PRESS RELEASE

15 FEBRUARY 2011

2010 Full-year Results:
Improved industrial performance
Exceptional provisions
Regained financial flexibility

✓ **Improved operating performance**

- Increased nuclear and hydropower output in France: 22TWh (+5%)
- EBITDA: €16,623 million, up 5.2% (organic growth)
- Net income from ordinary operations: €3,961 million, up 11.3%
- Net income – Group share: €1 billion due to exceptional provisions

✓ **Exceptional provisions for risks and impairments' related to the deterioration in international power and gas market conditions**

- Negative non-recurring items of €2.9 billion (no impact on Group's cash flow)

✓ **Continued sustained operating investments (Capex): €12.2 billion**

- Capex up 10% in generation and networks in France
- Investments earmarked for development of new capacities of €3.3 billion
- Significant operating cash flow of €11.4 billion

✓ **A proposed dividend of €1.15 per share for 2010 and 10% loyalty dividend proposed at the Shareholders' meeting for application for 2013**

- €0.58 / share to be paid following the payment of an €0.57/share interim dividend end 2010

✓ **A re-modelled Group and a significantly reduced net financial debt**

- Net financial debt/EBITDA ratio of 1.9x* reflecting a sharp improvement
- More robust growth potential and improved risk profile

✓ **2011 financial objectives**

- EBITDA organic growth in a 4 to 6% range
- Net financial debt / EBITDA ratio in a 2 to 2.2x range
- Dividend for 2011 at least equivalent to the one paid for 2010

All of the financial items are defined on page 6 of the Press Release.

* *Adjusted.*

EDF SA's Board of Directors met on 14 February 2011 under the chairmanship of Henri Proglio and approved the Group's full-year accounts and consolidated accounts for 31 December 2010.

Change in EDF Group's consolidated annual results

In millions of euros	**2009**	**2010**	**Change**	**Organic change**
Sales	59,140	65,165	+10.2%	**+4.6%**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	15,929	16,623	+4.4%	**+5.2%**
Net income - Group share	3,902	1,020	-73.9%	
Net income from ordinary operations	3,558	3,961	+11.3%	

	31/12/2009	**31/12/2010**	
Net financial debt (€Bn)	42.5	34.4	
Debt ratio (Net financial debt/EBITDA)	2.5	2.2	**1.9***

***** *Adjusted (see page 6).*

All of the financial items are defined on <u>page 6</u> of the Press Release.

Henri Proglio, EDF Chairman and CEO, declared: *"2010 was dedicated to major workshops, which enabled the Group to regain a healthier financial situation. Three major transactions - the sale of UK distribution power networks, the ongoing disposal of our stake in EnBW in Germany and the allocation of 50% of RTE to the dedicated assets portfolio - led to an overall decrease in the Group's debt of close to €20 billion. 2010 was also marked by continued sustained operating investments, hence enabling EDF to improve its industrial performance, in particular in nuclear power plants in France. The newly remodelled Group offers good growth perspectives for 2011. It regained the room for manoeuvre necessary to deploy a profitable industrial development strategy in France and outside France, while continually monitoring its patrimonial interests in the context of the ongoing power market reform in France or of the renewal of hydro concessions."*

Higher 2010 operating results

Despite difficult international energy markets, the Group recorded a significant growth in its operating results, notably with EBITDA up 5.2% on an organic basis to €16.6 billion, exceeding Group's objectives.
This reflects the sharp improvement in nuclear and hydropower output in France, with output growth up 22TWh, of which 18 TWh of nuclear output, which accordingly reached 408TWh. The nuclear availability factor (Kd) rose to 78.5% vs. 78% in 2009. The programme underway to replace big components and the progressive roll-out of new optimisation methods for the management of outages and maintenance should contribute to sustainably improving fleet performance in France.
EBITDA for businesses in France therefore grew 7.7%, taking into account additional provision owing to the extension of the TaRTAM.
Regulated activities performed particularly well, with a solid increase of 17.2%.
Outside France, the situation was more mixed. The UK, which suffered on account of unscheduled shutdowns of one of its nuclear plants, as Italy[†], which would have seen its operating results fall if not for the positive impact of a compensation received in 2010, were both hampered by tough market conditions. EDF Trading also recorded a decline in its results (-30.8%). In contrast, Belgium, Central and Eastern Europe and EDF Energies Nouvelles, which continued to expand at a robust pace, recorded significant increases. In particular, Poland rose 13.2% and EDF Energies Nouvelles jumped 34.5%.
All in all, EBITDA excluding France contracted by 0.4% and 4.1% at constant scope and exchange rates.
Net income – Group share factored in non-recurrent items for €2.9 billion and stood at €1 billion. Non-recurring items did not have any effect on the Group's operating cash flow and its ability to generate further results. Group net income from ordinary operations came in at €3,961 million, up 11.3%. This growth shows a trend inflexion after two years of decline in a row.
Adjusted for new Group scope, EBITDA came at €14,156 million and Group net income from ordinary operations at €3,105 million[‡].

