellal

Directors appointed by the General Shareholders' Meeting

Henri Proglio (Chairman and CEO)
Bruno Lafont
Mireille Faugère
Philippe Crouzet
Michaël Jay of Ewelme
Pierre Mariani

Employee Representatives

Christine Chabauty

Description of the Issuer

Philippe Maissa
Alexandre Grillat
Marie-Hélène Meyling
Jean-Paul Rignac
Maximo Villota

DESCRIPTION DE L'EMETTEUR (DESCRIPTION OF THE ISSUER IN FRENCH)

Des informations détaillées relatives à l'Emetteur sont disponibles dans les documents indiqués dans la section intitulée "Documents incorporés par référence" dans ce Prospectus de Base.

Informations concernant l'activité du Groupe EDF

Présentation générale du Groupe EDF

Le Groupe EDF est un énergéticien intégré, présent sur l'ensemble des métiers de l'électricité : la production, le transport, la distribution, la commercialisation et le négoce d'énergies. Il est l'acteur principal du marché français de l'électricité et détient des positions fortes au Royaume-Uni et en Italie, qui en font l'un des électriciens leader en Europe et un acteur gazier reconnu.

Le Groupe EDF est un énergéticien intégré, présent sur l'ensemble des métiers de l'électricité : la production nucléaire, renouvelable et fossile, le transport, la distribution, la commercialisation et les services d'efficacité et de maîtrise de l'énergie, ainsi que le négoce d'énergies. Il est l'acteur principal du marché français de l'électricité et détient des positions fortes en Europe (Royaume-Uni, Italie, pays d'Europe centrale et orientale) qui en font l'un des électriciens leader dans le monde et un acteur gazier reconnu.

Avec une puissance installée nette de 134,6 Gwe¹ dans le monde au 31 décembre 2011 (124,2 GWe en Europe) pour une production mondiale de 628,2 TWh, le Groupe EDF dispose, parmi les grands énergéticiens mondiaux, du parc de production le plus important et le moins émetteur de CO₂ par kilowattheure² produit grâce à la part du nucléaire, de l'hydraulique et des autres énergies renouvelables dans son mix de production. Le Groupe EDF fournit de l'électricité, du gaz et des services associés à plus de 37,7 millions de comptes client³ dans le monde (dont près de 27,9 millions en France).

Les activités du Groupe EDF traduisent le choix d'un modèle équilibré entre la France et l'international, opérations concurrentielles et régulées et reposant sur une intégration amont-aval. En 2011, le Groupe a réalisé un chiffre d'affaires consolidé de 65,3 milliards d'euros, un excédent brut d'exploitation de 14,8 milliards d'euros et un résultat net courant de 3,5 milliards d'euros.

Le tableau ci-dessous présente la répartition du parc et de la production d'électricité du Groupe EDF en France en 2011 :

¹ Source : EDF. Chiffres calculés conformément aux règles de consolidation comptable.

² Source : PriceWaterhouseCoopers, Facteur carbone européen, novembre 2011.

³ Source : EDF. Un client peut avoir deux comptes client : un pour l'électricité et un autre pour le gaz.

Description de l'Emetteur

	Puissance installée :	Electricité Produite:
	97 424MW⁽¹⁾⁽⁶⁾	459,7 TWh⁽⁵⁾
Nucléaire	65%	91,6%
Hydraulique ⁽²⁾⁽⁴⁾	20%	5,8%
Thermique ⁽³⁾	15%	2,6%

(1) Exprimé en MW de puissance couplée au réseau.

(2) Hors Corse et DOM, soit 400 MW de puissance installée et 1,1 TWh d'électricité produite en 2011.

(3) Hors Corse et DOM, soit 1 482 MW en 2011 et 4,5 TWh d'électricité produite en 2011, et y compris 2 075 MW pour les tranches en arrêt garanti pluriannuel.

(4) Production nette : la consommation d'électricité nécessaire au fonctionnement des stations de transfert d'énergie par pompage (STEP) s'élève à 6,9 TWh en 2011, ce qui conduit à une production hydraulique brute, consommation liée au pompage comprise, de 33,7 TWh.

(5) Ces valeurs correspondent à l'expression à une décimale de la somme des valeurs précises, compte tenu des arrondis.

(6) Cette valeur inclut également 12 MW de capacité de production éolienne.

Opérations régulées et non régulées en France

Les opérations non régulées d'EDF en France, activités en concurrence, comprennent la production d'électricité et la commercialisation d'électricité et de gaz. EDF met en œuvre un modèle intégré pour la gestion opérationnelle conjointe de ses portefeuilles d'actifs amont (production, achats d'énergies et de combustibles) et aval (ventes en gros, commercialisation) pour garantir la fourniture à ses clients avec la meilleure maîtrise possible des risques liés aux aléas physiques et de marché, dans une optique de maximisation de la marge brute.

Les opérations régulées France d'EDF comportent :

- le transport, géré par RTE Réseau de transport d'électricité (RTE) ;
- la distribution, gérée par ERDF ;
- les activités d'EDF dans les Systèmes Énergétiques Insulaires (principalement la Corse, les départements d'outre-mer et les collectivités d'outre-mer de Saint-Barthélemy, Saint-Martin et Saint-Pierre-et-Miquelon.), gérées par la direction Systèmes Énergétiques Insulaires ("SEI").

Les activités du Groupe EDF à l'international

Le Groupe EDF se positionne comme un leader énergétique, avec l'objectif prioritaire d'investir pour une croissance industrielle durable et rentable, en s'appuyant sur le développement des compétences et la valorisation des savoir-faire techniques. Il entend poursuivre le renforcement de son implantation internationale, complémentaire de ses activités en France.

Description de l'Emetteur

Les activités internationales du Groupe EDF déclinent de façon opérationnelle les orientations stratégiques du groupe concernant le renforcement des positions européennes, le déploiement d'activités et de projets nucléaires à l'international et d'autres projets ciblés à l'international.

Positions européennes

Le Groupe EDF a poursuivi la consolidation de sa présence en Europe, marché mature socle de sa présence industrielle.

L'activité du Groupe EDF sur cette zone s'inscrit dans une volonté de contribuer à la constitution d'un marché unique tant de l'électricité que du gaz, de favoriser l'émergence de nouvelles technologies et de solutions innovantes adaptées aux enjeux environnementaux, sociaux et économiques, et enfin de respecter les ressources naturelles, les ressources humaines et les souhaits des parties prenantes locales dans leurs appréhensions des enjeux énergétiques et des services associés.

Les principaux événements de l'année ont été :

- au Royaume-Uni : la poursuite des études et investissements en vue de diversifier les moyens de production locaux ;
- en Allemagne : les autorités politiques du Land de Bade-Wurtemberg ayant formulé leur volonté de doter EnBW d'un actionnariat régional fort pour recentrer les activités de l'entreprise sur le Bade-Wurtemberg, le Groupe EDF a accepté l'offre du Land pour le rachat de la participation d'EDF International dans EnBW, finalisé le 17 février 2011 ;
- en Italie : le 26 décembre 2011, EDF, Edison, Delmi, A2A et Iren ont conclu un accord préliminaire concernant la réorganisation actionnariale d'Edison et d'Edipower. Cet accord, qui a été approuvé par le Conseil d'administration d'EDF du 24 janvier 2012, puis finalisé et signé par l'ensemble des parties concernées le 15 février 2012, permet à EDF de prendre le contrôle exclusif d'Edison, renforce la stratégie gaz du Groupe EDF et conforte sa position en tant qu'acteur incontournable en Italie ; et
- en Pologne : le lancement du projet de construction d'une centrale à charbon supercritique de 900 MW.

Ambition européenne du Groupe EDF

Le Groupe EDF a pour ambition de renforcer l'ensemble industriel cohérent dont il dispose en Europe par croissance organique et développement de synergies à l'échelle du Groupe. Il étudiera toute nouvelle opportunité de développement rentable en Europe, qui est son marché de référence.

En outre, le Groupe EDF entend poursuivre la construction de ses positions gazières, nécessaires à son ambition de devenir un énergéticien actif dans le gaz comme dans l'électricité en Europe, afin de sécuriser son offre multi-énergie et d'assurer

Description de l'Emetteur

l'approvisionnement compétitif des outils de production d'électricité du Groupe EDF utilisant le gaz.

Le Groupe EDF met également en œuvre des synergies opérationnelles entre ses différentes entités, en France et en Europe, au travers des actions suivantes :

- améliorer les performances opérationnelles par le partage des meilleures pratiques observées au sein du Groupe ;
- utiliser l'opportunité des projets de construction d'actifs de production de différentes filiales pour standardiser la conception et grouper les commandes effectuées auprès des équipementiers ;
- coordonner les approvisionnements et les investissements gaziers pour servir les ambitions du Groupe EDF sur le marché du gaz ; et
- développer l'optimisation amont/aval à l'échelle européenne.

Informations de base concernant les états financiers annuels du Groupe EDF

En application du règlement (CE) n° 1606/2002 du 19 juillet 2002 sur les normes internationales, les états financiers consolidés du Groupe EDF, au titre de l'exercice clos le 31 décembre 2011, sont préparés conformément aux normes comptables internationales telles que publiées par l'IASB et approuvées par l'Union européenne au 31 décembre 2011. Ces normes internationales comprennent les normes IAS (*International Accounting Standards*), IFRS (*International Financial Reporting Standards*) et les interprétations (SIC et IFRIC).

Les informations financières sélectionnées présentées ci-dessous sont extraites des comptes consolidés du Groupe EDF pour l'exercice clos le 31 décembre 2011 qui ont été audités par les Commissaires aux comptes d'EDF.

Les informations financières sélectionnées ci-après doivent être lues conjointement avec (i) les comptes consolidés figurant à la section 20.1 ("Informations financières historiques") du Document de Référence 2011 et (ii) l'examen de la situation financière et du résultat du Groupe EDF figurant au chapitre 9 du Document de Référence 2011.

Extraits des comptes de résultat consolidés

(en millions d'euros)	2011	2010 ⁽¹⁾	2010 ⁽²⁾
Chiffre d'affaires	65 307	65 320	65 165
Excédent brut d'exploitation (EBE)	14 824	16 623	16 623
Résultat d'exploitation	8 286	6 240	6 240
Résultat avant impôts des sociétés intégrées (3)	4 506	1 814	1 814
Résultat net part du Groupe EDF	3 010	1 020	1 020

(1) Les données publiées en 2011 au titre de l'exercice 2010 ont été retraitées de l'impact lié au changement de présentation des activités d'optimisation d'EDF Luminus.

Description de l'Emetteur

- (2) Données publiées en 2010 au titre de l'exercice 2010.
- (3) Le résultat avant impôt des sociétés intégrées correspond au résultat net du groupe EDF avant prise en compte de l'impôt sur les résultats, de la quote-part de résultat net des entreprises associées, du résultat net des activités en cours de cession et du résultat net attribuable aux participations ne donnant pas le contrôle.

