PRESS RELEASE

16 FEBRUARY 2012

2011 full-year results:

Solid results and commitments upheld amid a troubled environment
Excellent industrial performance

- **Increase in nuclear output**: +3.2% in France, +15.5% in the UK
- **Record commissioning at EDF Energies Nouvelles**: 692 MW of new capacity
- **Group EBITDA**: +6.6%[1], €15bn before TaRTAM-related charges €0.2bn
- **Net income excluding non-recurring items:** +13.4%, €3.5bn
- **Net income - Group share**: €3bn, x3[2]
- **Net financial debt/EBITDA**: 2.2x
- **A proposed dividend of €1.15 per share for 2011[3],** equivalent to a payout of 60%

- **2012: targets in line with the 2011-2015 financial outlook,** confirmed by the Group
- **Dividend for 2012** at least stable compared to the one paid for 2011

[1] Organic growth excluding consequences of the ministerial decree (*arrêté*) issued on 4 July 2011 related to the non-recurring compensation in 2011 of charges linked to TaRTAM of €0.2bn

[2] Compared with the Net income - Group share published in 2010, of €1,020 million

[3] €0.58/share to be paid following the payment of an €0.57/share interim dividend paid on 16 December 2011

EDF SA's Board of Directors met on 15 February 2012 under the chairmanship of Henri Proglio to approve the financial statements and the consolidated accounts for the fiscal year ended on 31 December 2011.

Henri Proglio, Chairman and Chief Executive of EDF said: *"2011 was marked by solid financial and operating results despite a troubled environment. In France and the United Kingdom, nuclear generation exceeded targets, underscoring the marked improvement in operating performance. The Group will thus be able to invest in the aim of meeting major energy challenges in France and abroad. Through innovation in nuclear and renewable energy, EDF will support these French industries in their development. And in 2012, EDF, a responsible and ambitious industrial company at the heart of the economic fabric, will put innovation and human capital at the centre of its investments".*

Change in EDF Group's full-year results

In € millions	2011	2010 adjusted	2010 restated	Change vs 2010 adjusted (%)	Organic growth (%)
Sales	65,307	63,922	65,320	2.2%	2.7%
EBITDA	14,824	14,156	16,623	4.7%	5.4%
EBIT	8,286	4,718	6,240	75.6%	
Net income - Group share	3,010		1,020		
Net income excluding non recurring items	3,520	3,105	3,961	13.4%	

	12/31/2011	12/31/2010
Net Financial debt *(in € billions)*	33.3	34.4
Net financial debt /EBITDA	2.2	2.2*

*The 2010 ratio includes, in the denominator: 2010 EBITDA restated for UK networks (10 months) and RTE's EBITDA (12 months); in the numerator: EnBW restated

Scope information

Restated data: in the 2011 financial information of EDF Group, 2010 data were restated to account for the change in the presentation of the optimisation activities of EDF Luminus, without impacting EBITDA.

Adjusted data: for the purposes of analysing the Group's results, organic growth in 2011 was compared with the adjusted data for 2010, i.e. the comparable 2011 scope: excluding EnBW and the networks and Eggborough plant in the UK and RTE accounted for by the equity method.

The 2010 net income excluding non-recurring items adjusted for the 2011 scope includes the return on net proceeds, set by convention, at a rate of 1% before tax.

Improvement in operating performance in 2011

Despite international energy markets that remain volatile and difficult macro-economic conditions, the Group recorded a significant increase in its operating results, highlighted by EBITDA growth of 6.6%[4].
Growth was driven by strong operating performance in France (organic growth of 6.3%) and in the UK (organic growth of 8.5%).
EBITDA in Italy dropped markedly (-25.2% in organic) due to contracting electricity and gas margins at Edison. EBITDA from the Other International segment turned in organic growth of 19.5%, mainly driven by Belgium. For the Other Business segment, EBITDA reached €1,929 million, reflecting the good performance of EDF Trading and EDF Energies Nouvelles.

In France, nuclear output in 2011 was 421.1 TWh, thus exceeding the initial target of 408-415 TWh on the back of the fleet's strong availability (Kd), which stood at 80.7% in 2011 compared with 78.5% in 2010. This was the largest increase ever recorded over a one-year period. The performance of the French nuclear fleet offset the 12 TWh drop in hydropower output due to exceptionally poor hydropower conditions.

For 2012, the Group has set itself a new target for nuclear output that integrates the continuation of the large component replacement programme, the extension of two 10-year inspections, started in 2011, into 2012 and the six 10-year inspections scheduled. The 2012 output target, which also takes into account the potential consequences on planned outages related to complementary safety assessments post-Fukushima, is 420-425 TWh.