Exceptional provisions for risks and impairments related to the deterioration in international power and gas market conditions

Despite the economic recovery in 2010 in the main countries where EDF operates, after 2009 recession, electricity and gas demand did not return to pre-crisis levels. Although electricity market prices are on the rise, they remain low in Europe and continue to suffer in the long run in the US on account of the sharp expansion in unconventional gas production.
This situation and major ongoing doubt on medium term prospects of energy markets have prompted the Group to record provisions for risks and impairments in its 2010 accounts. These mainly concern the United States (€1,042 million), Italy (€915 million) and, to a lesser extent, other markets, mainly in Europe. With the provision related to the extensions of TaRTAM and the impact of the reclassification as net income in respect to the UK networks of negative translation adjustments accumulated in equity (€395 million), non-recurring items for the financial year stood at €2,905 million. In addition, volatility linked to the application of IAS 39 was insignificant in the 2010 financial year (unlike 2009).

[†] *As the Board of Directors had not yet closed Edison's accounts at the date of this press release, the corresponding figures are from provisional accounts.*

[‡] *By convention, the interest on sale proceeds is of 1% before taxes.*

Non-recurring items net of tax

In million of euros	**2009**	**2010**
US (Unistar, CENG)	(174)	(1,042)
Italy	(21)	(915)
Other	177	(304)
TaRTAM extensions, net of tax	0	(249)
Total non-recurring items excluding change effect	**(18)**	**(2,510)**
Reclassification as income of translation differences accumulated in equity	*0*	*(395)*
Total non-recurring items	**(18)**	**(2,905)**

Continued operating investments

The Group continued to ramp-up operating investments (Capex) in France, internationally and in other activities. These amounted to €12.2 billion in 2010.

In France, the Group invested €7.9 billion in its generation fleet and transmission and distribution networks; an increase of 10% rise compared to 2009.

The Group has earmarked investments of €3.3 billion for the development of new generation nuclear power plants (mainly Flamanville 3 in France), renewable generation (via its EDF Energies Nouvelles subsidiary) and thermal generation in France (gas combined cycle of Martigues and Blénod) and in the UK (gas combined cycle of West Burton).

EDF Group's cumulative investments in new generation means—not yet put into operation and not yet contributing to Group's results and operating cash flow—stood at €6.7 billion at end-2010.

The Group generated stable operating cash flow of €11.4 billion in 2010, which self-financed to a large extent Group-wide operating investments. In France, however, despite the improved industrial performance, financial resources generated from operating activities did not cover all industrial and financial requirements (namely for financial allocations to dedicated assets). Accordingly, debt related to operating activities in France grew in 2010.

Stable dividend in 2010 and proposal for a loyalty dividend

In line with the stated objective of dividend stability for 2010, EDF Board of Directors will recommend the payment of a total dividend of €1.15 at the Shareholders' Meeting of 24 May 2011. This represents a payout ratio of 53.7% of Group net income from ordinary operations in 2010.
Taking into account the payment of an interim dividend of €0.57 per share, decided by the Board on 30 November 2010, the balance to be paid is accordingly €0.58 per share.

The EDF Board will also recommend at the Shareholders' Meeting of 24 May 2011 to modify EDF by-laws in order to include a provision to pay an increased dividend to shareholders detaining their registered shares since at least 2 years. The number of shares eligible to the 10% loyalty dividend cannot exceed, for a single shareholder, 0.5% of the corporate capital. In case of approval by Shareholders' Meeting, the first loyalty dividend cannot be attributed before the 2nd financial year following the changes of by-laws has been closed, which is 2014 for the dividend which will be paid on the basis of 2013 profits.

A re-modelled Group and a significantly reduced debt

EDF Group has carried out structuring transactions to improve its growth profile and financial structure.
Accordingly, on 29 October 2010, EDF sold its UK electricity distribution networks to CKI group for an equity value of £3.2 billion (€3.7 billion), resulting into debt reduction of €6.7 billion. EDF also agreed to sell its EnBW stake in Germany. Amid the challenging landscape owing to the emergence of a new shareholder pact and an uncertain German market, notably from a regulatory standpoint (proposed nuclear tax), the Land of Bade-Württemberg's' offer for the purchase of EDF's stake in EnBW seemingly appealed to EDF. The 6 December 2010 agreement should translate in the coming days into the sale of EnBW to the Land together with a debt reduction of €7.3 billion (impacts of €0.2 million in 2010 and €7.1 billion in 2011).

