


 Press release
2008:

- **A milestone year in EDF's industrial development**
- **EBITDA of € 15.4 billion, up +3.7%***

2009: priority to organic growth and asset disposals programme

EDF SA's Board of Directors, meeting on 11 February 2009 under the Chairmanship of Pierre Gadonneix, approved the Group's financial statements for financial year 2008.

For Pierre Gadonneix, EDF's Chairman and Chief Executive Officer: "2008 will go down as a milestone year in EDF's industrial development, with two structuring external growth transactions that lay the foundations for our future growth: the acquisition of British Energy in the United Kingdom and the agreement to acquire close to 50% of Constellation nuclear assets, our electrician partner in the United States. The recent announcement that a second EPR is to be constructed in France also illustrates this new industrial age marked by the development of CO2-free energy and the revival of nuclear power. In 2008, in a worsened economic environment, we upheld our results and demonstrated the robustness of our industrial model. In 2009, we will be giving priority to organic growth through investment, particularly in France, the improvement of our operating performance, the integration of recently-acquired companies and the reinforcement of our financial structure. In this respect, we plan to undertake a new asset disposal programme. We look ahead into 2009 with confidence and will steer the course of investment revival in relation to long-term environmental and energy challenges".

<i>In € million</i>	2008	2007	Change	Organic growth**
Sales	64,279	59,637	+7.8%	+10.6%
EBITDA (earnings before interest, tax, depreciation and amortisation) <i>before the impact of the extension of the TarTAM (French law dated 4 August 2008)</i>	15,435	15,210	+1.5%	+3.7%
EBITDA	14,240	15,210		
EBIT (operating income)	7,911	9,991		
Net income (Group share)	3,400	5,618		
Net income from ordinary operations***	4,308	4,677	-7.9%	-6.4%

* Excluding scope and exchange rate effects, before provision totalling € 1.2 billion to cover the TarTAM extension.

** Excluding scope and exchange rate effects.

*** Excluding the impact of the application of IAS 39 on the valuation of commodities hedging contracts, net income from ordinary operations comes to € 4,635 billion, representing growth of 3.8% compared to 2007.

2008 marked a turning point in the Group's history

2008 was marked by two structuring transactions for EDF Group, which will have an impact on the Group's results from 2009:

- Acquisition of British Energy

The acquisition of British Energy, effective as of 5 January 2009, addresses two strategic goals. First, it reinforces the Group in the United Kingdom, by striking a better balance between upstream and downstream businesses. The acquisition will make the United Kingdom the Group's second-biggest market after France. Second, EDF is therefore well placed to play a major role in the nuclear energy revival in the United Kingdom, with the goal of building at least 4 EPR reactors in this country, the first scheduled to be commissioned in 2017.

The purchase cost of British Energy shares amounted to £12.2 billion, or € 13.5 billion, of which € 2.7 billion worth of shares were acquired on the stock market in 2008.

- Plan to acquire a 49.99% interest in Constellation Energy's nuclear assets

The Group announced on 3 December 2008 the launch of an offer to acquire a 49.99% interest in Constellation Energy's nuclear assets amounting to \$ 4.5 billion. A final investment agreement was signed on 17 December 2008. The agreement, which is subject to approval by various regulatory bodies in the United States, helps reinforce the financial structure of EDF's United States partner and provides the long-term stability for the UNE (Unistar Nuclear Energy) joint venture in new nuclear, with the initial goal of building a total of 4 EPR reactors in the United States. The agreement will reinforce EDF's positions within the partnership with CEG as well as its positions in the new nuclear in the world's largest energy market.

The amount of \$ 4.5 billion includes a \$ 1 billion cash advance, paid on 19 December 2008. The agreement also includes a put option on some non-nuclear generation assets belonging to Constellation Energy for a total of up to \$ 2 billion.

EDF Group owned 8.52% of Constellation Energy Group's share capital as of 31 December 2008.

- Other external growth transactions

The Group also strengthens its positions in Europe notably via the acquisition by EnBW of a 26% interest in EWE, the acquisition by Edison of the Abu Qir gas fields in Egypt and the reinforcement of the partnership in ALPIQ, a major player in the Swiss energy market.