In the UK, nuclear output stood at 55.8 TWh, exceeding the Group's target of 55 TWh. This was the highest nuclear output in the last six years. EDF Energy aims to improve upon this strong level of output again in 2012.

In 2011, €705 million in gains were made as part of the Group's Synergies and Transformation programme. This means that 28% of the objectives on a 2015 horizon (i.e. over €2.5 billion in gains vs. basis year of 2010) have already been achieved. Nearly half of the gains were made in generation businesses, mainly through the Operational Excellence programme.

[4] Organic growth excluding consequences of the ministerial decree (*arrêté*) issued on 4 July 2011 related to the non-recurring compensation in 2011 of charges linked to TaRTAM

Continued operating investments

In 2011, the Group's operating investments totalled €11,134 million, up 8.4%. This resulted from, in particular, nuclear maintenance in France and quality improvements in the ERDF networks, which increased 48% (€2bn in 2011 vs. €1.4bn in 2009) and 17% (€2.8bn in 2011 vs. €2.3bn[5] in 2009), respectively over the period 2009-2011. Of EDF Group's operating investments, 71% concerned unregulated activities and were split evenly between maintenance and development. The Group allocated nearly €3.9 billion to operating investments dedicated to development in 2011, including 33% for EDF Energies Nouvelles and 29% for Nuclear New Build.

In 2011, net investments[5] amounted to €10.5 billion[6], compared to the stated objective of €11 to 11.5 billion.

Net income excluding non-recurring items rose 13.4%

Net income - Group share reached €3,010 million, compared with Net income – Group share of €1,020 million recorded in 2010.
The Group's net income excluding non-recurring items came out to €3,520 million, up 13.4%, compared with adjusted 2010 figures.
Non-recurring items net of tax in 2011 had an unfavourable impact on Net income - Group share of €510 million (mainly impairments on Alpiq and Edipower), down from the €2,696 million in provisions for risks and impairment recorded in 2010 (adjusted).
The tax expense increased from €682 million in 2010 to €1,305 million in 2011, primarily linked to the increase in income before tax. The effective tax rate, excluding non-recurring provisions and impairment, remained stable in 2011 (26.6% in 2011 versus 26.4% in adjusted 2010).

[5] Acquisitions of tangible and intangible fixed assets
[6] Adjusted to the 2011 scope, excluding Linky and excluding minority buy-out on EDF Energies Nouvelles

Continuation of strategic developments

In 2011, EDF Group pursued its strategic development aiming at improving its growth profile.

With the buyout of minority interests of EDF Energies Nouvelles, the Group added to its leadership position in carbon-free energy sources, which is one of the major areas of its development strategy. This transaction had a limited impact of 0.1x on the Group's net financial debt/EBITDA ratio.
EDF Energies Nouvelles had an excellent year in 2011 both in terms of operating performance, including a record amount of commissioning, and financial results, with EBITDA climbing 17.4% compared with 2010. The historical management team was present throughout 2011, thus ensuring a smooth transition, and will continue to support the new management team over the coming months. The success of the integration was also punctuated by progress on large-scale projects, including the bid for French offshore wind call for tenders in January 2012.

By allowing EDF to take exclusive control of Edison, the agreement reached with its Italian partners bolsters the Group's gas strategy and strengthens its position as a major player in Italy. On 26 December 2011, EDF, Edison, Delmi, A2A and Iren reached a preliminary agreement on the reorganisation of the shareholding structures of Edison and Edipower. The agreement, which was approved by EDF's Board of Directors on 24 January 2012, was finalised and signed by all parties on 15 February 2012. Under the terms of the deal:

- EDF takes control of 80.65% of Edison's capital through the acquisition of a 50% stake in TdE (jointly held by Delmi and EDF, 50% each). Among other conditions, the acquisition is subject to confirmation, by Consob[7], that the price of the mandatory tender offer, triggered by the acquisition of 50% of TdE by EDF, does not exceed €0.84 per Edison share.
- Delmi acquires a 70% stake in Edipower (currently, Edison holds 50% and Alpiq 20%).
- Edison enters into a gas supply agreement with Edipower covering 50% of its volume needs over the next six years.

The deal is contingent on the approval of the anti-trust authorities.
As a result of these transactions, EDF will hold at least a 80.65% interest in Edison (before the impact of mandatory tender). The impact on net financial debt/EBITDA is estimated at +0.1x[8], which also takes into account the potential impact of the subsequent mandatory tender offer (should all minority shareholders tender their shares).