Extraits des bilans consolidés

<i>(en millions d'euros)</i>	31 décembre 2011	31 décembre 2010
Actif non courant	163 026	158 744
Actif courant	67 980	63 670
Actifs détenus en vue de la vente	701	18 145
Total de l'actif	231 707	240 559
Capitaux propres - part du Groupe EDF	30 570	31 317
Intérêts attribuables aux participations ne donnant pas le contrôle	4 337	5 586
Provisions non courantes	51 560	49 465
Autres passifs non courants	93 925	91 666
Passif courant	50 909	49 651
Passifs liés aux actifs détenus en vue de la vente	406	12 874
Total des capitaux propres et du passif	231 707	240 559

Extraits des tableaux de flux de trésorerie consolidés

<i>(en millions d'euros)</i>	2011	2010
Flux de trésorerie nets liés aux opérations d'exploitation	8 497	11 110
Flux de trésorerie nets liés aux opérations d'investissement	(6 791)	(14 927)
Flux de trésorerie nets liés aux opérations de financement	(1 591)	1 948
Flux de trésorerie des activités en cours de cession	-	357
Variation nette de la trésorerie et des équivalents de trésorerie	115	(1 512)

Description de l'Emetteur

Informations relatives à l'endettement financier

La définition de l'endettement financier net a été revue en 2011 afin de prendre en compte les prêts du Groupe EDF à RTE Réseau de transport d'électricité, entité consolidée par mise en équivalence à compter du 31 décembre 2011.

(en millions d'euros)	31 décembre 2011	31 décembre 2010
Emprunts et dettes financières	50 034	47 777
Dérivés de couvertures des dettes	(834)	49
Trésorerie et équivalents de trésorerie	(5 743)	(4 829)
Actifs liquides	(9 024)	(9 285)
Prêts à RTE	(1 400)	(1 914)
Endettement financier net des actifs destinés à être cédés	252	2 591
Endettement financier net	33 285	34 389

Membres du Conseil d'administration au 1er juin 2012

Administrateurs représentant l'Etat

Pierre-Marie Abadie
Jean-Dominique Comolli
Yannick d'Escatha
François Loos
Julien Dubertret
Pierre Sellal

Administrateurs élus par l'Assemblée Générale des actionnaires

Henri Proglio (Président-Directeur Général)
Bruno Lafont
Mireille Faugère
Philippe Crouzet
Michaël Jay of Ewelme
Pierre Mariani

Administrateurs représentant les salariés

Christine Chabauty
Philippe Maissa
Alexandre Grillat
Marie-Hélène Meyling
Jean-Paul Rignac
Maximo Villota

RECENT EVENTS

1. EDF's Credit Ratings as of 1 June 2012

Rating Agency	Long term rating	Short term rating
Moody's	Aa3, stable outlook	P-1
Standard and Poor's	A+, stable outlook	A-1
Fitch Ratings	A+, stable outlook	F1

Each of Moody's Investors Service Ltd, Standard and Poor's Credit Market Services Europe Limited and Fitch Ratings Limited is established in the European Union and is registered under Regulation (EC) No.1060/2009 of the European Parliament and of the Council dated 16 September 2009, as amended by Regulation (EU) No. 513/2011 of the European Parliament and of the Council dated 11 May 2011 and is included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority (www.esma.europa.eu).

2. 25 May 2012 – EnBW arbitration hearing: EDF's reaction

As part of the purchase of EDF's stake in EnBW, Neckarpri GmbH, the Baden-Württemberg state-owned entity that made the purchase, initiated an arbitration procedure against EDF in February 2012 with the International Chamber of Commerce. The Baden-Württemberg state believes that it paid EDF an excessive acquisition price for its stake in EnBW and is requesting restitution of €2 billion.

EDF considers this request to be completely unfounded and exorbitant. The EDF Group reiterates that it accepted the €4.7 billion offer submitted by the Baden-Württemberg state for the purchase of its stake in EnBW in December 2010.

EDF intends to claim damages for harm of any kind caused to the EDF Group by this abusive hearing, which is expected to last for several months.

3. 24 May 2012 - EDF finalises Edison acquisition

EDF announced its acquisition of control of Edison Spa through the completion of its previously announced contract to purchase Delmi's participation for €784M. With the completion of this transaction, EDF's equity in Edison's ordinary shares increases

from approximately 50% to slightly more than 80% and, with the termination of its shareholders agreement with Delmi, EDF is now in sole control of Edison.

Simultaneously with EDF's acquisition of control of Edison, Delmi completed, under its previously announced parallel contract, the acquisition from Edison of 50% of Edipower for €684M and from Alpiq of 20% of Edipower for €200M. At the same time, Edipower is completing the reimbursement to Edison and Alpiq of the shareholder loans previously provided by them to Edipower.

As previously announced, as a result of the change in control of Edison, EDF will launch a mandatory tender offer for the benefit of the holders of the 19.360% of Edison's ordinary shares that EDF does not own at €0.89 per ordinary share. A courtesy translation of the description required under Italian stock market regulation of the mandatory tender offer will soon be available on Edison's website at www.edison.it.

4. **15 May 2012 - EDF launches Electranova Capital, an investment fund for energy start-ups specialising in innovative technologies that respect the environment**

EDF joined forces with Idinvest Partners, a well-known expert when it comes to funding SMEs, to create a venture capital fund called Electranova Capital. The aim of this fund, endowed with a minimum investment capacity of €60 million, is to encourage the emergence of innovative projects focusing on new technologies with a view to embracing the challenge of a low-carbon energy model, for both energy production and usage. The goal of this fund is to finance innovative young companies in the energy sector with strong potential for growth, both in France and in Europe, via minority shareholdings.

EDF has defined the investment scope of the fund, and will contribute its own expertise in "cleantech" solutions. The fund will be managed autonomously in accordance with the industry's best practices. EDF is contributing €30 million to Electranova Capital and Allianz, the first financial investor to be won over by the ambition and approach adopted by the fund, is committing €10 million to the project. Comprehensive discussions are underway with other prestigious partners who are keen to be involved in this project alongside EDF, and the search for investors will continue throughout 2012.

The creation of this venture capital fund fits in perfectly with the worldwide context of an ever-evolving energy mix, characterised by countless innovations. New questions are being asked, particularly about the development of smart grids, the arrival of electric vehicles, advances in energy efficiency and renewable energy, and electricity storage... EDF, with its over 2,000 strong R&D team, is actively involved in these issues, investing in research into new technologies and innovative business models.

Start-ups also play a vital part in innovation. Knowing about and encouraging the development of these start-ups is becoming a new challenge for large companies. This project will also provide an opportunity for start-ups to forge ties and nurture partnerships with EDF R&D and the group's other departments.

Recent Events

The launch of this fund ties in with the whole EDF group's innovation policy, which is committed to strategic contributions to a number of funds specialising in technologies that respect the environment around the world, particularly in North America (Chrysalix in Canada) and China (Tsing Capital), helping to establish a comprehensive overview of Clean Technology innovations around the world.

"EDF R&D is already very involved in projects focusing on the development of renewable energies, storage, smart grids, electric vehicles and energy efficiency, and with Electranova Capital, it is keen to consolidate its commitment to innovation and contribute to an industrial impetus in technology that respects the environment", announced Bernard Salha, EDF's R&D director.

"By funding innovative start-ups, the EDF group's goal is to identify new technologies and business models in order to improve performance, and see new products and prospects for growth emerge", explains Thomas Piquemal, the EDF group's finance director.

5. Quarterly financial information

- First quarter 2012 sales: €20.8 billion, +6.5% organic growth
- 2012 targets and 2011-2015²⁰ financial outlook confirmed by the Group

EDF sales trends

<i>In € million</i>	Q1 2011	Q1 2012	%	o/w % forex	o/w % scope	o/w % organic
France	11,858	12,462	5.1%	0.0%	0.0%	5.1%
UK	2,555	2,608	2.1%	3.4%	0.0%	-1.3%
Italy	1,587	1,758	10.8%	-0.1%	-7.7%	18.6%
Other International	2,155	2,356	9.3%	-1.3%	-0.1%	10.8%
Other activities	1,444	1,651	14.3%	-0.2%	1.9%	12.7%
International & Other activities	7,741	8,373	8.2%	0.7%	-1.3%	8.7%
Total Group	19,599	20,835	6.3%	0.3%	-0.5%	6.5%

Henri Proglio, Chairman and CEO of EDF, stated: *"First quarter growth in our sales is due to a solid performance by the nuclear fleet in France, on which basis we are confirming our 2012 output target of between 420 and 425 TWh. This result was achieved by mobilising all our means of production during the cold snap, and in particular a significant improvement in hydropower output, despite unfavourable weather conditions. The first quarter also featured the strengthening of the Group in renewable energies and gas, through the three French offshore wind energy calls for tenders won, and the finalisation of the Edison takeover, which makes EDF a major power generator in Italy. This country is set to become EDF's gas platform and its base of development in the Mediterranean region."*

²⁰ Excluding the potential impact of Edison PPA

Recent Events

EDF's sales in the first quarter of 2012 totalled €20.8 billion, showing 6.5% organic growth compared to the first quarter of 2011. France contributed to the growth in sales, with 5.1% organic growth, as did the international segment, with 8.7% organic growth.

EDF confirms its financial guidance for profitable growth over the period 2011-2015²¹, i.e.:

- EBITDA²² : 4 to 6% average annual growth;
- Net income excluding non-recurring items: 5 to 10% average annual growth;
- Financial net debt / EBITDA ratio: less than 2.5x
- Payout ratio: between 55 and 65%

2012 objectives are in line with this financial guidance, with a dividend at least stable compared to the one paid for 2011. As announced in the FY11 results publication, the 2012 French output target is 420-425 TWh. In the UK, EDF Energy aims to improve upon its 55.8 TWh achieved in 2011.

First quarter sales trends

France: 5.1% organic sales growth due to weather

<i>In € millions</i>	Q1 2011	Q1 2012	% organic
Total France	11,858	12,462	5.1%

In **France**, sales totalled 12.5 billion in the first quarter of 2012, representing 5.1% organic growth, driven by a positive volume impact related mainly to weather conditions amounting to €284 million (notably the cold wave of February 2012, with an unfavourable impact on the margin of almost €100 million). To a lesser extent, a positive price effect due mainly to the Summer 2011 increase in regulated tariffs (networks and energy), contributed to growth this quarter (+€155 million). Sales of gas to end-customers had an impact of +€106 million.

Nuclear production in the first quarter of 2012 was in line with the Group's 2012 target. Nuclear production decreased by 0.7% in the first quarter of 2012 compared to Q1 2011 output, which was characterized by an exceptionally strong availability. The Group confirms its 2012 output target comprised between 420 and 425 TWh, which takes into account the continuation of the large component replacement programme, six 10-year inspections scheduled, and the potential consequences on planned outages related to complementary post-Fukushima safety assessments.

Meanwhile, despite unfavourable hydraulic conditions in the first quarter of 2012, hydropower production increased by 1 TWh compared to the first quarter of 2011.