Moreover, the Group has decided to allocate 50% of RTE shares to its dedicated assets portfolio, built to cover future nuclear expenses related to the downstream of its nuclear cycle. This allocation will improve the portfolio's efficiency while reducing its overall risk by including an infrastructure assets' class represented by RTE, which predictable returns is weakly correlated to equities and bonds (which accounted for the larger part of the portfolio prior to the transfer). It also allows limiting the future allocations to dedicated assets of €2.3 billion.
At this juncture, the French State has wished to proceed with a concomitant change in RTE governance at 31 December 2010, which translates in an increased number of State representatives on RTE Supervisory Board, which now stands at 4, i.e. the same number as for EDF representatives and RTE employees. As it no longer holds the majority on RTE's Supervisory Board, EDF Group no longer accounts for RTE by the full consolidation method, but instead by the equity method. This change in consolidation method, effective as of 31 December 2010, leads in particular to the deconsolidation of RTE's net financial debt as from fiscal year 2010, thus improving EDF Group's net debt to EBITDA ratio. As from fiscal year 2011, it will lead, among other things, to the deconsolidation of RTE's sales and

EBITDA in EDF Group's accounts. However, this will have no impact on RTE's contribution to EDF Group's net income.
Accounting for RTE using the equity method will contribute to reducing the Group's debt by €6.3 billion at 31 December 2010.
As a result of this decision, RTE remains wholly-owned by EDF and EDF's integrated model in France—upstream activities, networks, downstream activities—is preserved.
In summary, these three transactions will contribute to a total Group's debt reduction of roughly €20 billion. Group debt has been reduced to €34.4 billion at end-2010, from €42.5 billion, prior to the cash-in of EnBW disposal proceeds. The adjusted debt ratio (including 2011 cash to receive at end 2009 for the EnBW disposal) on EBITDA stood at 1.9x, a sharp improvement on the ratio at end-2009 (2.5x) and well ahead of the announced objective of 2.5 to 3x.
The Group has accordingly been remodelled, with significantly reduced debt and significant growth prospects.

Definition of financial items

2010 was marked by three major transactions concerning the Group's scope of activity, which like changes of accounting method and presentation affect financial statement comparability between 2009 and 2010. The ongoing disposal of EnBW and reclassification of the company as "Discontinued operations" has led to adjustments to the comparative information as published in 2009.

- Organic growth

Organic growth represents growth excluding the impact of scope changes, exchange rates and the extensions of the TaRTAM (Laws of 7 June and 7 December 2010).

- 2009 data

Comparative data for the 2009 financial year are adjusted for the impact of the application of IFRIC 18 "Transfers of Assets from Customers", IFRIC 12 "Service Concession Arrangements" and IFRS 5 "Non-current assets held for sale and discontinued operations" as well as the change in presentation in the consolidated income statement of the impact of the net change in the fair value of Energy and Commodity derivatives, excluding trading activities (IAS 39).

- Net income from ordinary operations

The definition of net income from ordinary operations was reviewed in 2010. It corresponds to Net income – Group share, excluding non-recurring items and the net change in the fair value of Energy and Commodity derivatives (IAS 39).

- Adjusted

Adjusted data are a 2010 pro forma on the 2011 scope, excluding UK networks, RTE and EnBW.
By convention, interest on net proceeds is of 1% before taxes.

2011 financial objectives

2010 achievements enabled the Group to set, for 2011, the following objectives of evolution of its adjusted results:

- EBITDA organic growth in a range of 4% to 6%*
- Net financial debt on EBITDA ratio in a range of 2 to 2.2x
- Dividend for 2011 at least equivalent to the one paid for 2010.

**This objectives take into account an initial price for ARENH at €42/MWh, which would be consistent with the average TaRTAM on EDF customers' portfolio under TaRTAM.*

Main Group results by segment

In 2010, the Group generated 55.5% of its sales and 60.9% of its EBITDA in France and 44.5% of its sales and 39.1% of its EBITDA outside of France.

France: EBITDA growth reflecting the improvement of performance (nuclear generation and control over operating costs).