The Group is strengthening its presence in Poland, where it is already the third-largest electricity producer, through the construction of a supercritical coal-fired plant with a capacity of 900 MW, which was announced on 5 December 2011. The facility will replace the existing four units on the Rybnik site. This €1.8 billion project, which

[7] Italian market authority
[8] Before potential impact of Edison PPA

is in line with the Group's investment programme, is an important step forward for EDF's fossil-fired strategy. This energy source which already accounts for one quarter of installed capacity is expected to increase from 7 to 10 GW by 2020. The Rybnik plant will help the Group meet the considerable increase in electricity demand in Poland (around 3% per year[9]), in a context in which new environmental directives require the oldest production units to be shut down starting in 2016.

In addition, on 21 December 2011, EDF and EnBW reached an agreement which will see EDF purchasing EnBW's two subsidiaries, owning respectively 32.45% and 15.59% in the Polish companies ERSA and KOGENERACJA, pursuant to the disposal agreement, dated 6 December 2010, outlining EDF’s sale of its EnBW stake to the Land of Baden-Württemberg. The transaction is expected to be finalised on 16 February 2012 after the European authorities approved the deal on 8 February 2012. Following this transaction, EDF Group will hold 97.34% of ERSA (the 2.66% remaining stake being owned by the company’s employees) and 50% plus one share in KOGENERACJA. The indirect acquisition of KOGENERACJA’s shares will not result in a public tender offer for the company, which is listed on the Warsaw Stock Exchange.

Dividend for 2011

In line with the objective of paying a 2011 dividend that is stable versus the one paid out in 2010, the EDF Board of Directors will propose the payment of a total dividend of €1.15 at the Shareholders’ Meeting on 24 May 2012. This represents a payout of 60% of the Group’s 2011 net income excluding non-recurring items.

The remaining dividend to be paid is €0.58 per share given the payment of the interim dividend of €0.57 per share that was decided by the Board of Directors on 22 November 2011.

[9] Source: Polish Ministry of Energy

Net financial debt ratio stable at 2.2x

At 31 December 2011, net financial debt stood at €33.3 billion, down by over €1 billion compared with 31 December 2010. It integrates both the effects of the sale of EnBW, with an impact of -€7.1 billion on net debt in 2011 and the acquisition of minority interests in EDF Energies Nouvelles for €1.5 billion. The net financial debt/EBITDA ratio stood at 2.2x at 31 December 2011.

In 2011, the Group issued a £1.25 billion bond with a maturity of 30 years bearing 5.5% interest. The bond issuance is part of EDF's active financial strategy, implemented more than one year ago, aimed at extending the average maturity of the Group's gross debt, which increased to 9.2 years at 31 December 2011 from 8.9[10] years at 31 December 2010, with an average coupon of 4.3% versus 4.4% in 2010.

Financial guidance confirmed

On the back of strong performance recorded in 2011, the Group reached its financial targets, which were:

- EBITDA organic growth[11] of 4% to 6%
- Net financial debt/EBITDA ranging from 2.1x to 2.3x, following the minority buy-out of EDF Energies Nouvelles.

In response to the findings of the French (ASN, 3 January 2012) and UK (ONR, Office for Nuclear Regulation, 4 January 2012) nuclear safety authorities based on the post-Fukushima stress tests, the Group will implement recommendations according to the imposed timetable, and is in a position to confirm its financial guidance for profitable growth over the period 2011-2015[12]:

- EBITDA[13]: 4-6% average annual growth
- Net income excluding non-recurring items: 5-10% average annual growth
- Net financial debt/EBITDA: less than 2.5x
- Payout ratio: 55-65%

2012 objectives are in line with this financial guidance, with a dividend at least stable compared to the one paid for 2011.

The Group’s net investment budget will remain under €15 billion for 2015.

[10] Change in methodology at 30 June 2011: calculation of average maturity on the basis of quarterly vs annual flows in 2010

[11] EBITDA excluding consequences of the ministerial decree (*arrêté*) issued on 4 July 2011 related to the 2011 non-recurring compensation of charges linked to TaRTAM. This target includes an initial ARENH of €40/MWh at 1 July 2011 and €42/MWh at 1 January 2012

[12] Excluding the potential impacts of Edison PPA

[13] Growth at constant scope and exchange rates

Main Group results by segment

In 2011, the Group generated 56.9% of its sales and 61.5% of its EBITDA in France and 43.1% of its sales and 38.5% of its EBITDA outside of France.