**The decision concerning the approval of this acquisition by the German authorities (Federal Cartel Office) has been postponed to 9 March 2009.*

2008 EDF Group's Results

In 2008, Group sales amounted €64.3Bn. Sales included scope and exchange rate effects totalling -€ 480 million and -€ 1,182 million respectively. Group EBITDA amounted €14.2Bn and €15.4Bn before the new €1.2Bn provision to cover future compensatory payments to competing suppliers under the extension of the TaRTAM (4 August 2008 Law). It includes a scope effect of -€143M and a foreign exchange effect of -€190 million.

France: results impacted by the extension of the TaRTAM

In **France**, sales were up +6.3% at € 34.3 billion. 3.8 points of sales growth stemmed from change in prices and tariffs, 1 point from the development of natural gas sales and services, and only 1.5 point from volume growth. The significant increase in sales to end-users (+14 TWh including the climate effect and +7.8 TWh excluding the climate effect) indeed led to a 12 TWh decline in net sales on wholesale markets, against a backdrop of a slight increase in generation. Hydraulic generation was up 4.8 TWh to reach 38.4 TWh. Nuclear generation was stable at 417.6 TWh, the 1 point increase in the load factor (95.2% at end-2008) compared with 2007 offsets the 1 point decline in the availability factor (79.2% at end-2008).

EBITDA of € 9 billion included an adverse impact linked to an additional € 1.2 billion provision to cover future compensatory payments to competitors under the extension of the TaRTAM (French Law dated 4 August 2008). Excluding the provision for TaRTAM, organic EBITDA growth stood at +2.2%.

In total, from 2006 to 2010, the cost for EDF of compensating competing under the TaRTAM mechanism is expected to total approximately € 2 billion.

EBITDA also includes an increase in energy purchases costs. Change in operating expenses reflects the significant impact of maintenance charges and measures related to the reform of the pension system, some of which being non-recurring.

International: strong performances by activities and subsidiaries

Internationally, organic sales were up 15.6% at € 30 billion. EBITDA totalled € 5.2 billion, representing organic growth of 6.5%, bolstered by price and tariff increases in the United Kingdom, good results of electricity activities in Germany and excellent performance by EDF Trading.

In the **United Kingdom**, EDF Energy posted good operating performances. Sales totalled € 8.2 billion, representing organic growth of +13.3%. EBITDA came out at € 944 million, representing a decline of -11.9% in organic terms, including the adverse impact of the mark-to-market valuation of commodities hedging contracts (IAS 39). Excluding this impact, EBITDA grew by +23.3%, driven by higher prices and tariffs in the supply and generation businesses, and, to a lesser extent, in the networks activities.

EDF Energy EBITDA included a substantial foreign exchange effect of -€ 185 million attributable to the euro's strengthening against Sterling in 2008.

The acquisition of British Energy, which will be consolidated in the Group accounts from 2009, will reinforce the Group's business model in the United Kingdom, particularly the balance between its upstream and downstream businesses.

In **Germany**, EnBW* results advanced strongly against a backdrop of increased competition. EnBW's contribution to Group sales amounted to € 7.5 billion, representing organic growth of 9%. Its contribution to EBITDA totalled € 1.1 billion, representing organic growth of +10.1%. Growth was driven by a +13% increase in electricity sales, linked to higher prices and an active management of the upstream portfolio. The gas activities grew in 2008. EnBW EBITDA also included an adverse scope effect of -€21M due to the disposal of U-plus, completed in May 2007.

On 10 July 2008, EnBW announced the acquisition of a 26% interest in EWE, Germany's fourth-largest energy company, paving the way towards cooperation in renewable energy, natural gas and international markets. This transaction is subject to approval by the German competition authorities.

* 46.07% interest consolidated on a proportional basis in EDF's accounts.

In **Italy**, Group's results recovered in the second half. Contribution of this area to Group sales came to € 6 billion (representing organic growth of +30.7%), including a € 5.4 billion contribution from Edison (representing organic growth of +33.2%). EBITDA totalled € 911 million (representing organic growth of +2.9%), of which a € 807 million contribution by Edison (representing organic growth of +5.3%). EBITDA for Edison's electricity activities made further gains (+11.2%), thanks to a positive price effect and higher volumes on the Italian Power Exchange (IPEX). The decline in its hydrocarbon activities EBITDA was linked notably to the partial pass through of higher fuel costs into selling prices.