In millions of euros	2009	2010	Change
Sales	34,075	36,167	+6.1%
EBITDA	9,403	10,124	+7.7%
o/w unregulated EBITDA	*5,802*	*5,905*	*+1.8%*
o/w regulated EBITDA	*3,601*	*4,219*	*+17.2%*

In France, sales stood at €36.2 billion, a 6.1% increase on 2009. EBITDA rose 7.7% to €10.1 billion. EBITDA for unregulated activities rose 1.8% to €5.9 billion, mainly driven by nuclear and hydro generation growth of 22 TWh, with an impact of €984 million. Nuclear generation in 2010 came in at 408 TWh, a 4.6% rise on 2009, in line with the annual target of around 405 to 415 TWh. The nuclear availability factor (Kd) increased by 0.5 point of percentage to 78.5% and was within the 78.5%-79.5% target.
The growth in EBITDA of unregulated activities was also linked to the change in tariffs and prices (€520 million). It was partially limited by a charge for the extension of TaRTAM (€380 million)[§].

For regulated activities (network and island activities), EBITDA rose 17.2% to €4.2 billion (including €1.5 billion in RTE contribution), mainly owing to the TURPE 3 tariff increase and climatic effects on volumes, resulting in an increase of 13 TWh. This rise was partially offset by the reversal of the FACE provision in 2009 with no equivalent in 2010.

Operational investments (OPEX) in France are under control, with a limited increase of €213 million or 1.5% (excluding the impact of storms in 2009) and, accordingly, contributed to the Group's better-than-expected operational performance.

[§] *The Law of 7 June 2010 and NOME Law of 7 December 2010 successively prolonged the transition tariff system (TaRTAM) until the coming into force of regulated access to historic nuclear energy (ARENH).*

Outside of France

Outside of France, sales rose 15.7% to €29 billion and 2.4% in organic terms. EBITDA amounted to €6.5 billion, down 0.4% and 4.1% in organic terms.

UK: EBITDA marked by the outage of Sizewell B

In millions of euros	2009	2010	Change	Organic growth
Sales	11,236	10,683	-4.9%	-4.4%
EBITDA	3,063	2,732	-10.8%	-5.9%

In the **UK**, sales fell 4.9% to €10.7 billion. They factor in favourable foreign exchange effects of €446 million related to the pound sterling's rise against the euro and the negative impact of the change in the scope of consolidation of €504 million, following the sale of UK distribution networks (29 October 2010) and the Eggborough power plant (31 March 2010). The organic decline in sales totalled -4.4%.
EBITDA fell 10.8% to €2.7 billion compared with 2009. It factors in positive foreign exchange effects of €123 million and a negative impact from the change in the scope of consolidation of €272 million related to the sale of UK networks and the Eggborough power plant. The organic decline of 5.9% was mainly due to a significant reduction in nuclear activity volumes due to the outage of Sizewell B. The UK has been enduring tough market conditions.

Contraction of margins in Italy*

In million of euros	2009	2010	Evolution	Organic change
Sales	4,870	5,647	+16%	+15.8%
EBITDA	795	801	+0.8%	+0.6%

**The Italian segment includes Fenice and Edison (EDF share)*

As the Board of Directors had not closed Edison's 2010 accounts at the date of this press release, the corresponding figures are from provisional accounts.

In **Italy**, Group sales rose 16% to €5.6 billion and 15.8% in organic terms.
EBITDA in Italy edged up 0.8% to €801 million and 0.6% in organic terms.
Fenice's EBITDA organic growth enabled it to return to its 2008 operating performance level.
Edison's EBITDA in electricity factors in the impact of non-recurring items relating to compensation for the early termination of certain CIP6** plants in December (+€84 million). Excluding this impact, Edison recorded a margin contraction.

** *CIP6/92 sales contracts concluded between Edison and GRTN have a duration of 15 years and will end between 2007 and 2018. In 2010, the installed power capacity of Edison's plants benefited from CIP6 subsidies for around 1.7 GW. These contracts benefit from an attractive sales tariff compared to average market prices, priority tender for plants and additional remuneration in the first 8 years of the contract.*

EBITDA for hydrocarbon activities fell on the margin contraction for end-customers and a decline in sales prices.

