



EDF proposes to acquire 50% of Constellation Energy's nuclear generation and operation business for US \$4.5 billion

Transaction Represents Implied Value for Constellation of Around US \$52 Per Share, Or 96% Premium to Proposed MidAmerican Transaction

Proposal Includes Up-Front \$1 Billion Cash Investment in Constellation and Option to Sell Up to US \$2 Billion of Non-Nuclear Generation Assets to EDF

EDF Expects Transaction Could Close in Six to Nine Months

Paris, France – December 3, 2008 –Electricité de France S.A. (“EDF”) today announced that, through its subsidiary EDF International, it has sent a letter to the Board of Directors of Constellation Energy (NYSE: CEG) proposing to acquire through a joint-venture a 50% ownership interest in Constellation’s nuclear generation and operation business for US \$4.5 billion. EDF’s proposal also provides for an up-front US \$1 billion cash investment in Constellation to be credited against the purchase price for EDF’s interest in the nuclear generation business, and an option pursuant to which Constellation could sell non-nuclear generation assets to EDF having an aggregate value of up to US \$2 billion. EDF expects it can receive the necessary regulatory approvals for the acquisition of its interest in the nuclear generation and operation business and close the transaction within six to nine months, upon Constellation’s termination of its proposed transaction with MidAmerican Energy Holdings Company and execution of a definitive agreement with EDF.

“As Constellation’s largest stockholder, EDF has long admired and been a committed partner to the Company,” said Pierre Gadonneix, Chairman and Chief Executive Officer of EDF. *“Constellation is fundamentally strong and EDF, like many others, believes that the proposed MidAmerican transaction significantly undervalues Constellation and its future opportunities”*

“We are confident that the terms of our proposal are demonstrably superior to those of the MidAmerican transaction. In addition to providing Constellation stockholders with an opportunity to realize the value of their investment in the Company, our proposal provides more than sufficient liquidity to allow Constellation to remain a strong, standalone public company. The EDF proposal also creates an opportunity for Constellation to play an important role, together with EDF, in the development of nuclear generation in Maryland and beyond to the benefit of Constellation’s stockholders, employees and customers,” continued Mr. Gadonneix.

The EDF proposal is a compelling opportunity for Constellation stockholders and a concrete, viable and superior alternative to the MidAmerican offer. EDF believes that Constellation's Board of Directors should determine that EDF's proposal constitutes, or is reasonably likely to result in, a superior proposal under the MidAmerican merger agreement. Even if Constellation's Board does not make this determination, EDF believes that the terms of its proposal provide the basis necessary for the Board to change its recommendation of the MidAmerican transaction consistent with its duties to the Company and its stockholders.

EDF's proposal:

- Places a value of US \$4.5 billion on 50% of Constellation's nuclear business alone, which EDF believes to be an attractive valuation when compared to the range of values supported by publicly available information, whether the valuation is based on sum-of-the-parts, discounted cash flow or EBITDA trading multiples analyses;
- Represents the equivalent of an offer of around US \$52 per share of Constellation common stock, a financial premium of approximately 96% above the MidAmerican proposal and a fair price for 50% of Constellation's nuclear generation business;
- Provides Constellation with significantly more liquidity than is necessary to permit Constellation to remain a publicly traded standalone company in which its stockholders can realize the full value of their investment and participate in the future growth of the Company, as well as offsets incremental costs associated with termination of the MidAmerican transaction;
- Leverages the expertise of EDF Group, a global leader in the nuclear energy industry, and provides a path for the growth of the existing UniStar partnership between EDF and Constellation;
- Reflects EDF Group's long-term industrial and financial commitment to the development of new nuclear generation, which contrasts sharply with the MidAmerican profile;
- Eliminates much of the conditionality that would accompany an offer to acquire control of Constellation both in terms of regulatory risk and the risk that Constellation would face in refinancing its existing credit arrangements upon a change of control.

EDF's proposal is not subject to a financing condition.

EDF will work closely with Maryland authorities to keep them informed, although approval of the Maryland Public Service Commission is not required. Approval from Constellation's stockholders is not required.

J.P. Morgan is acting as exclusive financial advisor, and Skadden, Arps, Slate, Meagher & Flom LLP is serving as legal adviser, to EDF.

About EDF

The EDF Group, one of the leaders in the energy market in Europe, is an integrated energy company active in all businesses: production, transport, distribution, energy selling and trading. The Group is the leading electricity producer in Europe. EDF's nuclear production capacity, the largest in the world, consists of 58 power plants on 19 sites. In France, it has mainly nuclear and hydroelectric power plants where 95% of the electricity output involves no CO2 emissions. EDF's transport and distribution subsidiaries operate 1,246,000 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 € 59.6 billion, (or \$76.3 billion¹), in 2007, of which 44% originated in Europe excluding France. EDF is listed on the NYSE-Euronext Paris stock exchange as one of the largest market cap companies.

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¹ 1€ = 1,28 US\$