Edison announced on 15 January 2009 that it has won exploration, production and development rights for the Abu Qir gas fields, which should provide it with 27 billion m³ of additional reserves and boost its annual gas production by 1.5 billion m³.

The **Rest of Europe** made a strong contribution to the Group's results. Sales totalled € 7.6 billion, representing organic growth of +17.4%. EBITDA came out at € 2 billion, representing organic growth of +21.9%, buoyed in particular by the strong increase in trading margins for EDF Trading and by the development of the generation activity and sales of structured assets by EDF Energies Nouvelles, the EBITDA of which grew by +33% (organic growth). EDF Energies Nouvelles raised its net capacity target from 3,000 MW by 2011 to 4,000 MW by 2012, including 500 MWc of solar power. EDF Energies Nouvelles completed a € 500 million capital increase to finance its future growth. EDF exercised its pro rata subscription rights in this respect. In Central and Eastern Europe, the increase in EBITDA notably translates the favourable trend on prices and tariffs in Hungary.

First year of implementation of the Operational Excellence programme

The Group launched its Operational Excellence programme in 2008, with the objective to produce cross-business improvement in the Group's performance. Total gains were estimated to amount to € 285 million in 2008, in line with the objective of € 1 billion of net gains by 2010. A great number of action plans have been rolled out across the Group as part of this programme.

Net income (Group share) and net income from ordinary operations**

2008 net income (Group share) of € 3.4 billion includes € 908 million of non-recurring negative items, linked mainly to the provision of € 1,195 million before tax and of € 783 M after tax that was taken to cover compensatory payments to competitors under the extension of the TarTAM (French Law dated 4 August 2008). This compares with 2007 net income (Group share) which included € 941 million worth of non-recurring positive items.

Net income from ordinary operations came to € 4.3 billion, a decline of -7.9%. Excluding the impact linked to the application of IAS 39 on commodity purchase contracts, net income from ordinary operations grew +3.8%.

* 48.96% interest consolidated on a proportional basis in EDF's accounts.

** Excluding non-recurring items.

Further increase in capex and financial structure

	2008	2007	Change
Capital Expenditures (Capex)	9,703	7,490	+29.5%

	12.31.08	12.31.07	Change
Shareholders' equity (Group share)	23,058	27,210	-15.3%
Net financial debt	24,476	16,269	+50.4%

The Group's Capex amounted to € 9.7 billion in 2008, of which 54% in France and 46% outside France. They were up +29.5% compared with 31 December 2007.

Group operating cash flow (FFO) stood at € 10.1 billion at end-2008.

Net financial debt totalled € 24.5 billion, compared with €16.3 billion at end-2007. The change notably reflects the increase in Capex and the impact of external growth transactions made in 2008, of which € 2.7 billion paid for the acquisition of British Energy and \$ 1 billion corresponding to the cash advance made as part of the acquisition of 49.99% of Constellation Energy Group's nuclear assets.

Group's shareholders' equity stood at € 23.1 billion. Its decrease reflects notably an adverse impact totalling € 1 billion from foreign exchange losses, net of hedging instruments, on international assets. It also reflects the adverse impact of the change in fair value resulting from the mark-to-market valuation of available-for-sale securities and hedging instruments (IAS 39), totalling € 4 billion.

Dividend

The Board of Directors decided to recommend to the Annual General Meeting the payment of a dividend of € 1.28 per share for 2008. Given the interim dividend payment of € 0.64 per share paid on 17 December 2008, the balance should come out at € 0.64 per share and be paid in June 2009, subject to shareholders' approval.

2009 outlook

2009 began with the uncertainties relating to the economic and financial crisis.

Against this backdrop, and after two major acquisitions in 2008, the Group has decided to give priority in 2009 to organic growth, the integration of acquisitions, the improvement of its operating and financial performances, and the reinforcement of its financial structure.

Group EBITDA should increase in 2009, thanks notably to the full-year consolidation of British Energy. Excluding scope and exchange rate effects, the Group targets a moderate EBITDA organic growth in the current worsened economic backdrop. Its French businesses should benefit from the effect of Operational Excellence programme on operating expenses and the nuclear availability factor.