Other international*: growth in EBITDA

In million of euros	2009	2010	Change	Organic change
Sales	3,442	6,878	+99.8%	+1.4%
EBITDA	654	1,084	+65.7%	+8.0%

**The Other international segment mainly includes subsidiaries in Central and Eastern Europe, Benelux, Switzerland, Austria, the United States, Brazil and Asia.*

Sales for the **Other International** segment stood €6.9 billion, or twice the level achieved in 2009. It includes the positive impact of the change in the scope of consolidation resulting from the acquisitions of SPE and CENG, the change in consolidation method of Estag (from the equity method to proportional consolidation method) and positive foreign exchange effects. Organic growth in sales stood at 1.4%.
EBITDA jumped 65.7% to €1.1 billion and 8% in organic terms. This growth was attributable to Poland (favourable climatic effects and development of biomass), Hungary (recovery of supply margin) and in the Netherlands (commissioning of 2 units of the SLOE CCGT plant, in November 2009 and March 2010 respectively for a total of 870 MW). At constant scope, SPE's EBITDA grew 36% in Belgium.
EBITDA for the Other international segment was attributable to contributions from Central and Eastern Europe (42%), Benelux and Austria (23%), and Rest of World (35%).

Other activities*: further growth of EDF Energies Nouvelles and lower performance of EDF Trading

In million of euros	2009	2010	Change	Organic change
Sales	5,517	5,790	+4.9%	+5.0%
EBITDA	2,014	1,882	-6.6%	-7.1%

**The Other activities segment essentially includes EDF Trading, EDF Energies Nouvelles, Dalkia, Tiru and Electricité de Strasbourg*.

Sales for the **Other activities** segment grew 4.9% to €5.8 billion and 5% in organic terms.
EBITDA contracted by 6.6% to €1.9 billion and fell 7.1% in organic terms, mainly owing to the lower contribution from EDF Trading (down 30.8% to €628 million) on the sharp deterioration in market conditions since May 2010.
Moreover, EDF Energies Nouvelles recorded organic growth of 33.3% in its EBITDA, which benefited from the commissioning of its new generation facilities and solid growth of structured asset sales. The contribution from other subsidiaries (mainly Dalkia, Electricité de Strasbourg and Tiru) to this segment's EBITDA rose 2.9% in organic terms to €794 million.

HIGHLIGHTS SINCE EDF'S THIRD-QUARTER RESULTS RELEASE

On **18 November 2010,** EDF announced its decision to realign its organisation in order to accelerate synergies at Group level. The three business lines of generation, downstream and networks will be strengthened in their mandate to steer synergies across geographical areas.

As of the end of 2010, the members of EDF Group's Executive Committee are Henri Proglio, Chairman and Chief Executive Officer, Marianne Laigneau, Group Senior Executive Vice President, Human Resources, Pierre Lederer, Group Senior Executive Vice President, Customers, Optimisation and Trading, Hervé Machenaud, Group Senior Executive Vice President, Generation, Jean-Louis Mathias, Group Senior Executive Vice President, Activities Coordination in France (also responsible for information systems, renewable energy sources systems and gas), Thomas Piquemal, Group Senior Executive Vice President, Finance, Vincent de Rivaz, Chief Executive of EDF Energy, Alain Tchernonog, General Secretary. Denis Lépée, Adviser to the Chairman, is Secretary to the Executive Committee. The Group Management Committee is made up of the members of the Executive Committee and Michèle Bellon, Chairman of the Management Board of ERDF, Catherine Gros, Head of Communication, Bruno Lescoeur, Senior Executive Vice President, Gas activities, Anne Le Lorier, Senior Executive Vice President, Risks and Audit, Philippe Méchet, Head of Institutional Relations, Umberto Quadrino, Chief Executive Officer of Edison and Gérard Wolf, Senior Executive Vice President, International Development. Denis Lépée is the Secretary of the Management Committee and Alain Tchernonog chairs this committee in the absence of the Chairman and Chief Executive Officer.

EDF's Board of Directors met on **30 November 2010**, under the Chairmanship of Henri Proglio, and decided to pay an interim dividend of €1.1 billion (€0.57 per share) for the 2010 fiscal year.

On **3 December 2010**, AREVA and EDF reached an agreement extending operation of the EURODIF enrichment plant until the end of 2012 and laying down the operating conditions for 2011-2012.

The Land of Baden-Württemberg offered to acquire the interest of EDF International in EnBW at a price of €41.5 per share representing an 18.6% premium on EnBW's last closing share price, valuing the divested stake at €4.7 billion. EDF Group Board of Directors met on **6 December 2010** and approved this offer.

The NOME (Nouvelle organisation du marché de l'électricité) law was promulgated on **7 December 2010**. Its application decrees are expected in 2011.