²¹ Excluding the potential impact of Edison PPA

²² Growth at constant scope and exchange rate

Recent Events

The Group was able to optimise its stocks to cope with the cold snap of February 2012. Furthermore, reserve levels should be built back up after the late March accumulated snow in the Alps and April rainfalls.

United Kingdom: a 1.3% organic decline in sales

<i>In € millions</i>	Q1 2011	Q1 2012	% organic
Total UK	2,555	2,608	-1.3%

In the **United Kingdom**, sales went up by 2.1% to €2.6 billion, due to a forex impact of €86 million, and fell by 1.3% on an organic basis compared to the first quarter of 2011. This organic decrease in sales is due mainly to the 1 TWh decline in nuclear production following unplanned outages at the Dungeness and Sizewell plants. EDF Energy's sales also declined due to a negative volume impact in the B2B segment and the phase-out of legacy contracts with British Energy. However, most of the decline in nuclear output was offset by the positive impact of higher wholesale market prices.

Italy: Edison sales up, margins continue to shrink

<i>In € millions</i>	Q1 2011	Q1 2012	% organic
Total Italy	1,587	1,758	18.6%
o/w Edison²	1,456	1,628	20.2%

² EDF share: 48.96%

In **Italy**, Group sales amounted to €1.8 billion, up 18.6% in organic terms.

Edison's sales increased by 20.2% on an organic basis.

In electricity activities, sales were boosted by a positive price effect, due to higher electricity prices, which offset a negative volume effect on end-customers and wholesale markets.

Hydrocarbon sales increased, backed by higher gas prices. Even so, higher supply prices continue to have a negative impact on the margins of electricity and gas activities, the latter also being affected by long-term gas contracts that are being renegotiated.

Other international: 10.8% organic growth in sales

<i>In € millions</i>	Q1 2011	Q1 2012	% organic
Other International	2,155	2,356	10.8%

Recent Events

The **Other international** segment achieved €2.4 billion in sales, showing 10.8% organic growth.

Belgium generated 17.5% organic growth in sales, due mainly to sales growth in gas optimisation activities, with no significant impact on margins.

Poland achieved 4.0% organic growth in sales, due to the increase in electricity sales.

Other activities: solid contributions from EDF Trading and EDF Energies Nouvelles

<i>In € millions</i>	Q1 2011	Q1 2012	% organic
Other activities	1,444	1,651	12.7%

The contribution of the Other Activities segment to Group sales is €1.7 billion, for 12.7% organic growth. This growth is due mainly to the 43.4% increase in sales at EDF Trading, which had solid results in electricity trading activities in Europe, and in gas trading activities.

Sales at EDF Energies Nouvelles achieved organic growth of 9.5% compared with the first quarter of 2011. This growth was mainly due to the 33%²³ increase in sales of the Generation activity following the commissioning of new capacities in 2011 (+692 MW net) in Europe (Italy, France, Turkey, Greece, Spain and the United Kingdom) as well as in the USA. This growth also resulted from the favourable sunlight in all countries where EDF EN is present. On 31 March 2012, EDF EN's gross installed capacities amounted to 4,145 MW, among which 3,521 MW for wind and 434 MW for solar capacities, and 2,095 MW in gross capacity is under construction.

²³ At a level of EDF Energies Nouvelles

Q1 2012 highlights (after 16 February 2012)

Italy

- **Mandatory tender offer on Edison at €0.89 per ordinary share confirmed by CONSOB**

EDF announced on 4 May 2012 that CONSOB had formally approved the necessary items – most notably the price for the mandatory tender offer – for a revised transaction structure. The net additional cost to EDF of this revised structure will be no more than about €25 million.

Under the revised structure on the basis of which the CONSOB issued its approval, EDF would launch a mandatory tender offer on Edison at an enhanced price of €0.89 per ordinary share, with EDF and Delmi sharing equally the increased cost of up to approximately €25 million for each, depending on the number of shares tendered.

EDF would also increase the price offered to Delmi for its stake in Transalpina di Energia to approximately €780 million from approximately €700m to reflect the mandatory offer price of €0.89 per Edison ordinary share. Delmi would, in parallel, offer to increase the price for Edison's 50% interest in Edipower from approximately €600 million to approximately €680 million.

Other previously announced transaction terms, including those for the gas supply agreement between Edison and Edipower, would remain unchanged.

- **CONSOB ruling on the price applicable to the mandatory offer on Edison**

On 4 April 2012, EDF took note of the communication of the CONSOB regarding the range of price between €0.84 and €0.95 per ordinary share that could be applicable to the mandatory offer on Edison to be launched by EDF as a result of the shareholding reorganisation of Edison announced on 27 December 2011.

EDF Energies Nouvelles

- **EDF Energies Nouvelles enters the Moroccan market**

On 16 April 2012, the consortium led by EDF Energies Nouvelles, in association with Mitsui & Co Ltd, was selected as preferred bidder by the Moroccan national electricity office (ONE, or the Office National d'Electricité) for the Taza wind project, which has a capacity of 150 MW. EDF Energies Nouvelles also announced the creation of a local subsidiary, EDF EN Maroc, which will drive the group's further development in Morocco.

- **The EDF-led European consortium wins three French offshore wind energy call for tenders**

On 6 April 2012, the European consortium led by the EDF Group won the French offshore wind energy call for tenders for the Saint-Nazaire, Courseulles-sur-Mer and Fécamp projects. These projects, with up to 1,500 MW of new installed capacity, go hand in hand with an ambitious industrial plan which should create about 7,500 direct and indirect jobs, notably with the manufacturing of Alstom's Haliade 150 wind turbine in France. The foundations have been laid for a new industry which will serve export markets.

- **Acceptance by the Vienne Commercial court of the EDF group's bid to acquire Photowatt's business**

On 27 February 2012, Vienne Commercial Court approved the EDF group's bid to acquire Photowatt's business. This deal enables the Group, via its subsidiary EDF Energies Nouvelles Réparties (EDF ENR), to acquire Photowatt assets, along with 100% of its subsidiary PV Alliance and also obtain exclusive worldwide rights to the heterojunction technology currently being developed.

Other news

- **Belgian government measures on electricity**

On 29 March 2012, the Belgian parliament announced its decision to freeze gas and electricity prices in the official journal, the Moniteur Belge. Other official measures should be voted on this summer with a view to tightening control over prices. These measures will result in lower bills for customers and will have an impact on Belgian supplier margins. The Belgian government also announced an increase in the tax paid by nuclear generators, from €250 million in 2011 to €550 million in 2012. Furthermore, the federal regulator decided to implement new tariffs under which a fee is now charged for access to the transport grid.

- **Bond issue in two tranches: €1 billion 15-year and £500 million 25-year**

On 20 March 2012, EDF (A+ S&P / Aa3 Moody's / A+ Fitch) launched a bond issue in two tranches, in euros and sterling. The euro-denominated tranche, with a 15-year maturity, amounted to €1 billion, with a 4.125% coupon. The sterling-denominated tranche, with a 25-year maturity, amounted to £500 million, with a 5.5% coupon.

This transaction is part of EDF's active financing policy aiming to extend the average maturity of its gross debt, which this issue will raise from 9.2 years at 31 December 2011 to 9.4 years, while keeping the average annual coupon unchanged at 4.3%.

- **EDF joins the FTSE4Good Index**

On 12 March 2012, following an in-depth independent analysis and based on social, environmental and nuclear safety criteria, the FTSE4Good Policy Committee approved the inclusion of the EDF Group into the prestigious FTSE4Good index. The EDF Group is now one of five nuclear operators worldwide that meet the stringent criteria developed and overseen by the FTSE4Good Policy Committee.

6. **17 February 2012 - EDF announces progress on UK nuclear new build and hails Franco-British declaration to strengthen co-operation on energy**

- **Signs agreements with Areva, Kier BAM and Bridgwater College**

- **Confirms deals to boost training opportunities and create jobs in UK and France**

EDF has demonstrated further progress towards plans to build up to four new nuclear plants in the UK, through signing new agreements at the Franco-British Summit in Paris. These agreements, together with others concluded by third parties in relation to safety, engineering and R&D, will support EDF's plans to develop its first new nuclear plants at Hinkley Point with its partner Centrica.

The project, the final investment decision for which is expected to be made at the end of this year, represents a massive investment in UK infrastructure and unprecedented opportunities for the supply chain in France and the UK, employing up to 25,000 people over the course of construction with 5,600 people on site at peak. There are already in excess of 700 people in UK and France working on the Hinkley Point C project.

The agreements signed today include:

- A £100 million-plus contract with Kier BAM for site preparation works at Hinkley Point C.
- An MOU with AREVA relating to the delivery of the nuclear steam supply system and central instrumentation and control systems for the Hinkley Point C project and confirming the timeframe for completing the negotiation for this contract.
- A £15 million investment to establish a world class national training centre in partnership with Bridgwater College in Somerset.

The agreement with Kier BAM is the first major construction contract for preliminary works at Hinkley Point C, the site of EDF Energy's first two planned nuclear power plants. The initial activities in relation to these works are expected to begin this spring.

The contract coincides with the signing of a memorandum of understanding with Bridgwater College in Somerset under which EDF Energy will pledge £15m of funding. This sets the foundation for the world class training campus facility that EDF Energy will develop in Somerset. The preferred site for the centre is the college's

facilities at Cannington Court, subject to design, planning and due-diligence. In addition, EDF Energy has appointed BDG architecture+design as architects for the proposed facility.

Henri Proglio, Chairman and CEO of EDF Group, said: "*The Franco-British Agreement reached today will be a catalyst for further collaboration which will result in significant economic activity for both nations and provide an important boost to the nuclear industry in the UK and France. It shows our collective and unwavering commitment to safety, skills, research and development and international co-operation. The agreements signed today will help create opportunities in both nations in these difficult economic times. I hope 2012 will see ever closer ties as we take forward our work on nuclear*".

Vincent de Rivaz, Chief Executive of EDF Energy, said: "*Over the past few months we have achieved many significant milestones in our new build plans. The agreements announced today show we have maintained momentum in 2012. We now have a strong platform in place to build on our existing achievements and continue our work. This is crucial to the growth agenda in both countries*".

7. **10 February 2012 - AREVA and EDF strengthen their long-term partnership for natural uranium**

EDF and AREVA have reached an agreement on the principles of a long-term partnership to supply natural uranium over the 2014-2030 period, ensuring the security of supply and the competitiveness of the French nuclear fleet.

This partnership is in line with the decisions made by the *Conseil de Politique Nucléaire* (French nuclear policy council) on 21 February 2011. It consolidates the historic ties fostered with EDF for the supply of nuclear fuel, and demonstrates AREVA's efforts to strengthen its links with its main customers.

Covering a total volume which can reach more than 20,000 metric tons, the agreed principles foresee the extension of the supply contract from AREVA's existing mines, and open up the possibility of EDF part-funding the development of a new mining project in exchange for a share of its future production. These principles will provide the basis for a series of agreements which will be subject to approval by the management bodies of the two Groups.

