



Press release

## The EDF Group initiates a process to evaluate ownership options for its UK electricity distribution networks

The EDF Group announced today that it is initiating a process to evaluate ownership options for its electricity distribution business in the United Kingdom. This is in line with EDF Group's intention, already announced in February 2009, to reduce its net financial debt by at least €5 billion by the end of 2010.

EDF Energy is the largest electricity distribution network operator in the UK. It serves London, the South-East and East of England which account for 40% of the UK's GDP. It has performed consistently well over a long period and benefits from a highly skilled and experienced workforce and consistent investment. It also has significant future opportunities from grid and distribution network technologies.

EDF Energy is also involved in unregulated networks businesses comprising the development, delivery and management of safe, sustainable and profitable electrical and multi-utility networks for owners of major infrastructures.

The evaluation process logically follows the acquisition of British Energy announced in 2008 which has resulted in a better balance between EDF Energy's generation and supply businesses. By improving the capacity to meet the requirements of UK customers, EDF Energy has developed a strong position to grow its retail business. The acquisition also secures EDF Group a key position in the nuclear revival and is a significant step forward in EDF's plan to build four EPR nuclear reactors in the UK.

Pierre Gadonneix, EDF Chairman and CEO said: *"The process to evaluate ownership options for our UK electricity distribution networks is part of the announced asset divestment programme, aiming to reduce our net financial debt by at least €5 billion. It is also part of our development strategy in the United Kingdom, which is a key market in Europe for the Group. This process follows British Energy's acquisition which facilitates EDF's plans to develop new nuclear power in the UK and significantly strengthens our position as a UK energy player."*

Vincent de Rivaz, EDF Energy CEO said: *"As a responsible company, EDF Energy will continue the dialogue with its employees and other key stakeholders throughout this evaluation process. This unique combination of three regulated networks covers a key region vital to the UK economy. It has a highly experienced and skilled workforce which has a strong track record of delivery and is well placed for growth."*

*Sun Group financial advisors are Barclays Capital and Deutsche Bank AG London Branch. Additional support will be provided by BNP Paribas.*

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*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.*

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