France: EBITDA growth reflects sustained improvement in operating performance

In € millions	2011	2010 adjusted	Organic growth (%)
Sales	37,171	35,951	3.4%
EBITDA	9,111	8,599	6.3%
o/w unregulated EBITDA	*6,056*	*5,905*	*3.0%*
o/w regulated EBITDA	*3,055*	*2,694*	*13.4%*

In France, sales totalled €37.2 billion, representing organic growth of 3.4% compared with 2010. EBITDA stood at €9,111 million, up 6.3% in organic terms. Operating expenses (OPEX) increased €591 million, i.e. +4.4%, mainly due to nuclear maintenance and operations.

In the **regulated activities segment**, EBITDA came out to €3,055 million, representing organic growth of 13.4%. A decrease in volumes delivered, resulting from weather conditions, was offset by the impact of network tariff increases and control over operating expenses, which grew at a slower pace (+0.7%) than inflation. The average outage lengths[14] improved markedly: falling 17% compared with 2010, to 70.6 minutes versus 85.3 minutes in 2010.

In the **unregulated activities segment**, EBITDA reached €6,056 million, representing organic growth of 3.0%. Growth was driven by the 13 TWh increase in nuclear output, which more than offset the drop in hydropower output (-12 TWh) due to exceptionally poor hydropower conditions. EBITDA growth was also boosted by regulated tariff hikes for selling electricity, as well as rising market prices.
Nuclear availability (Kd) reached 80.7% in 2011 versus 78.5% in 2010. This was the largest one-year gain on record. The remarkable performance can be primarily attributed to fewer unplanned outages (down 594 days

[14] Excluding exceptional events and RTE

year-on-year), which underscores the positive impact of the large component replacement programme. Thanks to the availability of the nuclear fleet, the Group was able to beat its initial nuclear output target of 408-415 TWh.

In 2011, the Group reduced its position as a net buyer on the wholesale markets by 11 TWh year-on-year. The Group also sold 31 TWh under ARENH, which went into effect on 1 July 2011.

Outside of France

United Kingdom: strong operating performance boosted EBITDA

In € millions	2011	2010 adjusted	Organic growth (%)
Sales	8,568	9,496	-8.0%
EBITDA	1,912	1,790	8.5%

In the UK, sales totalled €8,568 million, down 8.0% in organic terms. This can be attributed to a drop in volumes due to pressure from competition in the B2B segment and to lower gas volumes sold to residential customers due to particularly mild weather.

EBITDA totalled €1,912 million, representing organic growth of 8.5% compared with adjusted 2010 figures. The most significant factors were the 7.5 TWh increase (impact of €314 million on EBITDA) in EDF Energy nuclear output compared with 2010 (when performance was particularly affected by unplanned outages at Sizewell B and Heysham), and the movement in wholesale prices.

These two factors more than offset lower volumes of electricity and gas for B2C and B2B customers.

In December 2010, EDF Energy announced the formal operating life extensions of Heysham 1 and Hartlepool by 5 years to 2019 (these extensions had a positive impact on EDF Group's EBIT via a lower depreciation and amortisation charge of €142 million in 2011) and indicated at the same time it was underpinning the previous guidance of additional operating life across its Advanced Gas Reactors (AGRs) of an average of 5 years and 20 years for Sizewell B.

EDF Energy has completed a further technical review of the potential life limiting plant areas. Subject to the necessary formal reviews and approvals in due course, EDF Energy is now expecting an average of 7 years across all of the Advanced Gas Reactor (AGR) stations – including Heysham 1 and Hartlepool whose 5-year extensions were announced in December 2010 - and 20 years for Sizewell B.

The positive impact on EBITDA of the fair value revaluation, with regard to the acquisition of British Energy, is less than in 2010 (€122 million in 2011, versus €324 million in 2010). Restated for this impact, gross EBITDA growth in the UK would have been 22.1%.

Italy: market conditions remained unfavourable

In € millions	2011	2010 adjusted	Organic growth (%)
Sales	6,552	5,647	17.5%
EBITDA	592	801	-25.2%
o/w Edison	*480*	*693*	*-29.7%*

In Italy, Group sales amounted to €6,552 million, representing organic growth of 17.5% amid an environment marked by lower margins.

EBITDA for Italy stood at €592 million, down 25.2% in organic terms.

Edison's hydrocarbon business continues to be affected by negative gas margins, resulting from trends in the gas markets and commitments to long-term gas supply contracts, which are being renegotiated. The terms of the Norwegian and Russian contracts were successfully renegotiated in 2011, with a positive impact on EBITDA of €26 million and €101 million, respectively.