This new industrial and financial partnership consolidates AREVA's status as leading partner of EDF for the supply of natural uranium. AREVA currently provides EDF with nearly 40% of its annual requirements in this area.

For EDF CEO Henri Proglio, "*this partnership confirms the cohesiveness of the French nuclear industry and opens up new cooperation prospects. It gives us long term visibility and is fully consistent with our strategy to secure the uranium supplies of our nuclear power plants*".

Luc Oursel, CEO of AREVA, declared: "*this new long-term agreement with EDF, following those signed for the supply of steam generators, and for the operational optimization of French nuclear facilities, consolidates the unity of the French nuclear*

Recent Events

sector. This agreement demonstrates the solidity of our relationship with our historic partner, and demonstrates anew the ability of AREVA to offer its customers long-term solutions which are tailored to their needs and ensure security of supply".

8. **17 January 2012 - EDF and Exelon Reach Agreement Concerning Autonomy of Constellation Energy Nuclear Group / EDF Agrees to Withdraw Opposition to Exelon and Constellation Merger**

EDF S.A. ("EDF") today announced that it has reached an agreement with Exelon Corporation (NYSE:EXC) to protect the operational autonomy of Constellation Energy Nuclear Group ("CENG"). As part of the agreement, EDF has agreed to withdraw its opposition to the proposed merger between Exelon and Constellation Energy (NYSE: CEG).

"After the initial announcement of the Exelon-Constellation merger, EDF made clear that it could not support a merger that put the integrity of its investment in CENG at risk" said Thomas Piquemal, Group Chief Financial Officer and Head of North America. "After a lengthy regulatory review process in which we actively participated, we are pleased to have reached an agreement with Exelon that protects CENG's operational independence moving forward. We look forward to welcoming Exelon as a partner in this important joint venture".

Constellation Energy Nuclear Group is a 50.01/49.99 joint venture between Constellation Energy and EDF. CENG operates five nuclear plants on three sites in Maryland and New York.

The comprehensive agreement is expected to be filed with the Maryland Public Service Commission shortly.

9. **11 January 2012 - EDF: €2 billion 10-year bond issue**

EDF (AA- S&P / Aa3 Moody's) launched today a 10-year bond issue in euros, for a total amount of two billions, with a 3.875% annual coupon.

The maturity of this new emission (10 years) is to be compared with the average maturity of the Group's gross debt of 8.4 years as of 30 June 2011. Similarly, the annual coupon of 3.875% compares well with the current annual average coupon of 4.2% (as of 30 June 2011).

FORM OF FINAL TERMS

The Final Terms in respect of each Tranche will be substantially in the following form, duly completed to reflect the particular terms of the relevant Notes and their issue.

Final Terms dated •

[Logo, if document is printed]

Electricité de France

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the €30,000,000,000 Euro Medium Term Note Programme
of **Electricité de France**

PR
2.2.9
and
2.2.10

**SERIES NO: [•]
TRANCHE NO: [•]**

PART A – CONTRACTUAL TERMS

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (Directive 2003/71/EC) as amended (by Directive 2010/73/EU (the "**2010 PD Amending Prospectus Directive**") to the extent that such amendments have been implemented in a Member State of the European Economic Area) (the "**Prospectus Directive**") (each, a Relevant Member State) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so in:

(i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or

(ii) in the Public Offer Jurisdiction mentioned in Paragraph 39 of Part A below, provided such person is one of the persons mentioned in Paragraph 39 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 1 June 2012 which received visa no 12-240 from the *Autorité des Marchés Financiers* (the "**AMF**") in France on 1 June 2012 [and the supplemental Base Prospectus dated [•] which received visa no [•] from the AMF in France on [•]]¹ which [together] constitute[s] a prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) as amended (by Directive 2010/73/EU (the "**2010 PD Amending Prospectus Directive**") to the extent that such amendments have been

Art. 14.2
PD
Arts 26 and
33 PR

¹ Delete if no supplement is published.

Form of Final Terms

implemented in a Member State of the European Economic Area) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. For so long as any Notes are outstanding, copies of the Base Prospectus [and the supplemental Base Prospectus] (i) may be inspected and obtained, free of charge, during normal business hours at the specified offices of each of the Paying Agents, (ii) are available for viewing on the website of the AMF (www.amf-france.org) and on the Issuer's website (www.edf.com) and (iii) may be obtained, free of charge, during normal business hours from Electricité de France, 22-30, avenue de Wagram, 75008 Paris, France [In addition¹, the Base Prospectus [and the supplement to the Base Prospectus] [is/are] available for viewing [at/on] [●]].

The following alternative language applies if the first tranche of an issue which is being increased was issued under a [Base Prospectus] with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated [original date] which received visa no [●] from the *Autorité des marchés financiers* (the "**AMF**") in France on [●] [and the supplemental Prospectus dated [●] which received visa no [●] from the AMF in France on [●]]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) as amended (by Directive 2010/73/EU (the "**2010 PD Amending Prospectus Directive**") to the extent that such amendments have been implemented in a Member State of the European Economic Area) (the "**Prospectus Directive**") and must be read in conjunction with the Base Prospectus dated [current date] which received visa no. [●] from the AMF in France on [●] [and the supplement to the Base Prospectus dated [●] which received visa no [●] from the AMF in France on [●]], which [together] constitute[s] a prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the [Base Prospectus] dated [original date] which received visa no [●] from the AMF in France on [●] [and the supplement to the Base Prospectus dated [●] which received visa no [●] from the AMF in France on [●]] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the [Base Prospectus] dated [original date] and the Base Prospectus dated [current date] [and the supplement(s) to the Base Prospectus dated [●]]. For so long as any Notes are outstanding, copies of the Base Prospectuses [and the supplement(s) to the Base Prospectuses] and the Base Prospectus [and the supplement(s) to the Base Prospectus] (i) may be inspected and obtained, free of charge, during normal business hours at the specified offices of each of the Paying Agents, (ii) are available for viewing on the website of the AMF (www.amf-france.org) and on the Issuer's website (www.edf.com) and (iii) may be obtained, free of charge, during normal business hours from Electricité de France, 22-30, avenue de Wagram, 75008 Paris, France [In addition², the Base Prospectus [and the supplement(s) to the Base Prospectus] [is/are] available for viewing [at/on] [●]].

¹ If the Notes are admitted to trading on a regulated market other than Euronext Paris.

² If the Notes are admitted to trading on a regulated market other than Euronext Paris.

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[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.]

[When completing final terms or adding any other final terms or information consideration should be given as to whether such terms or information constitute a "significant new factor" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]¹

- | | | | |
|----|---|---|----------------------------------|
| 1. | [(i)] Issuer: | Electricité de France | |
| 2. | [(i)] Series Number: | [] | |
| | [(ii)] Tranche Number: | [] | |
| | <i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).]</i> | | |
| 3. | Specified Currency or Currencies: | [] | Annex V, 4.4 |
| 4. | Aggregate Nominal Amount: | <i>[insert amount or, in case of public offer, manner [the Issuer's website and free availability at the Issuer's head office] in and date on which such amount to be made public]</i> | Annex V, 5.1.2 |
| | [(i)] Series: | [] | |
| | [(ii)] Tranche: | [] | |
| 5. | Issue Price: | [] per cent of the Aggregate Nominal Amount [plus accrued interest from <i>[insert date]</i> (if applicable)] | Annex V, 5.3.1
Annex XII, 5.3 |
| 6. | Specified Denominations:
(Condition 1 (b)) | [] ² <i>(one (1) denomination only for Dematerialised Notes) (For Materialised Notes, attention should be paid to the rules and procedures of the relevant Stock Exchange(s) and/or clearing system(s)).</i>
[] | |

¹ Not applicable for issues of Notes the placement of which does not require the publication of a prospectus pursuant to Article 3 of the Prospectus Directive.

² Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the issuer in the United Kingdom or whose issue otherwise constitutes a contravention of S 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

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7. [(i) Issue Date: []] Annex V, 4.12
- [(ii) Interest Commencement Date: [Specify/Issue Date/Not Applicable]] Annex V, 4.7
8. Maturity Date: *[specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]* Annex V, 4.8
9. Interest Basis: [• % Fixed Rate]
[[specify reference rate] +/- • % Floating Rate] Annex V, 4.7
[Zero Coupon]
[Index Linked Interest]
[Other (*specify*)]
(further particulars specified below)
10. Redemption/Payment Basis:¹ [Redemption at par] Annex V, 4.8
[Index Linked Redemption]
[Dual Currency]
[Partly Paid]
[Instalment]
[Other (*specify*)]
11. Change of Interest or Redemption/Payment Basis: *[Specify details of any provision for convertibility of Notes into another interest or redemption/ payment basis]*
12. Put/Call Options: [Investor Put]
[Issuer Call]
[(further particulars specified below)]
13. (i) Status of the Notes: [Unsubordinated] Annex V, 4.5
- (ii) [Date of corporate authorisations for issuance of Notes obtained: [] and [], respectively] Annex V, 4.11
14. Method of distribution: [Syndicated/Non-syndicated] Annex V, 5.4.1, 5.4.3

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. **Fixed Rate Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)

¹ If the Final Redemption Amount is less than 100 per cent of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex XII are dealt with.

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- (i) Rate(s) of Interest: [] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s): [] in each year [adjusted in accordance with *[specify Business Day Convention and any applicable Additional Business Centre(s) for the definition of "Business Day"]/not adjusted*]
- (iii) Fixed Coupon Amount(s): [] per [] in Nominal Amount
- (iv) Broken Amount(s): [Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount [(s)]]
- (v) Day Count Fraction: [30/360/Actual/Actual([ICMA/ISDA])/other]
- (vi) Determination Dates: [] in each year (*insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual ([ICMA])*)
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]
- 16. Floating Rate Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Interest Period(s): [] Annex V, 4.5
- (ii) Specified Interest Payment Dates/Interest Period Date: [] Annex XIII, 4.12
- (iii) Business Day Convention: [Floating Rate Business Day Convention/
Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
- (iv) Business Centre(s): []
- (v) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/FBF Determination/ISDA Determination/other (*give details*)]

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- (vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Calculation Agent]): []
- (vii) FBF Determination: []
- Floating Rate: []
 - Floating Rate Determination Date (*Date de Détermination du Taux Variable*): []
 - FBF Definitions (if different from those set out in the Conditions): []
- (viii) ISDA Determination:
- Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []
 - ISDA Definitions (if different from those set out in the Conditions): []
- (ix) Screen Rate Determination:
- Reference Time: []
 - Interest Determination Date: [[] *[TARGET2] Business Days in [specify city] for [specify currency] prior to [the first day in each Interest Accrual Period/each Interest Payment Date]*]
 - Primary Source for Floating Rate: [*Specify relevant screen page or "Reference Banks"*]
 - Reference Banks (if Primary Source is "Reference Banks"): [*Specify four*]
 - Relevant Financial Centre: [*The financial centre most closely connected to the benchmark—specify if not London*]