The law of 7 June 2010 and the NOME law successively prolonged the transitory regulated tariff for market adjustment (TaRTAM) until the entry into force of regulated access to historic nuclear energy (ARENH), specifying the guidelines under which customers wishing to benefit from this extension could do so. It is notably specified that consumers may not refuse this benefit before 31 December 2010 or modify the pricing parameters during this same period, except in the case of a sustainable change in activity at a site. The impact of the application of these laws on the 2010 financial statements is an expense of €380 million, including a €115 million expense for the first half of 2011**.**

The Nam Theun 2 hydroelectric complex in Laos was inaugurated by Choummaly Sayasone, President of Laos, and Abhisit Vejjajiva, the Prime Minister of Thailand, on **9 December 2010** in the presence of Pierre

Lellouche, Secretary of State with responsibility for Foreign Trade, and Henri Proglio, Chairman and CEO of the EDF Group.

On **17 December 2010**, EDF Group announced a five-year extension to the operating lifetime of its nuclear reactors at Heysham 1 and Hartlepool until 2019. The decision taken at a British Energy Board meeting follows positive results from technical, economic and safety studies conducted on these reactors.

On **17 December 2010**, in Paris, Mr. Karim Wade, Minister of State, Senegal's Minister for International Cooperation, Air Transport, Infrastructures and Energy, and Mr. Henri Proglio, Chairman and CEO of EDF, signed a cooperation agreement between the State of Senegal and EDF.

The 2011 Budget for France ("Loi de Finances") of **29 December 2010** overhauled the CSPE mechanism. This notably follows the reports of MPs Diefenbacher and Launay (28 September 2010) which highlighted the necessity to respect the principle of fully covering the costs borne by EDF under its public service missions.
As such, this Law removed the legal ceiling and provided that, when the Government does not approve the Commission de Régulation de l'Energie (CRE) proposal, the flat rate proposed by the CRE shall automatically enter into force on 1 January within the limit of a €3/MWh increase. This provision leads to a flat rate contribution from the CSPE of €7.5/MWh as of 1 January 2011.
A decree of **9 December 2010** published in the French Official Journal on 10 December 2010 suspended the solar electricity purchase obligation for three months, except for projects under 3KW. The Government is benefiting from this period to carry out consultations on the future of the industry, provide visibility to sector participants and establish a new regulatory framework.

On **31 December 2010**, EDF Group allocated 50% of the RTE shares to its dedicated assets portfolio set aside to cover future costs related to the decommissioning costs of nuclear plants and the downstream fuel cycle. This decision, approved by EDF's Board of Directors on 14 December 2010, received the necessary administrative approvals. As a result of this decision, RTE remains wholly-owned by EDF.
Moreover, as it no longer holds the majority of the seats on RTE's Supervisory Board, EDF Group will no longer account for RTE by the full consolidation method, but instead by the equity method. This change in consolidation method, effective as of 31 December 2010, leads in particular to the deconsolidation of RTE's net financial debt as from fiscal year 2010.

All documents relating to the communication of the Group's 2010 annual results are available

on

http://finance.edf.com/finance-41326.html.

The Group's next releases:

- First-quarter 2011 sales will be on 12 May 2011.

- The presentation on Group's strategic objectives will be held in Q2 2011.

Disclaimer

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

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 CO_2 emissions. EDF's transport and distribution subsidiaries in France operate 1,285,000 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 close to 28 million in France. The Group generated consolidated sales of €65.2 billion in 2010, of which 44.5% outside France. EDF is listed on the Paris Stock Exchange and is a member of the CAC 40 index.

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APPENDICES

Sales

In millions of euros	2009	2010	Change
France	34,075	36,167	6.1%
United Kingdom	11,236	10,683	-4.9%
Italy	4,870	5,647	16%
Other International	3,442	6,878	99.8%
Other activities	5,517	5,790	4.9%
Total International & Other activities	25,065	28,998	15.7%
GROUP Total	59,140	65,165	10.2%

EBITDA

In millions of euros	2009	2010	Change
France	9,403	10,124	7.7%
United Kingdom	3,063	2,732	-10.8%
Italy	795	801	0.8%
Other International	654	1,084	65.7%
Other activities	2,014	1,882	-6.6%
Total International & Other activities	6,526	6,499	-0.4%
GROUP Total	15,929	16,623	4.4%

[1]Statement of comparative information including the impact linked to the application of IFRIC 18 and IFRIC 12 as well as the change in presentation of the net changes in fair value of Energy and Commodity derivatives excluding trading activities.