EBITDA from Edison's electricity business was hit by the early termination of certain CIP6 plants.

Other International: Belgium drove buoyant growth

In € millions	2011	2010 adjusted	Organic growth (%)
Sales	7,501	7,033	8.9%
EBITDA	1,280	1,084	19.5%

Sales of the Other International segment totalled €7,501 million, up in organic terms by 8.9%. EBITDA stood at €1,280 million, up 19.5% in organic terms.

Growth was mainly driven by Belgium, lifted by a favourable electricity sales volume effect and higher gas margins. In Poland, however, EBITDA suffered from the unfavourable effect of rising coal and biomass fuel prices and from lower heating sales on account of a negative weather effect.

In other countries (including Asia, the US, Brazil, etc.), EBITDA rose 14.4% thanks, in large part, to Brazil as it considerably increased exports to Argentina due to highly favourable market conditions.

Other Business: good performances from EDF Trading and EDF Energies Nouvelles

In € millions	2011	2010 adjusted	Organic growth (%)
Sales	5,515	5,795	-5.8%
EBITDA	1,929	1,882	3.3%

Sales of the Other Business segment totalled €5,515 million, down in organic terms by 5.8%.

EBITDA stood at €1,929 million, up 3.3% in organic terms.

EDF Trading's EBITDA was 7.2% higher over the period, mostly due to the positive effect of the short-term optimisation of EDF's generation fleet in France.

Dalkia's EBITDA was lower in organic terms, due to a drop in EBITDA in Italy and the Czech Republic.

The EBITDA of EDF Energies Nouvelles was 17.4% higher compared with 2010, with record commissioning of 692 MW in additional installed capacity. EDF Energies Nouvelles turned in higher EBITDA as result of wind and solar power generation, following the commissioning of new capacity in 2011, as well as the full-year effect of new capacity that came on line in 2010. However, the economic crisis, compounded by the solar moratorium in France and Italy, hurt renewables development in Southern Europe.

All documents relating to the communication of the Group's 2011 annual results are available

on

http://shareholders-and-investors.edf.com/shareholders-and-investors-42678.html

Upcoming EDF Group communications:

- First Quarter 2011 on 10 May 2012

- Shareholders' Meeting on 24 May 2012

Disclaimer

The EDF Group, one of the leaders in the European energy market, is an integrated energy company active in all areas of the business: 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 96.5% of the electricity output is CO_2-free. EDF's transmission 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 approximately 27.9 million customers in France. The Group generated consolidated sales of €65.3 billion in 2011, of which 43.1% outside of France. EDF is listed on the Paris Stock Exchange and is a member of the CAC 40 index.

Press Office
75382 Paris cedex 08
www.edf.com
EDF SA au capital 924 433 331 euros - 552 081 317 R.C.S. Paris

CONTACTS:

Press:

Carole Trivi & Sabine Mezard +33 (1) 40 42 44 19

Analysts and Investors:

Carine de Boissezon +33 (1) 40 42 45 53

David Newhouse (US investors) +33 (1) 40 42 32 45

HIGHLIGHTS SINCE EDF'S 2011 THIRD-QUARTER RELEASE

- **Agreement for strengthening Areva and EDF long-term partnership for natural uranium**

On 10 February 2012, EDF and AREVA 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.

Covering a total volume which can reach more than 20,000 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 governance bodies of the two groups.

- **Offer submitted to take over Photowatt, a solar panel manufacturer**

On 10 February 2012, EDF Group, through its subsidiary EDF Energies Nouvelles Réparties (EDF ENR), announced that it filed to take over Photowatt, the only French maker of silicon-based solar cells, which was placed in receivership in November 2011. EDF ENR's offer is conditioned on the full takeover of PV Alliance - a research and development company in the field of photovoltaic technology, respectively owned by Photowatt (40%), EDF (40%) and the CEA (20%) - and to the granting of an exclusive and global control of the heterojunction technology, aiming at replacing the current technology in the coming years.The offer will be subject to the approval from the authorities required for this kind of operation (governance, competition, etc.).

- **Report from the *Cour des Comptes* on the costs of the nuclear power industry**

On 31 January 2012, the French Government Auditing Agency (Cour des Comptes) published its report on the costs of the nuclear power industry. This report includes all currently available data on the elements that make up the past, present and future costs of producing nuclear power in France. The report does not include any cost comparisons between energy types or any trend scenarios for the energy mix.