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- Benchmark: [LIBOR, LIBID, LIMEAN, EURIBOR or other benchmark]
- Representative Amount: [Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notational amount]
- Effective Date: [Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period]
- Specified Duration: [Specify period for quotation if not duration of Interest Accrual Period]
- (x) Margin(s): [+/-][] per cent per annum
- (xi) Minimum Rate of Interest: [] per cent per annum
- (xii) Maximum Rate of Interest: [] per cent per annum
- (xiii) Day Count Fraction: []
- (xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: []
- 17. Zero Coupon Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Amortisation Yield: [] per cent per annum
- (ii) Day Count Fraction: []
- (iii) Any other formula/basis of determining amount payable: []
- 18. Index Linked Interest Notes/other variable-linked interest Note provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Index/formula/other variable: [give or annex details]

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- (ii) Calculation Agent responsible for calculating the interest due: []
- (iii) Provisions for determining Coupon where calculated by reference to Index and/or formula and/or other variable: []
- (iv) Interest Determination Date(s): []
- (v) Provisions for determining Coupon where calculation by reference to Index and/or formula and/or other variable is impossible or impracticable or otherwise disrupted: [] Annex V, 4.7
- (vi) Interest Period(s): []
- (vii) Specified Interest Payment Dates: []
- (viii) Business Day Convention: [Floating Rate Business Day Convention/
Following Business Day Convention/Modified
Following Business Day
Convention/Preceding Business Day
Convention/other *(give details)*]
- (ix) Additional Business Centre(s): []
- (x) Minimum Rate of Interest: [] per cent per annum
- (xi) Maximum Rate of Interest: [] per cent per annum
- (xii) Day Count Fraction: []
19. **Dual Currency Note Provisions**¹ [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate of Exchange/method of calculating Rate of Exchange: *[give details]*
- (ii) Calculation Agent, if any, responsible for calculating the []
-

¹ If the Final Redemption Amount is less than 100 per cent of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex XII are dealt with.

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principal and/or interest due:

(iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:

Annex V, 4.7

(iv) Person at whose option Specified Currency(ies) is/are payable:

PROVISIONS RELATING TO REDEMPTION

20. **Call Option** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)

(i) Optional Redemption Date(s):

(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): per Note of Specified Denomination

(iii) If redeemable in part:

(a) Minimum Redemption Amount:

(b) Maximum Redemption Amount:

(iv) Notice period (if other than as set out in the Conditions):

21. **Put Option** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)

(i) Optional Redemption Date(s):

(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): per Note of Specified Denomination

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(iii) Notice period (if other than as set out in the Conditions): []

22. Final Redemption Amount of each Note¹

In cases where the Final Redemption Amount is index-linked or other variable-linked: []

(i) Index/formula/variable: [give or annex details]

(ii) Calculation Agent responsible for calculating the Final Redemption Amount: []

(iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or formula and/or other variable: []

(iv) Determination Date(s): []

(v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or formula and/or other variable is impossible or impracticable or otherwise disrupted: []

(vi) Payment Date: []

(vii) Minimum Final Redemption Amount: []

(viii) Maximum Final Redemption Amount: []

23. Early Redemption Amount

Early Redemption Amount(s) of each Note payable on redemption for taxation

¹ If the Final Redemption Amount is less than 100 per cent of the nominal value, the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.

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reasons or on event of default
or other early redemption
and/or the method of
calculating the same (if
required or if different from
that set out in the Conditions): []

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes: [Dematerialised Notes/Materialised Notes] Annex V, 4.3
(Materialised Notes are only in bearer form)
[Delete as appropriate]
- (i) Form of Dematerialised Notes: [Not Applicable/if Applicable specify whether]
[Bearer dematerialised form (*au porteur*)/
[fully/administered]
Registered dematerialised form (*au nominative*
[*pur/administré*]]]
- (ii) Registration Agent: [Not Applicable/if applicable give names and
details]
*(Note that a Registration Agent must be appointed
in relation to Registered Dematerialised Notes
only)*
- (iii) Temporary Global Certificate: [Not Applicable/Temporary Global Certificate
exchangeable for Definitive Materialised Bearer
Notes on [●] (the "**Exchange Date**"), being 40
days after the Issue Date subject to postponement
as provided in the Temporary Global Certificate]
25. Financial Centre(s) or other
special provisions relating to
Payment Dates: [Not Applicable/give details. *Note that this item
relates to the date and place of payment, and not
interest payment dates and interest period end
dates, to which items 15 (ii), 16(iv) and 18(ix)
relate*]
26. Talons for future Coupons or
Receipts to be attached to
Definitive Notes (and dates on
which such Talons mature): [Yes/No. *If yes, give details*]
27. Details relating to Partly Paid
Notes: amount of each
payment comprising the Issue
Price and date on which each
payment is to be made [and

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consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment]:

28. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: [Not Applicable/*give details* (including whether Receipts will be attached
29. Redenomination, renominalisation and reconventioning provisions: [Not Applicable/The provisions in Condition 1 apply]
30. Consolidation provisions: [Not Applicable/The provisions in Condition 14 apply/The provisions annexed to these Final Terms apply]
31. *Masse* (Condition 11): [Applicable/Not Applicable/Condition 11 replaced by the full provisions of the French *Code de commerce* relating to the *Masse*] (*Note that: (i) in respect of any Tranche issued outside France, Condition 11 may be waived, amended or supplemented, and (ii) in respect of any Tranche issued inside France, Condition 11 must be waived in its entirety and replaced by the provisions of French Code de commerce relating to the Masse. If Condition 11 (as it may be amended or supplemented) applies, or if the full provisions of the French Code de commerce apply, insert details of initial and alternate Representatives and remuneration, if any*)
32. Other final terms: [Not Applicable/*give details*]
- (When adding any other final terms consideration should be given as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)*
33. Tax regime¹: [If the Notes do not benefit from the withholding tax exemption, set out the relevant tax regime]
-

Annex V, 4.8

¹ Please remove the item if the Notes benefit from the withholding tax exemption (see the section headed "Taxation" of the Base Prospectus)

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DISTRIBUTION

34. (i) If syndicated, names and addresses of Managers and underwriting commitments: [Not Applicable/give names, addresses and underwriting commitments] Annex V, 5.4.1, 5.4.3
(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)
- (ii) Date of Subscription Agreement: [] Annex V, 5.4.4
- (iii) Stabilising Manager(s) (if any): [Not Applicable/give name]
35. If non-syndicated, name and address of Dealer: [Not Applicable/give name and address]
36. Total commission and concession: [] per cent. of the Aggregate Nominal Amount Annex V, 5.4.3
37. U.S. selling restrictions and applicable TEFRA exemption (or successor exemption as contemplated by Notice 2012-20): [Reg. S Compliance Category; TEFRA C/TEFRA D/ TEFRA not applicable]
The Hiring Incentives to Restore Employment Act of 2010 (the "HIRE Act") repealed the TEFRA C rules and TEFRA D rules for Notes issued after 18 March 2012. Based on Notice 2012-20, the US Department of Treasury and the US Internal Revenue Service intend to provide in future regulations that rules identical to the TEFRA C rules and TEFRA D rules will apply for purposes of establishing an exemption from the excise tax under Section 4701 of the US Internal Revenue Code. Consequently, Materialised Bearer Notes issued after 18 March 2012 in accordance with the TEFRA C rules or TEFRA D rules should continue to be treated as "foreign targeted obligations" that are exempt from the excise tax.
38. Additions or amendments to selling restrictions: [Not Applicable/give details] Annex V, 6.1

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39. Non Exempt Offer: [Not applicable/*give details*]

[LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the €30,000,000,000 Euro Medium Term Note Programme of Electricité de France.]

Annex V, 6.1

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [(*Relevant third party information*) has been extracted from (*specify source*).The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Annex V, 1

Annex V, 7.4

Signed on behalf of the Issuer:

By:

Duly authorised

PART B – OTHER INFORMATION

1. RISK FACTORS

[Insert any risk factors that are material to the Notes being offered and/or listed and admitted to trading in order to assess the market risk associated with these Notes and that may affect the Issuer's ability to fulfil its obligations under the Notes which are not covered under "Risk Factors" in the Base Prospectus or any Supplement(s) to the Base Prospectus or documents incorporated by reference. If any such additional risk factors need to be included consideration should be given as to whether they constitute a "significant new factor" and consequently triggers the need for a Supplement to the Base Prospectus under Article 16 of the Prospectus Directive.] [Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.]¹

2. LISTING

(i) Listing: Euronext Paris/other (specify)/None Annex V, 6.1

(ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [] with effect from [].] [Not Applicable.] Annex V, 6.2

(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)

(iii) Estimate of total expenses related to admission to trading: *[insert amount or, if relevant, manner in and date on which such amount to be made public]*

3. RATINGS

Ratings: The Notes to be issued have been rated: Annex V, 7.5

[S & P: []]

[Moody's: []]

[[Other]: [●]]

[The Notes to be issued have not been rated.]

[[Insert credit rating agency] is established in the European Union and has applied for registration under Regulation (EC) No 1060/2009 of the European Parliament and of the Council dated 16

¹ If the final redemption Amount is less than 100% of the nominal value the Notes will be derivative securities for the purpose of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply.

September 2009, as amended by Regulation (EU) No. 513/2011 of the European Parliament and of the Council dated 11 May 2011, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]

[[*Insert credit rating agency*] is established in the European Union and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council dated 16 September 2009, as amended by Regulation (EU) No 513/2011 of the European Parliament and of the Council dated 11 May 2011 and is included in the list of registered credit rating agencies published at the website of the European Securities and Markets Authority (www.esma.europa.eu).]

[[*Insert credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EC) No 1060/2009 of the European Parliament and of the Council dated 16 September 2009, as amended by Regulation (EU) No 513/2011 of the European Parliament and of the Council dated 11 May 2011.]

[[*Insert credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EC) No 1060/2009 of the European Parliament and of the Council dated 16 September 2009, as amended by Regulation (EU) No 513/2011 of the European Parliament and of the Council dated 11 May 2011, but is endorsed by [*insert credit rating agency*] which is established in the European Union and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council dated 16 September 2009, as amended by Regulation (EU) No 513/2011 of the European Parliament and of the Council dated 11 May 2011.]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

4. [NOTIFICATION]

The AMF in France [has been requested to provide/has provided - include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues] the [include names of competent authorities of host Member States] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.]

5. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Annex V, 3.1

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]

6. [THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST]

Annex V, 3.2
Annex XII,
3.2

Where a statement or report attributed to a person as an expert is included in respect of the Issuer or the Notes, provide such person's name, business address, qualifications and material interest if any in the Issuer. If the report has been produced at the Issuer's request a statement to that effect that such statement or report is included, in the form and context in which it is included, with the consent of that person who has authorised the contents of that part in respect of the Issuer or the Notes.

Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. In addition, the Issuer shall identify the source(s) of the information.]

7. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

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[(i) Reasons for the offer: []
(See ["Use of Proceeds"] wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]

[(ii) Estimated net proceeds:
[insert amount or, if relevant, manner in and date on which such amount to be made public]
(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

[(iii) Estimated total expenses:
[insert amount or, if relevant, manner in and date on which such amount to be made public]
[Include breakdown of expenses]

(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)

8. [FIXED RATE NOTES ONLY – YIELD]

Annex V, 4.9

Indication of yield: ●

[yield gap of [•]% in relation to tax free government bonds of an equivalent duration]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

9. [FLOATING RATE NOTES ONLY – HISTORIC INTEREST RATES]

Annex V, 4.7

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].]

10. [INDEX-LINKED OR OTHER VARIABLE-LINKED NOTES ONLY – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING¹

Annex V, 4.7
Annex XII,
4.1.2, 4.2.2

¹ For derivative securities to which Annex 12 to the Prospectus Directive Regulation applies, please complete instead paragraph 10 below relating to explanation of effect on value of investment, return on derivatives securities and information concerning the underlying.

[Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident and any market disruption or settlement disruption events that affect the underlying. Include details of rules with relation to events concerning the underlying.] [Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.]*]

[(When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]

The Issuer [intends to provide post-issuance information [*specify what information will be reported and where it can be obtained*]] [does not intend to provide post-issuance information]

11. [DUAL CURRENCY NOTES ONLY – PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT¹

Annex V, 4.7
Annex XII,
4.1.2, 4.2.2

Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained, the underlying on which it is based and of the method used to relate the two, a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident and any market disruption or settlement disruption events that affect the underlying. Include details of rules with relation to events concerning the underlying.]

12. [DERIVATIVES ONLY – EXPLANATION OF EFFECT ON VALUE OF INVESTMENT, RETURN ON DERIVATIVES SECURITIES AND INFORMATION CONCERNING THE UNDERLYING²

EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

Need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying, the circumstances when the risks are most evident, and the risk that investors may lose part or all of their investment.

RETURN ON DERIVATIVES SECURITIES

¹ For derivative securities to which Annex 12 to the Prospectus Directive Regulation applies, please complete instead paragraph 10 below relating to explanation of effect on value of investment, return on derivatives securities and information concerning the underlying.

² Required for derivative securities to which Annex 12 to the Prospectus Directive Regulation applies. See footnote** below.

** If the Final Redemption Amount is less than 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

Form of Final Terms

Return on derivative securities: [Description of how any return on derivative securities takes place]

Payment or delivery date: [•]

Method of calculation: [•]

INFORMATION CONCERNING THE UNDERLYING

The exercise price or the final reference price of the underlying: [•]

Annex XII, 4.2.1

A statement setting out the type of the underlying and details of where information on the underlying can be obtained:

- an indication where information about the past and the further performance of the underlying and its volatility can be obtained: [•]

- where the underlying is a security: [Applicable/Not Applicable]

the name of the issuer of the security:

Annex XII, 4.1.1
Annex XII, 4.2.2

the ISIN (International Security Identification Number) or other such security identification code:

- where the underlying is an index: [Applicable/Not Applicable]

the name of the index and a description of the index if it is composed by the issuer. If the index is not composed by the issuer, where information about the index

Form of Final Terms

can be obtained:

- where the underlying is an interest rate: [Applicable/Not Applicable]

a description of the interest rate: [Applicable/Not Applicable]

- others:

where the underlying does not fall within the categories specified above the securities note shall contain equivalent information:

- where the underlying is a basket of underlyings: [Applicable/Not Applicable]

disclosure of the relevant weightings of each underlying in the basket:

A description of any market disruption or settlement disruption events that affect the underlying:

Annex XII, 4.2.3
Annex XII, 4.2.4

Adjustment rules with relation to events concerning the underlying:]¹

Annex XII, 4.2.4

¹ Required for derivative securities to which Annex 12 to the Prospectus Directive Regulation applies. See footnote** below.

** If the Final Redemption Amount is less than 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

Form of Final Terms

13. [PLACING AND UNDERWRITING]¹

Annex V, 5.2.1

Name and address of the [•]
co-ordinator(s) of the global
offer and of single parts of
the offer:

Annex XII, 4.1.2
Annex V, 5.4.1
Annex XII, 5.4.1

Name and address of any [•]
paying agents and
depository agents in each
country (in addition to the
Principal Paying Agent):

Annex XII, 5.4.2
Annex V, 5.4.2

Names and addresses of [•]
entities agreeing to
underwrite the issue on a
firm commitment basis, and
entities agreeing to place
the issue without a firm
commitment or under "best
efforts" arrangements:²

Annex XII, 5.4.3
Annex V, 5.4.3

When the underwriting [•]
agreement has been or will
be reached:

Annex XII, 5.2.2
Annex V, 5.2.2

14. OPERATIONAL INFORMATION

ISIN Code: [•]

Annex V, 4.1

Common Code: [•]

Annex XII, 4.1.1

Any clearing system(s) other [Not Applicable/give name(s) and number(s)]
than Euroclear France,
Euroclear Bank S.A./N.V. and
Clearstream Banking, *société
anonyme* and the relevant
identification number(s):

¹ To the extent known to the Issuer, of the placers in the various countries where the offer takes place.

² Where not all of the issue is underwritten, a statement of the portion not covered.

Form of Final Terms

Delivery:	Delivery [against/free of] payment	
Names and addresses of initial Paying Agent(s) (if any):	[•]	
Names and addresses of additional Paying Agent(s) (if any):	[•]	Annex V, 5.4.2
Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment:	[Not Applicable/give name(s), address(es) and description]	Annexe V, 6.3
[Common Depositary:	[•]]	
Registrar:	[Principal Registrar/Alternative Registrar - Specify]	
The aggregate principal amount of Notes issued has been translated into Euro at the rate of [•] producing a sum of:	[Not Applicable/give details]	

15. TERMS AND CONDITIONS OF THE OFFER

Offer Price:	[Issue Price][<i>specify</i>]
Conditions to which the offer is subject:	[Not applicable/ <i>give details</i>]
Description of the application process:	[Not applicable/ <i>give details</i>]

Form of Final Terms

Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: [Not applicable/*give details*]

Details of the minimum and/or maximum amount of application: [Not applicable/*give details*]

Details of the method and time limits for paying up and delivering the Notes: [Not applicable/*give details*]

Manner in and date on which results of the offer are to be made public: [Not applicable/*give details*]

Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [Not applicable/*give details*]

Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries: [Not applicable/*give details*]

Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: [Not applicable/*give details*]

Amount of any expenses and taxes specifically charged to the subscriber or purchaser: [Not applicable/*give details*]

Name(s) and address(es), [Not applicable/*give details*]

Form of Final Terms

to the extent known to the Issuer, of the placers in the various countries where the offer takes place:

TAXATION

Payments of interest and repayment of principal on the Notes shall be subject only to the deduction of withholding tax and any other taxes that French law imposes or may impose on Noteholders.

The following summary sets out the tax regime that, under the current French legislation, may be applicable to Noteholders in relation to income tax. Investors are reminded that only the tax treatment applicable to persons subscribing to Notes at issue is described below and that the features of the issue may contain tax liabilities specific to them. The information provided below does not purport to be a complete summary of French tax law and practice currently applicable. Prospective investors who are in any doubt as to their tax position should consult with their own professional advisers.

Payments of interest to Noteholders who are not French tax residents will be exempt from withholding tax to the extent described in paragraph 2 below (“Non-French tax residents”). Non-French residents should comply with the tax laws applicable in the jurisdiction or state in which they are resident.

1. Residents in France for tax purposes

1.1 Individuals domiciled in France for tax purposes

(a) Income

Under current legislation, interest and redemption premiums (the difference between amounts to be received on Notes and amounts paid on their acquisition or subscription) received by Individuals domiciled in France for tax purposes, are subject to:

- (i) a progressive scale of income tax (in this case, income subject to income tax is reduced by deductible expenses, such as custody and coupon-payment costs), and a surtax of 3% on high income on the portion of income exceeding Euro 250,000 for a single person and Euro 500,000 for a married couple (the surtax is increased to 4% for income exceeding Euro 500,000 for a single person and Euro 1,000,000 for a married couple) if applicable,
- (ii) or, optionally, a flat withholding income tax rate of 24% (Article 125 A of the French *Code Général des Impôts*). This option must be expressly specified by the beneficiary, at the very latest, when the income is received.

Whatever the taxpayer decides, interest and bond redemption premiums are subject to the following social security contributions at a global rate of 13.5 % (15.5% as from 1 July 2012):

- (i) general social security contribution (*contribution sociale généralisée*) at 8.2% (Article 1600-O D and O E of the *Code Général des Impôts*), of which up to 5.8% is deductible, in the absence of any standard withholding income tax exemption referred to above, from income that

is subject to a progressive scale of income tax for the year of payment of the aforementioned general social security contribution (Article 154 *quinquies* II of the *Code Général des Impôts*),

- (ii) social security (*prélèvement social*) at 3.4% (5.4% as from 1 July 2012) (Article 1600-0 F bis of the *Code Général des Impôts*),
- (iii) an additional social security contribution (*contribution additionnelle au prélèvement social*) at 0.3% (Article L.14-10-4 of the *Code de l'action sociale et des familles*),
- (iv) an additional social security contribution at 1.1% to finance social welfare (*contribution additionnelle au prélèvement social destinée au financement du revenu de solidarité active*) (Article L.262-24 of the *Code de l'action sociale et des familles*),
- (v) social security debt reimbursement contribution (*contribution pour le remboursement de la dette sociale*) at 0.5% (Article 1600-0 J of the *Code Général des Impôts*).

(b) **Capital Gains**

Under current legislation, capital gains (calculated to include accrued interest at the date of sale) made by individuals domiciled in France for tax purposes on the sale of Notes are taxable at a rate of 19% (Article 150-0A *et seq.* and 200 A 2 of the *Code Général des Impôts*) to which is added:

- (i) general social security contribution (*contribution sociale généralisée*) at 8.2% (Article 1600-OC and OE of the *Code Général des Impôts*),
- (ii) social security (*prélèvement social*) at 5.4% (Article 1600-0 F bis of the *Code Général des Impôts*),
- (iii) an additional social security contribution (*contribution additionnelle au prélèvement social*) at 0.3% (Article L.14-10-4 of the *Code de l'action sociale et des familles*),
- (iv) an additional social security contribution at 1.1% to finance social welfare (*contribution additionnelle au prélèvement social destinée au financement du revenu de solidarité active*) (Article L.262-24 of the *Code de l'action sociale et des familles*),
- (v) social security debt reimbursement contribution (*contribution pour le remboursement de la dette sociale*) at 0.5% (Article 1600-0 J of the *Code Général des Impôts*).

Capital losses on sales are only deductible from capital gains of the same kind realised during the year of sale or the next ten years.