In addition, the Group also plans to pursue its substantial Capex efforts in generation and networks activities, in France and internationally.

Net income from ordinary operations should not increase due to the continued investment programme.

The Group has also set the target of maintaining a sound financial structure. In this respect, the Group plans to embark this year on an asset disposal programme, which should reduce net financial debt by at least € 5 billion in 2009-2010. This programme, combined with the improvement in financial performances and cash flow, should, after the completion of the two acquisitions launched in 2008, contribute to gradually improve the Group's financial ratios and reinforce its financial structure.

Next publication by the EDF Group:
The EDF Group will publish its 2009 first-quarter sales figures on 12 May, 2009.

The EDF Group, one of the leaders in the energy market in Europe, is an integrated energy company active in all businesses: generation, transmission, distribution, energy supply and trading. The Group is the leading electricity producer in Europe. In France, it has mainly nuclear and hydraulic production facilities where 95% of the electricity output involves no CO₂ emissions. EDF's transport and distribution subsidiaries in France operate 1,274,000 km of low and medium voltage overhead and underground electricity lines and around 100,000 km of high and very high voltage networks. The Group is involved in supplying energy and services to more than 38 million customers around the world, including more than 28 million in France. The Group generated consolidated sales of € 64.3 billion in 2008, of which 47% in Europe excluding France. EDF is listed on the Paris Stock Exchange and is a member of the CAC 40 index.

Disclaimer

This press release does not constitute an offer to sell marketable securities in the United States or any other country.

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APPENDIX

Highlights since 12 November 2008 (date of the publication of 9-month sales)

2009

3 February

British Energy was de-listed and its admission to trading cancelled.

24 January

Faced with the gravity of the storm that swept across southwest France, affecting several areas, the EDF Group immediately mobilised its resources, providing exceptional support to ERDF and RTE-EDF Transport teams working on site in particularly tough conditions.

22 January

EDF made its first ever bond issue on the US market, raising a total of \$ 5 billion.

16 January

The agreements reached in December 2008 left EDF with a 25% interest at the end of January 2009 in the new Swiss energy company ALPIQ Holding SA, resulting from the combination of the activities of Swiss energy companies ATEL and EOS.

The total cost of the transaction for EDF came to 1,057 million Swiss francs (or approximately € 705 million on the basis of a CHF/€ exchange rate of 1.5).

EDF also successfully launched two euro-denominated bond issues. The first raised € 2 billion. It has a maturity of 6 years and an annual coupon of 5.125%. The second also raised € 2 billion. It has a maturity of 12 years and an annual coupon of 6.25%.

15 January

Edison won exploration, production and development rights for the Abu Qir gas fields, thereby increasing its hydrocarbon reserves by 27 billion m³ and its annual natural gas production by 1.5 billion m³.

2008

24 December

EDF confirmed that it had been notified of objections by the European Commission's Directorate General for Competition relating to the long-term contracts agreed by the Group in France with electricity end-users, in particular industrial ones, which would be, according to the Commission, likely to limit access to the French electricity market and may lead to an abuse of its dominant position.

22 December

Germany's Federal Cartel Office announced that it had pushed back its decision concerning the approval of EnBW's acquisition of a 26% interest in the capital of EWE until 9 March 2009.

19 December

AREVA and EDF signed a framework agreement for the recycling of spent nuclear fuel for the period from 2008 to 2040.

18 December

EDF made its first ever acquisition of gas production assets, by signing with ATP Oil & Gas UK, a subsidiary of US oil company ATP Oil & Gas Corporation (ATPG), an agreement covering the acquisition of its holdings in gas assets located in the British North Sea. The volume of reserves is estimated at approximately 3 billion m³.

17 December

EDF Development Inc. announced that it is to acquire a 49.99% interest in Constellation Energy's nuclear generation and operation businesses for \$ 4.5 billion.

27 November

EDF successfully launched a 1 billion Swiss franc (or approximately € 650 million) bond issue with a maturity of 5 years (maturity date 18 December 2013) and an annual fixed coupon of 3.375%.