- **Agreement for the supply of electricity between EDF Trading and SBB**

On 27 January 2012, EDF Trading, and SBB, the Swiss Federal Railways, signed a 10-year agreement for the supply of electricity to the Swiss railway network.

From 2013, SBB will require an additional 400 GWh of electricity per year and has decided that the power be procured from renewable sources. EDF Trading has therefore arranged for the supply to be provided by EDF's Kembs hydroelectric plant on the Rhine, North of Basel. The contract will start in 2013 and will run until 2022.

- **Commissioning of the 102.5 MW Shiloh 3 wind project by EDF Energies Nouvelles, in California**

On 19 January 2012, enXco, the US subsidiary of EDF Energies Nouvelles, announced the commissioning of the 102.5 MW Shiloh 3 wind project, in the State of California.

- **Agreement between EDF and Exelon concerning autonomy of Constellation Energy Nuclear Group**

On 17 January 2012, EDF announced that it reached an agreement with Exelon Corporation to protect the operational autonomy of Constellation Energy Nuclear Group ("CENG"). As part of the agreement, EDF agreed to withdraw its opposition to the proposed merger between Exelon and Constellation Energy.

- **10-year bond issue for a total of €2bn**

On 11 January 2012, EDF launched a 10-year bond issue in euros, for a total amount of €2bn, with a 3.875% annual coupon.
The maturity of this new issue (10 years) is to be compared with the average maturity of the Group's gross debt of 9.2 years at 31 December 2011. Similarly, the annual coupon of 3.875% compares well with the current annual average coupon of 4.3% at 31 December 2011.

- **Response by EDF Energies Nouvelles to the French offshore wind energy call for tenders**

On 11 January 2012, EDF Energies Nouvelles submitted four projects (Saint-Nazaire, Saint-Brieuc, Courseulles-sur-Mer, Fécamp sites) in response to the French offshore wind energy call for tenders on behalf of a consortium consisting of strategic partners. These projects go hand in hand with a highly ambitious and balanced industrial plan to manufacture the wind turbine designed by Alstom in France that will create around 7,500 jobs.

- **Tariff cut in the UK**

On 10 January 2012, EDF Energy announced it will cut its gas prices by 5% – becoming the first major supplier to announce it will pass on falling prices to its customers.

- **Report from the ONR (Office for Nuclear regulation) on the UK stress tests**

On 4 January 2012, the Office for Nuclear regulation, the UK's independent nuclear safety regulator, published its findings on the complementary safety assessments carried out after the accident at Fukushima. The report concluded that no fundamental weaknesses in design and resilience had been identified at UK nuclear power plants, and lessons are being learnt to continuously enhance safety.

- **Report from the ASN (French Nuclear Safety Authority) on the complementary safety assessments carried out after the accident at Fukushima**

On 3 January 2012, the ASN published its report on the complementary safety assessments carried out following the accident at Fukushima. The ASN considered that the examined installations have a sufficient level of safety to warrant it not to request any immediate shut-downs. At the same time, the ASN believed that their continued operation required existing safety margins to be strengthened as soon as possible to account for extreme situations. The ASN will therefore require operators to follow a series of measures to strengthen safety requirements related to natural risks (earthquakes and flooding), risks tied to other industrial activities, monitoring of subcontractors and resolving non-compliance issues.

- **Choice of Areva to upgrade the monitoring and control safety systems for twenty 1300 MW reactors**

On 9 December 2011, EDF awarded AREVA a contract worth more than €600 million to upgrade the monitoring and control systems that guarantee the safety of its 1300 MW power plants (Paluel, Flamanville, Saint-Alban, Cattenom, Belleville, Nogent sur Seine, Golfech and Penly). The first tranche of the works will commence in 2015, to coincide with the third 10-year inspections of these reactors.

- **Signature of a partnership agreement between EDF and GE Energy to co-develop a next-generation combined cycle gas turbine**

On 8 December 2011, EDF and GE Energy signed a partnership agreement to co-develop the first next-generation combined cycle gas turbine (CCGT) featuring GE Energy's FlexEfficiency 50 technology. This combined cycle gas turbine, due to begin production in 2015, will have an installed capacity of 510 MW providing electricity to an equivalent of 600,000 French households. This new technology will achieve 61% efficiency and reach maximum load in less than 30 minutes.