Consolidated Income Statements

(in millions of euros)	2010	2009 [1]
Sales	65 165	59 140
Fuel and energy purchases	(26 021)	(22 590)
Other external expenses	(10 582)	(10 213)
Personnel expenses	(11 422)	(10 708)
Taxes other than income taxes	(3 227)	(2 902)
Other operating income and expenses	3 090	3 202
Prolongation of the transition tariff system (TaRTAM) - Laws of June 7 and December 7, 2010	(380)	-
Operating profit before depreciation and amortization	**16 623**	**15 929**
Net changes in fair value on Energy and Commodity derivatives, excluding trading activities	15	539
Net depreciation and amortization	(7 426)	(6 796)
Net increases in provisions for renewal of property, plant and equipment operated under concessions	(428)	(490)
(Impairment) / reversals	(1 743)	(49)
Other income and expenses	(801)	173
Operating profit	**6 240**	**9 306**
Cost of gross financial indebtedness	(2 754)	(2 529)
Discount expense	(3 134)	(2 997)
Other financial income and expenses	1 462	1 322
Financial result	**(4 426)**	**(4 204)**
Income before taxes of consolidated companies	**1 814**	**5 102**
Income taxes	(1 079)	(1 432)
Share in income of associates	134	104
Net income of discontinued operations	380	311
Group net income	**1 249**	**4 085**
Net income attributable to non-controlling interests	***229***	***183***
Net income of continuing operations	235	158
Net income of discontinued operations	(6)	25
EDF net income	**1 020**	**3 902**
Net income of continuing operations	634	3 616
Net income of discontinued operations	386	286

(1) 2009 figures have been restated for the impact of application of retrospective application of IFRIC 18 "Transfers of Assets from Customers", IFRIC 12 "Service Concession Arrangements" and IFRS 5 "Non-current assets held for sale and discontinued operations" and the change in presentation of net changes in fair value on Energy and Commodity derivatives, excluding trading activities.

Consolidated Balance Sheets

ASSETS (in millions of euros)	12.31.2010	12.31.2009 (1)
Goodwill	12 028	13 526
Other intangible assets	4 616	5 579
Property, plant and equipment operated under French public electricity distribution concessions	43 905	42 451
Property, plant and equipment operated under concessions for other activities	6 027	26 857
Property, plant and equipment used in generation and other tangible assets owned by the Group	57 268	58 734
Investments in associates	7 854	4 421
Non-current financial assets	24 921	24 498
Deferred tax assets	2 125	2 490
Non-current assets	**158 744**	**178 556**
Inventories, including work-in-progress	12 685	12 662
Trade receivables	19 524	19 633
Current financial assets	16 788	12 450
Current tax assets	525	376
Other receivables	9 319	8 111
Cash and cash equivalents	4 829	6 982
Current assets	**63 670**	**60 214**
Assets classified as held for sale	18 145	1 265
Total assets	**240 559**	**240 035**

EQUITY AND LIABILITIES (in millions of euros)	12.31.2010	12.31.2009
Capital	924	924
EDF net income and consolidated reserves	30 393	28 967
Equity (EDF share)	**31 317**	**29 891**
Non-controlling interests	5 586	4 776
Total equity	**36 903**	**34 667**
Provisions for back-end nuclear fuel cycle	17 000	17 531
Provisions for decommissioning and last cores	19 383	20 003
Provisions for employee benefits	11 745	13 412
Other provisions	1 337	1 188
Non-current provisions	**49 465**	**52 134**
Grantors' rights in existing assets operated under French public electricity distribution concessions	20 318	19 667
Grantors' rights in existing assets to be replaced operated under French public electricity distribution concessions	20 843	20 210
Non-current financial liabilities	40 646	44 755
Other liabilities	4 965	3 360
Deferred tax liabilities	4 894	7 654
Non-current liabilities	**141 131**	**147 780**
Provisions	5 010	5 858
Trade payables	12 805	13 348
Current financial liabilities	12 766	16 560
Current tax liabilities	396	564
Other liabilities	18 674	20 847
Current liabilities	**49 651**	**57 177**
Liabilities related to assets classified as held for sale	12 874	411
Total equity and liabilities	**240 559**	**240 035**

(1) Figures for the year 2009 have been restated for the impact of application of IFRIC 18 and IFRIC 12.