1.2 Legal entities liable to corporation tax

(a) Income

Interest on Notes held by legal entities liable to corporation tax is included in taxable income for the year.

The bond redemption premium is the difference between amounts or securities to be received and those paid out when the Notes are acquired. They are taxable at the time of redemption. However, if the premium exceeds 10% of the cost of acquiring the Notes and the average issue price of the Notes does not exceed 90% of the redemption value, the bond redemption premium will be spread out over the life of the Notes under the following conditions.

The fraction of premium and interest to be applied to taxable income up to the date of redemption of a Note is determined by applying to the acquisition cost (increased if necessary by the fraction of the capitalised premium and interest on the anniversary of the borrowing thus allowing the progressive taxation of annuities), the actuarial rate of interest determined at the acquisition date.

Interest and redemption premiums are taxable at a rate of 33.33% (or at a reduced rate of 15% under certain conditions and within certain limits for companies specified in Article 219 I b) of the *Code Général des Impôts*) to which is added a social security contribution at 3.3% calculated on the amount of corporate tax, with an allowance of Euro 763,000 for each 12-month period. Furthermore, an additional contribution of 5% will apply for fiscal years ending between 31 December 2011 and 31 December 2013 to companies with turnover exceeding Euro 250 million.

(b) Capital Gains

Under current legislation, capital gains (exclusive of accrued interest made) realised when Notes are sold by legal entities domiciled in France for tax purposes are taken into account in order to determine a legal entity's taxable income under the general regime.

Under the general regime, capital losses are deductible from taxable income.

1.3 Companies and legal entities liable to income tax

(a) Income

The rules for the affectation and taxation of interest and redemption premiums are identical to those described above concerning legal entities liable to corporation tax.

When Notes are held by a corporation subject to income tax, owned by a private individual or an individual company (*entreprise individuelle*), the interest and redemption premiums may be deducted from the net income of the company and are declared as interest and dividends by the partner or manager. They will then be subject to tax under the conditions stipulated above in paragraph 1.1 (although the standard withholding tax income exemption referred to above in paragraph 1.1 will not be an option if the activity of the company is industrial, commercial, non-commercial, craft or agricultural).

When the partner of a legal entity liable to income tax is a legal entity subject to corporation tax, the interest and redemption premiums are taken into account in calculating the net income of the company liable to income tax, taxed as corporation tax for the partner, under the conditions stipulated above in paragraph 1.2.(a).

(b) **Capital Gains**

If the Notes have been held for more than two years, the capital gain on a sale is defined as a long-term capital gain on a sale subject to tax at a rate of 16% to which is added social security contributions (which translates as a global rate of 31.5%).

If they have not been held for more than two years, the short-term capital gain will be taken into account in determining the taxable net income under the general regime.

Net long-term capital losses can be affected to the losses for the (tax) year and/or offset against long-term capital gains realised within the course of either the (tax) year or next 10 (tax) years.

When the partner of a legal entity liable to income tax is a legal entity subject to corporation tax, capital gains are taken into account in calculating the net income of the company liable to income tax, imposed as corporation tax for the partner, under the conditions stipulated above in paragraph 1.2.(b).

2. **Non-French tax residents**

2.1 **EU Taxation**

On 3 June 2003, the European Council of Economic and Finance Ministers adopted the Directive 2003/48/EC on the taxation of savings income (the "**Directive**"). Pursuant to the Directive and subject to a number of conditions being met, Member States are required, since 1 July 2005, to provide to the tax authorities of another Member State, *inter alia*, details of payments of interest within the meaning of the Directive (interest, premiums or other debt income) made by a paying agent located within their jurisdiction to, or for the benefit of, an individual resident in that other Member State (the "**Disclosure of Information Method**").

For these purposes, the term "paying agent" is defined widely and includes in particular any economic operator who is responsible for making interest payments, within the meaning of the Directive, for the immediate benefit of individuals.

However, throughout a transitional period, certain Member States (the Grand-Duchy of Luxembourg and Austria), instead of using the Disclosure of Information Method used by other Member States, unless the relevant beneficial owner of such payment elects for the Disclosure of Information Method, withhold an amount on interest payments. The rate of such withholding tax is 35 per cent.

Such transitional period will end at the end of the first full fiscal year following the later of (i) the date of entry into force of an agreement between the European Community, following a unanimous decision of the European Council, and the last of Switzerland, Liechtenstein, San Marino, Monaco and Andorra, providing for the exchange of information upon request as defined in the OECD Model Agreement on Exchange of Information on Tax Matters released on 18 April 2002 (the "**OECD Model Agreement**") with respect to interest payments within the meaning of the Directive, in addition to the simultaneous application by those same countries of a withholding tax on such payments at the rate applicable for the corresponding periods mentioned above and (ii) the date on which the European Council unanimously agrees that the United States of America is committed to exchange of information upon request as defined in the OECD Model Agreement with respect to interest payments within the meaning of the Directive.

A number of non-EU countries and dependent or associated territories have agreed to adopt similar measures (transitional withholding or exchange of information) with effect since 1 July 2005.

The European Commission has proposed a number of changes to the Directive which have been adopted by the European Parliament. The European Parliament adopted an amended version of this proposal on 24 April 2009. If any of these proposed changes are made in relation to the Directive, they may amend or broaden the scope of the requirements described above. Investors who are in doubt as to their position should consult their professional advisors.

2.2 France — Taxation

Following the introduction of the French *Loi de finances rectificative pour 2009* No.3 (n° 2009-1674 dated 30 December 2009) (the "**Law**"), payments of interest and other revenues made by the Issuer with respect to Notes issued as from 1 March 2010 (other than Notes which are assimilated (*assimilables* for the purpose of French law) and form a single series with Notes issued prior to 1 March 2010 having the benefit of Article 131 *quater* of the French General Tax Code) will not be subject to the withholding tax set out under Article 125 A III of the French General Tax Code unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French General Tax Code (a "**Non-Cooperative State**"). If such payments under the Notes are made in a Non-Cooperative State, a 50 per cent. withholding tax will be applicable (subject to certain exceptions and potentially to the more favourable

provisions of an applicable tax treaty), by virtue of Article 125 A III of the French General Tax Code.

Furthermore, interest and other revenues on such Notes may not be deductible from the Issuer's taxable income, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Article 109 of the French General Tax Code, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 bis of the French general tax code, at a rate of 30 per cent. or 55 per cent.

Notwithstanding the foregoing, the Law provides that neither the 50 per cent. withholding tax set out under Article 125 A III of the French General Tax Code nor the non-deductibility will apply in respect of a particular issue of Notes if the Issuer can prove that the principal purpose and effect of such issue of Notes was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the "**Exemption**"). Pursuant to the ruling (*rescrit*) n°2010/11 (FP and FE) of the French tax authorities dated 22 February 2010 and the French tax authorities' guidelines n°14-A-5-12 dated 10 May 2012, an issue of Notes will benefit from the Exemption without the Issuer having to provide any proof of the purpose and effect of such issue of Notes if such Notes are:

(i) offered by means of a public offer within the meaning of Article L.411-1 of the French Monetary and Financial Code or pursuant to an equivalent offer in a State which is not a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or

(ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

(iii) admitted, at the time of their issue, to the clearing operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French Code Monetary and Financial Code, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

Payments of interest and other revenues with respect to Notes which are assimilated (*assimilables* for the purpose of French law) and form a single series with Notes issued before 1 March 2010 with the benefit of Article 131 *quater* of the French General Tax Code, will be exempt from the withholding tax set out under Article 125 A III of the French General Tax Code.

Taxation

In addition, interest and other revenues paid by the Issuer on Notes which are to be assimilated (*assimilables* for the purpose of French law) and form a single series with Notes issued before 1 March 2010 will not be subject to the withholding tax set out in Article 119 bis of the French General Tax Code solely on account of their being paid in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

The tax regime applicable to the Notes which do not benefit from the Exemption will be set out in the relevant Final Terms.

3. **PRC Taxation**

The holders of RMB Notes who are not resident in the PRC for PRC tax purposes will not be subject to withholding tax, income tax or any other taxes or duties imposed by any governmental authority in the PRC in respect of their RMB Notes or any repayment of principal and payment of interest made thereon.

See "Terms and Conditions of the Notes – Condition 8 – Taxation".

SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in an amended and restated dealer agreement dated 1 June 2012 (as amended or supplemented from time to time, the "**Amended and Restated Dealer Agreement**") between the Issuer, the Permanent Dealers and the Arranger, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, as determined by the relevant Dealer, at the time of such resale. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Amended and Restated Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for their expenses incurred in connection with the Programme and the Dealers for certain of their activities in connection with the Programme.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Amended and Restated Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

United States of America

The Notes have not been and will not be registered under the U.S. Securities Act of 1933 as amended (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act ("**Regulation S**").

Materialised Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Amended and Restated Dealer Agreement, it will not offer, sell or, in the case of Materialised Bearer Notes, deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of any identifiable Tranche as determined, and certified to the Issuer, by the Fiscal Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

Subscription and Sale

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of any identifiable Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering of such Notes) may violate the registration requirements of the Securities Act.

This Base Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Base Prospectus does not constitute an offer to any person in the United States. Distribution of this Base Prospectus by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States, is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, is prohibited.

Public Offer Selling Restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) **Approved Prospectus:** if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that (a) the Issuer has given its written consent and (b) any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable;
- (b) **Qualified investors:** at any time to any legal entity which is a qualified investor as defined under the Prospectus Directive;
- (c) **Fewer than 100 offerees:** at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive (as defined below), 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to

Subscription and Sale

obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

- (d) **Other exempt offers:** in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and the amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

Selling Restrictions Addressing Additional United Kingdom Securities Laws

Each Dealer has represented and agreed that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "**FSMA**") by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Subscription and Sale

The Republic of France

Each Dealer has represented and agreed that:

(a) **Offer to the public in France:**

it has only made and will only make an offer of Notes to the public (*offre au public de titres financiers*) in France and it has distributed or caused to be distributed and will distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes in the period beginning on the date of publication of the Base Prospectus in relation to those Notes which has been approved by the *Autorité des Marchés Financiers* ("**AMF**") in France or, where appropriate, when approved in another Member State of the European Economic Area which has implemented the EU Prospectus Directive 2003/71/EC on the date of notification to the AMF in France, and ending at the latest on the date which is 12 months after the date of approval of the Base Prospectus all in accordance with articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and the *Règlement général* of the AMF; or

(b) **Private placement**

It has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to qualified investors (*investisseurs qualifiés*) and to a restricted circle of investors (*cercle restreint d'investisseurs*), provided that such investors are acting for their own account and to persons providing portfolio management financial services (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), all as defined and in accordance with Articles L. 411-1, L.411-2, D.411-1 to D. 411-4, D.734-1, D.744-1, D.754-1 and D. 764-1 of the French *Code monétaire et financier*.

As specified in the relevant Final Terms, an offer of Notes to the public in France referred to in (a) above may or may not exclude specific categories of investors.

If necessary, these selling restrictions will be amended in the relevant Final Terms.