- **Strengthening of the industrial partnership between EDF and Veolia Environnement on Dalkia**

On 6 December 2011, EDF's Board of Directors was informed of the progress of discussions between EDF and Veolia Environnement regarding the strengthening of their industrial partnership within Dalkia, and approved the principle of continuing these negotiations. This new industrial partnership would mean broadening the scope of Dalkia's activities in fast-growing areas such as energy efficiency, and increasing EDF's share in Dalkia Holding to 50%. This industrial project would strengthen Dalkia's position as Europe's leading energy services supplier, by creating an exclusive platform for the two groups to develop their energy efficiency services and local energy systems.

APPENDICES

Change in sales

In € millions	2011	2010 adjusted	2010 restated	Organic growth (%)
France	37,171	35,951	36,167	3.4%
UK	8,568	9,496	10,683	-8.0%
Italy	6,552	5,647	5,647	17.5%
Other International	7,501	7,033	7,033	8.9%
Other activities	5,515	5,795	5,790	-5.8%
Total international & other activities	28,136	27,971	29,153	1.8%
Total Group	65,307	63,922	65,320	2.7%

Change in EBITDA

In € millions	2011	2010 adjusted	2010 restated	Organic growth (%)
France	9,111	8,599	10,124	6.3%
UK	1,912	1,790	2,732	8.5%
Italy	592	801	801	-25.2%
Other International	1,280	1,084	1,084	19.5%
Other activities	1,929	1,882	1,882	3.3%
Total international & other activities	5,713	5,557	6,499	4.0%
Total Group	14,824	14,156	16,623	5.4%

Consolidated Income Statements

(in millions of Euros)	2011	2010 [(1)]
Sales	65,307	65,320
Fuel and energy purchases	(30,195)	(26,176)
Other external expenses	(9,931)	(10,582)
Personnel expenses	(10,917)	(11,422)
Taxes other than income taxes	(3,101)	(3,227)
Other operating income and expenses	3,661	3,090
Prolongation of the transition tariff system (TaRTAM) - Laws of June 7 and December 7, 2010	-	(380)
Operating profit before depreciation and amortization	**14,824**	**16,623**
Net changes in fair value on Energy and Commodity derivatives, excluding trading activities	(116)	15
Net depreciation and amortization	(6,285)	(7,426)
Net increases in provisions for renewal of property, plant and equipment operated under concessions	(221)	(428)
(Impairment) / reversals	(640)	(1,743)
Other income and expenses	724	(801)
Operating profit	**8,286**	**6,240**
Cost of gross financial indebtedness	(2,271)	(2,754)
Discount effect	(3,064)	(3,134)
Other financial income and expenses	1,555	1,462
Financial result	**(3,780)**	**(4,426)**
Income before taxes of consolidated companies	**4,506**	**1,814**
Income taxes	(1,305)	(1,079)
Share in income of associates	45	134
Net income of discontinued operations	-	380
Group net income	**3,246**	**1,249**
EDF net income	**3,010**	**1,020**
Net income of continuing operations	3,010	634
Net income of discontinued operations	-	386
Net income attributable to non-controlling interests	***236***	***229***
Net income of continuing operations	236	235
Net income of discontinued operations	-	(6)
Earnings per shares in Euros:		
Net earnings per share	**1.63**	**0.55**
Diluted earnings per share	**1.63**	**0.55**
Net earnings per share of continuing operations	**1.63**	**0.34**
Diluted earnings per share of continuing operations	**1.63**	**0.34**

1) Figures for 2010 have been restated for the impact of the change in presentation of EDF Luminus' optimization activities

Consolidated Balance Sheets

ASSETS (in millions of Euros)	12.31.2011	12.31.2010
Goodwill	11,648	12,028
Other intangible assets	4,702	4,616
Property, plant and equipment operated under French public electricity distribution concessions	45,501	43,905
Property, plant and equipment operated under concessions for other activities	6,022	6,027
Property, plant and equipment used in generation and other tangible assets owned by the Group	60,445	57,268
Investments in associates	7,684	7,854
Non-current financial assets	24,517	24,921
Deferred tax assets	2,507	2,125
Non-current assets	**163,026**	**158,744**
Inventories	13,581	12,685
Trade receivables	20,908	19,524
Current financial assets	16,980	16,788
Current tax assets	459	525
Other receivables	10,309	9,319
Cash and cash equivalents	5,743	4,829
Current assets	**67,980**	**63,670**
Assets classified as held for sale	701	18,145
Total assets	**231,707**	**240,559**