21 November

Signing the Alsace Sustainable Development Agreement with the Regional Council, EDF announced an investment of up to € 225 million to boost hydraulic generation capacity, the Group's first renewable energy.

20 November

EDF SA's Board of Directors, meeting on 20 November 2008 under the Chairmanship of Pierre Gadonneix, decided as in 2007 to pay an interim dividend for the 2008 financial year. For 2008, this interim dividend, which has been paid on 17 December 2008, is of € 0.64 per share and amounts to a total of approximately € 1.2 billion.

19 November

In accordance with the decision of the Competition Council on 10 December 2007, EDF organised a second auction aimed at alternative electricity suppliers in France, covering base-load electricity supply contracts for a period up to 15 years. At the first auction on 12 March 2008, all offers were fully taken up.

EDF SA issued a € 2 billion euro-denominated bond with a maturity of 4 years and 2 months, the largest single-tranche euro "corporate" bond issued by a European issuer since the beginning of 2008.

14 November

EDF made a major step in its programme to increase generation capacity in France by bringing 2 new oil-fired turbines into operation at Vaires-sur-Marne (Seine-et-Marne) with total capacity of 370 MW.

12 November

EDF Group's 9-month sales came to € 45.6 billion as at 30 September 2008, up +6.9% and representing organic growth of +9.7% (excluding scope and exchange rate effects) compared with the first nine months of 2007.

EDF confirmed the start-up, in 2012, of the EPR reactor currently under construction at Flamanville in Normandy.

APPENDIX

CONSOLIDATED INCOME STATEMENTS	2008	2007
Sales	64 279	59 637
Fuel and energy purchases	(27 022)	(23 215)
Other external expenses	(10 258)	(9 797)
Personnel expenses	(10 476)	(9 938)
Taxes other than income taxes	(3 171)	(3 236)
Other operating income and expenses	2 083	1 759
Prolongation of the TaRTAM transition tariff - Law of August 4, 2008	(1 195)	-
Operating profit before depreciation and amortization	14 240	15 210
Net depreciation and amortization	(5 713)	(5 628)
Net increases in provisions for renewal of property, plant and equipment operated under concessions	(526)	(504)
(Impairment) / reversals	(115)	(150)
Other income and expenses	25	1 063
Operating profit	7 911	9 991
Cost of gross financial indebtedness	(1 657)	(1 605)
Discount expense	(2 797)	(2 632)
Other financial income and expenses	1 287	1 703
Financial result	(3 167)	(2 534)
Income before taxes of consolidated companies	4 744	7 457
Income taxes	(1 561)	(1 841)
Share in income of companies accounted for under the equity method	352	168
Net income from discontinued operations	-	9
Group net income	3 535	5 793
Minority interests	135	175
EDF net income	3 400	5 618

APPENDIX

CONSOLIDATED BALANCE SHEETS

ASSETS	12.31.2008	12.31.2007
(in millions of euros)		
Goodwill	6 807	7 266
Other intangible assets	3 076	2 421
Property, plant and equipment operated under French public electricity distribution concessions	41 213	39 982
Property, plant and equipment operated under concessions for other activities	26 957	27 151
Property, plant and equipment used in generation and other tangible assets owned by the Group	39 245	37 808
Investments in companies accounted for under the equity method	2 819	2 530
Non-current financial assets	18 103	15 805
Deferred tax assets	2 912	1 609
Non-current assets	141 132	134 572
Inventories, including work-in-process	9 290	8 678
Trade receivables	19 144	16 100
Current financial assets	15 329	14 876
Current tax assets	992	376
Other receivables	8 530	5 243
Cash and cash equivalents	5 869	6 035
Current assets	59 154	51 308
Assets classified as held for sale	2	269
TOTAL ASSETS	200 288	186 149
EQUITY AND LIABILITIES	12.31.2008	12.31.2007
(in millions of euros)		
Capital	911	911
Consolidated reserves and income	22 147	26 299
Equity (EDF share)	23 058	27 210
Minority interests	1 784	1 586
Total Equity	24 842	28 796
Provisions for back-end nuclear fuel cycle	14 686	16 699
Provisions for decommissioning and last cores	13 886	13 097
Provisions for employee benefits	12 890	12 240
Other provisions	1 953	2 002
Non-current provisions	43 415	44 038
Grantors' rights in existing assets operated under French public electricity distribution concessions	19 025	18 227
Grantors' rights in assets to be replaced operated under French public electricity distribution concessions	19 491	18 730
Non-current financial liabilities	25 584	17 607
Other liabilities	5 628	5 624
Deferred tax liabilities	4 086	4 435
Non-current liabilities	117 229	108 661
Provisions	4 722	4 696
Trade payables	13 957	9 867
Current financial liabilities	18 958	16 918
Current tax liabilities	383	391
Other liabilities	20 197	16 706
Current liabilities	58 217	48 578
Liabilities related to assets classified as held for sale		114
TOTAL EQUITY AND LIABILITIES	200 288	186 149