Consolidated Cash Flow Statements

(in millions of euros)	2010	2009 [1]
Operating activities:		
Income before tax from consolidated companies	**1,814**	**5,102**
Impairment	1,743	49
Accumulated depreciation and amortization, provisions and change in fair value	9,858	7,563
Financial income and expenses	1,918	1,441
Dividends received from associates	112	104
Capital gains/losses	164	(566)
Change in working capital	(335)	(1,468)
Net cash flow from operations	***15,274***	***12,225***
Net financial expenses disbursed	(2,197)	(1,367)
Income taxes paid	(1,967)	(869)
Cancellation of the decision of the European Commission	-	1,224
Net cash flow from operating activities	**11,110**	**11,213**
Investing activities:		
Acquisition of companies, net of cash acquired [2]	3,398	(14,120)
Purchases of property, plant and equipment and intangible assets	(12,241)	(11,777)
Net proceeds from sale of property, plant and equipment and intangible assets	188	201
Changes in financial assets	(6,272)	462
Net cash flow used in investing activities	**(14,927)**	**(25,234)**
Financing activities:		
Transactions with non-controlling interests [3]	(59)	2,350
Dividends paid by parent company	(2,163)	(1,228)
Dividends paid to non-controlling interests	(190)	(61)
Treasury shares	(10)	12
Cash flows with shareholders	***(2,422)***	***1,073***
Issuance of borrowings	8,642	29,272
Repayment of borrowings	(4,652)	(15,244)
Increase in special concession liabilities	231	253
Investment subsidies	149	213
Cash flows from other financing activities	***4,370***	***14,494***
Net cash flow from financing activities	**1,948**	**15,567**
Cash flows from continuing activities	**(1,869)**	**1,546**
Cash flows from discontinued activities [4]	**357**	**(206)**
Net increase/(decrease) in cash and cash equivalents	**(1,512)**	**1,340**
Cash and cash equivalents - opening balance [4]	**6,982**	**5,869**
Net increase/(decrease) in cash and cash equivalents	(1,512)	1,340
Effect of currency fluctuations	76	(237)
Financial income on cash and cash equivalents	29	45
Effect of other reclassifications	(8)	(35)
Cash and cash equivalents - closing balance [4]	**5,567**	**6,982**

In application of IFRS 5, the net change in cash for discontinued activities is reported on a separate line in the cash flow statement for the years presented.

(1) Figures for the year 2009 have been restated for the impact of application of IFRIC 18, IFRIC 12, IFRS 5 and revised IAS 27 "Consolidated and Separate Financial Statements".

(2) In 2009, the purchase offer for British Energy and subsequent squeeze-out offer resulted in a payment of £8,908 million (€9,519 million) net of cash received. Moreover, the acquisition of a 49.99% stake in CENG led to a complementary contribution of USD3,502 million (€2,508 million).

(3) Contributions in the form of capital increases or reductions and acquisitions of additional interests in controlled companies. In 2009, this amount includes the transfer of a 20% holding in Lake Acquisitions / British Energy to Centrica for £2,215 million (€2,470 million).

Changes in net indebtedness

(in millions of euros)	2010	2009
Operating profit before depreciation and amortization (EDITDA)	**16,623**	**15,929**
Cancellation of non-monetary items included in EBITDA	(1,165)	(2,320)
Net financial expenses disbursed	(2,197)	(1,367)
Income tax paid	(1,967)	(869)
Other items	152	84
Net cash flow from operations	**11,446**	**11,457**
Change in net working capital (1)	298	(863)
Net operating investments (gross CAPEX less disposals)	(12,053)	(11,576)
Non-recurring items (2)	-	1,224
Free cash flow	**(309)**	**242**
Allocation to dedicated assets, France	(1,343)	(1,902)
Investments (3)	3,613	(12,932)
Dividends paid	(2,353)	(1,289)
Other items	(287)	(696)
Monetary (increase)/decrease in net indebtedness, excluding the impact of changes in the scope of consolidation and exchange rates	**(679)**	**(16,577)**
Effects of change in the scope of consolidation (4)	9,358	577
Effect of exchange rate fluctuations	(782)	(758)
Other non-monetary changes	15	(319)
(Increase)/Decrease in net indebtedness of continuing activities	**7,912**	**(17,077)**
(Increase)/Decrease in net indebtedness of discontinued activities	**195**	**(943)**
Net indebtedness at beginning of period	**42,496**	**24,476**
Net indebtedness at end of period	**34,389**	**42,496**

(1) The change in working capital shown in the change in net indebtedness differs from the change in working capital presented in the consolidated cash flow statements: it does not include the final payment for decommissioning of La Hague after the 2008 EDF-AREVA agreement (€633 million in 2010 and €605 million in 2009), which is included in "Other items".
(2) Cancellation of the European Commission decision.
(3) The main financial investments for 2010 concern a gross allocation of €3,655 million to dedicated assets.
(4) This includes decreases of €6,341 million in net indebtedness associated with the change in consolidation method applied to RTE and €2,991 million resulting from the deconsolidation of the UK electricity distribution networks' liabilities.