Japan

The Notes have not been and will not be registered under the Financial Notes and Exchange Law of Japan (Law No. 25 of 1948, as amended) (the "**Financial Instruments and Exchange Law**"). Accordingly, each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan or to others for reoffering or resale, directly or indirectly, in Japan or to any resident of Japan except in circumstances

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which will result in compliance with the Financial Instruments and Exchange Law and all applicable other laws, regulations and ministerial guidelines in Japan. As used in this paragraph, "**resident of Japan**" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Hong Kong

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong other than (i) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

People's Republic of China

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that the Notes are not being offered or sold and may not be offered or sold directly or indirectly, in the PRC (for such purposes, not including Hong Kong, Macau and Taiwan) except as permitted by the securities laws and regulations of the PRC.

Singapore

Each Dealer has acknowledged and each further Dealer appointed under the Programme will be required to acknowledge that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under

Subscription and Sale

Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law; or
- (iv) as specified in Section 276(7) of the SFA.

General

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification or supplement will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a Supplement to the Base Prospectus.

Save as stated herein, no action has been taken in any jurisdiction that would permit an offer to the public of any of the Notes, or possession or distribution of the Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms and neither any of the Issuer nor any other Dealer shall have responsibility therefor.

Subscription and Sale

Each of the Dealers and the Issuer has represented and agreed that Materialised Notes may only be issued outside France.

GENERAL INFORMATION

1. Application has been made to the *Autorité des marchés financiers* ("**AMF**") to approve this document as a base prospectus. Application will be made in certain circumstances to Euronext Paris for Notes issued under the Programme to be admitted to trading on Euronext Paris.

This Base Prospectus received the visa No. 12-240 on 1 June 2012 from the AMF. Euronext Paris is a regulated market for the purposes of the Directive 2004/39/EC. The Final Terms applicable to each Series of Notes admitted to trading on Euronext Paris will be filed with the AMF. If the Final Terms in relation to a Series of Notes do not specify the aggregate nominal amount of Notes admitted to trading on Euronext Paris, the relevant Final Terms will indicate the manner in and date on which such amount will be made public in accordance with Article 212-27 of the general regulations of the AMF.

2. No authorisation procedures are required of Electricité de France by French law for the establishment or update of the Programme. However, to the extent that Notes issued under the Programme may constitute obligations under French law, the issue of such Notes will be authorised in accordance with French law. A resolution of the *conseil d'administration* dated 12 December 2011 authorises the issue of Notes up to a maximum aggregate amount of Euro 12 billion.
3. Save as disclosed in this Base Prospectus, neither the Issuer nor any of its fully consolidated subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer or any of its fully consolidated subsidiaries.
4. Since the date of the last published audited consolidated financial statements of the Issuer, and save as disclosed in this Base Prospectus, there has been no material adverse change in the prospects of the Issuer and no significant change in the financial or trading position of the Issuer and its fully consolidated subsidiaries.
5. The consolidated financial statements for the years ending 31 December 2010 and 31 December 2011 of the Issuer have been audited by Deloitte & Associés and KPMG SA. The audit reports relating to the 2010 consolidated financial statements draw attention to certain notes to the financial statements relating to the valuation of long-term provisions relating to nuclear electricity production, as well as the changes in accounting principles and the conditions of consolidation of financial information related to Italian entities in respect of the audit report to the 2010 consolidated financial statements. The audit report relating to the 2011 consolidated financial statements draw certain notes to the financial statements relating to the valuation of long-term provisions relating to nuclear electricity production. KPMG SA and Deloitte & Associés are members of the *Compagnie Nationale des Commissaires aux Comptes*.

General Information

6. There are no potential conflicts of interest between any duties to Electricité de France of the directors of Electricité de France and their private interests and/or other duties.
7. Notes will be accepted for clearance through the Euroclear and Clearstream, Luxembourg systems which are entities in charge of keeping the records. The Common Code and the International Securities Identification Number (ISIN) or the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.

The address of Euroclear is 1 boulevard du Roi Albert II, 1210 Bruxelles, Belgium and the address of Clearstream, Luxembourg is 42 avenue John Fitzgerald Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

8. Dematerialised Notes will be inscribed in the books of Euroclear France (acting as central depository). Dematerialised Notes which are in registered form (*au nominatif*) will be also inscribed either with the Issuer or with the registration agent.

The address of Euroclear France is 115, rue Réaumur, 75081 Paris Cedex 02, France.

9. For so long as any Notes may be issued under the Programme or are outstanding, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the office of the Fiscal Agent, the Paying Agents and the Issuer:

- (i) the *statuts* of the Issuer;
- (ii) the Amended and Restated Agency Agreement;
- (iii) the audited non-consolidated and consolidated financial statements of the Issuer for the periods ended 31 December 2010 and 2011;
- (iv) Final Terms for Notes that are admitted to trading on Euronext Paris and/or any other Regulated Market;
- (v) a copy of this Base Prospectus together with any Supplement to this Base Prospectus and any document incorporated by reference or further Base Prospectus; and
- (vi) any reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in this Base Prospectus.

In addition, for as long as the Programme remains in effect or any Notes remain outstanding, copies of this Base Prospectus, any Supplement to this Base Prospectus and the Final Terms related to the Notes and any document incorporated by reference therein will be available for viewing on the Issuer's website (www.edf.com) and may be obtained, free of charge, during normal business hours from Electricité de France, 22-30, avenue de Wagram, 75008 Paris, France.

General Information

For so long as the Programme remains in effect or any Notes remain outstanding, the following documents will be available on the website of the AMF (www.amf-france.org):

- (a) the Final Terms for Notes that are listed on Euronext Paris or any other regulated market (for the purposes of the Markets in Financial Instruments Directive 2004/39/EC) in the European Economic Area; and
- (b) this Base Prospectus, any Supplement to this Base Prospectus and any document incorporated by reference therein.

In addition, if the Notes are listed and admitted to trading on a Regulated Market other than Euronext Paris, the relevant Final Terms will provide whether additional methods of publication are required and what they consist of.

PERSONS RESPONSIBLE FOR THE BASE PROSPECTUS

Individual assuming responsibility for the Base Prospectus

In the name of the Issuer

Having taken all reasonable measures for this purpose, I declare that the information contained in this Base Prospectus is in accordance with the facts and contains no omission likely to affect its import.

The consolidated financial statements for the financial year ended 31 December 2011, prepared in accordance with IAS-IFRS standards, as adopted by the European Union, and included in the 2011 *Document de Référence* filed with the the *Autorité des marchés financiers* (hereafter the "**AMF**") on 10 April 2012 under number D.12-0321, were subject to a report by the statutory auditors set forth in section 20.2 of such 2011 *Document de Référence* and which includes a comment in relation to the valuation of long-term provisions relating to nuclear electricity production (which is set out on page 386 of such 2011 *Document de Référence*).

The consolidated financial statements for the financial year ended 31 December 2010, prepared in accordance with IAS-IFRS standards, as adopted by the European Union, and included in the 2010 *Document de Référence* filed with the AMF on 18 April 2011 under number D.11-0320, were subject to a report by the statutory auditors set forth in section 20.2 of such 2010 *Document de Référence* and which included comments *inter alia* in relation to the valuation of long-term provisions relating to nuclear electricity production (which are set out on page 384 of such 2010 *Document de Référence*).

Issued in Paris, on 1 June 2012

Henri Proglia
Chief Executive Officer
Electricité de France

VISA OF THE AUTORITÉ DES MARCHÉS FINANCIERS



In accordance with Articles L.412-1 and L.621-8 of the French Code monétaire et financier and with the General Regulations (Règlement général) of the Autorité des marchés financiers (the "AMF"), in particular Articles 212-31 to 212-33, the AMF has granted to this Base Prospectus the visa No. 12-240 on 1 June 2012. It was prepared by the Issuer and its signatories assume responsibility for it.

In accordance with Article L.621-8-1-I of the French Code monétaire et financier, the visa was granted following an examination by the AMF of "whether the document is complete and comprehensible, and whether the information it contains is coherent".

It does not imply that the AMF has verified the accounting and financial data set out in it. In accordance with Article 212-32 of the Règlement général of the AMF, all Notes issued or admitted pursuant to this Base Prospectus will result in the publication of the applicable Final Terms.

RESPONSABILITE DU PROSPECTUS DE BASE

Personne qui assume la responsabilité du présent Prospectus de Base

Au nom de l'Émetteur

Après avoir pris toute mesure raisonnable à cet effet, j'atteste que les informations contenues dans le présent Prospectus de Base sont, à ma connaissance, conformes à la réalité et ne comportent pas d'omission de nature à en altérer la portée.

Les comptes consolidés de l'exercice clos le 31 décembre 2011, préparés conformément au référentiel IAS-IFRS, tel qu'adopté par l'Union Européenne, et inclus dans le Document de Référence 2011 déposé auprès de l'Autorité des marchés financiers (ci-après l'"AMF") en date du 10 avril 2012 sous le numéro D.12-0321, ont fait l'objet d'un rapport des contrôleurs légaux figurant à la section 20.2 dudit Document de Référence 2011, qui contient une observation relative à l'évaluation des provisions de long terme liées à la production nucléaire (qui est mentionnée à la page 386 du Document de Référence 2011).

Les comptes consolidés de l'exercice clos le 31 décembre 2010, préparés conformément au référentiel IAS-IFRS, tel qu'adopté par l'Union Européenne, et inclus dans le Document de Référence 2010 déposé auprès de l'AMF en date du 18 avril 2011 sous le numéro D.11-0320, ont fait l'objet d'un rapport des contrôleurs légaux figurant à la section 20.2 dudit Document de Référence 2010, qui contient des observations relatives notamment à l'évaluation des provisions de long terme liées à la production nucléaire (qui sont mentionnées à la page 384 du Document de Référence 2010).

A Paris, le 1er juin 2012

Henri Proglia
Président-Directeur Général
Electricité de France

VISA DE L'AUTORITE DES MARCHES FINANCIERS



En application des articles L. 412-1 et L. 621-8 du Code monétaire et financier et de son règlement général, notamment de ses articles 212-31 à 212-33, l'Autorité des marchés financiers (l'"AMF") a apposé le visa n° 12-240 en date du 1er juin 2012 sur le présent Prospectus de Base. Ce Prospectus de Base a été établi par l'Emetteur et engage la responsabilité de ses signataires.

Le visa, conformément aux dispositions de l'Article L. 621-8-1-I du Code monétaire et financier, a été attribué après que l'AMF a vérifié "si le document est complet et compréhensible, et si les informations qu'il contient sont cohérentes". Il n'implique ni approbation de l'opportunité de l'opération, ni authentification des éléments comptables et financiers présentés.

Conformément à l'article 212-32 du règlement général de l'AMF, toute émission ou admission de titres réalisée sur la base de ce Prospectus de Base donnera lieu à la publication de conditions définitives.

REGISTERED OFFICE OF THE ISSUER

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Société Générale
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France

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