APPENDIX

Evolution of net financial debt

(in millions of euros)	2008	2007
Operating profit before depreciation and amortization (EBITDA)	14 240	15 210
Cancellation of non-monetary items included in EBITDA	(3 699)	(1 584)
Change in net working capital	(211)	(269)
Other items	30	23
Net cash flow from operations	10 360	13 380
Acquisitions of property, plant and equipment and intangible assets net of disposals	(9 489)	(7 261)
Net financial expenses disbursed	(1 068)	(921)
Income tax paid	(1 720)	(2 237)
Free cash flow	(1 917)	2 961
Investments (including investments in consolidated companies)	(6 090)	(2 634)
Dividends paid	(2 528)	(3 260)
Other items	479	621
Monetary decrease in net indebtedness, excluding the impact of changes in scope of consolidation and exchanges rates	(10 056)	(2 312)
Effect of change in scope of consolidation	138	198
Effect of exchange rate fluctuations	1 473	622
Other non-monetary changes	238	155
(Increase) / decrease in net indebtedness	(8 207)	(1 337)
Net indebtedness at beginning of period	16 269	14 932
Net indebtedness at end of period	24 476	16 269

APPENDIX

Sales evolution

<i>In € million</i>	2008	2007	2008/2007 evolution	Organic growth*
France	34,264	32,232	+6.3%	+6.3%
United Kingdom	8,244	8,353	-1.3%	+13.3%
Germany	7,467	6,900	+8.2%	+9.0%
Italy	6,042	4,658	+29.7%	+30.7%
Rest of Europe	7,639	6,225	+22.7%	+17.4%
Total Europe outside France	29,392	26,136	+12.5%	+16.2%
Rest of the world	623	1,269	-50.9%	+2.0%
Total International	30,015	27,405	+9.5%	+15.6%
EDF Group	64,279	59,637	+7.8%	+10.6%

Half-yearly sales

<i>In € million</i>	H2 2008	H1 2008	2008
France	16,447	17,817	34,264
United Kingdom	4,299	3,945	8,244
Germany	3,760	3,707	7,467
Italy	3,225	2,817	6,042
Rest of Europe	3,984	3,655	7,639
Total Europe outside France	15,268	14,124	29,392
Rest of the world	325	298	623
Total International	15,593	14,422	30,015
EDF Group	32,040	32,239	64,279

* Excluding scope and foreign exchange effects.

EBITDA evolution

<i>In € million</i>	2008	2007	2008/2007 evolution	Organic growth*
France	9,020	9,996	-9.8%	-9.8%
United Kingdom	944	1,285	-26.5%	-11.9%
Germany	1,114	1,031	+8.1%	+10.1%
Italy	911	910	+0.1%	+2.9%
Rest of Europe	2,045	1,655	+23.6%	+21.9%
Total Europe outside France	5,014	4,881	+2.7%	+6.9%
Rest of the world	206	333	-38.1%	-
Total International	5,220	5,214	+0.1%	+6.5%
EDF Group	14,240	15,210	-6.4%	-4.2%

Half-yearly EBITDA

<i>In € million</i>	H2 2008	H1 2008	2008
France	2,946	6,074	9,020
United Kingdom	357	587	944
Germany	480	634	1,114
Italy	454	457	911
Rest of Europe	863	1,182	2,045
Total Europe outside France	2,154	2,860	5,014
Rest of the world	99	107	206
Total International	2,253	2,967	5,220
EDF Group	5,199	9,041	14,240

* Excluding scope and foreign exchange effects.