EQUITY AND LIABILITIES (in millions of Euros)	12.31.2011	12.31.2010
Capital	924	924
EDF net income and consolidated reserves	29,646	30,393
Equity (EDF share)	**30,570**	**31,317**
Equity (non-controlling interests)	4,337	5,586
Total equity	**34,907**	**36,903**
Provisions related to nuclear generation – Back-end nuclear cycle, plant decommissioning and last cores	37,198	35,630
Provisions for decommissioning of non-nuclear facilities	809	753
Provisions for employee benefits	12,215	11,745
Other provisions	1,338	1,337
Non-current provisions	**51,560**	**49,465**
Special French public electricity distribution concession liabilities for existing assets and assets to be replaced	41,769	41,161
Non-current financial liabilities	42,688	40,646
Other liabilities	4,989	4,965
Deferred tax liabilities	4,479	4,894
Non-current liabilities	**145,485**	**141,131**
Provisions	3,968	5,010
Trade payables	13,681	12,805
Current financial liabilities	12,789	12,766
Current tax liabilities	571	396
Other liabilities	19,900	18,674
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**

Consolidated Cash Flow Statements

(in millions of Euros)	2011	2010 [(1)]
Operating activities:		
Income before taxes consolidated companies	**4,506**	**1,814**
Impairment	640	1,743
Accumulated depreciation and amortization, provisions and change in fair value	7,325	9,858
Financial income and expenses	1,117	1,918
Dividends received from associates	334	112
Capital gains/losses	(686)	164
Change in working capital	(1,785)	(335)
Net cash flow from operations	**11,451**	***15,274***
Net financial expenses disbursed	(1,623)	(2,197)
Income taxes paid	(1,331)	(1,967)
Net cash flow from operating activities	**8,497**	**11,110**
Investing activities:		
Acquisition/disposal of companies, net of cash acquired/transferred [(2)]	3,624	3,398
Purchases of property, plant and equipment and intangible assets	(11,134)	(12,241)
Net proceeds from sale of property, plant and equipment and intangible assets	497	188
Changes in financial assets	222	(6,272)
Net cash flow used in investing activities	**(6,791)**	**(14,927)**
Financing activities:		
Transactions with non-controlling interests [(3)]	(1,324)	(59)
Dividends paid by parent company	(2,122)	(2,163)
Dividends paid to non-controlling interests	(261)	(190)
Treasury shares	(14)	(10)
Cash flows with shareholders	***(3,721)***	***(2,422)***
Issuance of borrowings	5,846	8,642
Repayment of borrowings	(4,071)	(4,652)
Funding contributions received for assets operated under concessions	194	231
Investment subsidies	161	149
Other cash flows from financing activities	***2,130***	***4,370***
Net cash flow from financing activities	**(1,591)**	**1,948**
Cash flows from continuing operations	**115**	**(1,869)**
Cash flows from discontinued operations	**-**	**357**
Net increase/(decrease) in cash and cash equivalents	**115**	**(1,512)**
Cash and cash equivalents - opening balance	**5,567**	**6,982**
Net increase/(decrease) in cash and cash equivalents	115	(1,512)
Effect of currency fluctuations	54	76
Financial income on cash and cash equivalents	44	29
Effect of reclassifications	(37)	(8)
Cash and cash equivalents - closing balance	**5,743**	**5,567**

(1) In application of IFRS 5, the net change in cash flows from discontinued operations (concerning EnBW in 2010) is reported on a separate line in the cash flow statements for the years presented

(2) The impact of disposal of the investment in EnBW in the first half of 2011 amounts to €3.8 billion (payment received of €4.5 billion net of €738 million cash transferred in the sale)

(3) Contributions via capital increases or reductions and acquisitions of additional interests in controlled companies. In 2011, acquisitions of additional interests of EDF Energies Nouvelles shares account for €(1,462) million

Change in net indebtedness

In millions of Euros	2011	2010 (adjusted)	2010 (restated)
Operating profit before depreciation and amortization (EBITDA)	**14,824**	**14,156**	**16,623**
Cancellation of non-monetary items included in EBITDA	(1,925)	(1,186)	(1,165)
Net financial expenses disbursed	(1,623)	(1,748)	(2,197)
Income taxes paid	(1,331)	(1,814)	(1,967)
Other items	336	491	152
Net cash flow from operations	**10,281**	**9,899**	**11,446**
Change in working capital	(1,121)	25	298
Net operating investments (gross CAPEX less disposals)	(10,637)	(10,094)	(12,053)
Free cash flow	**(1,477)**	**(170)**	**(309)**
Allocation to dedicated assets, France	(315)	n.a	(1,343)
Net financial investments	3,277	n.a	3,613
Dividends paid	(2,383)	n.a	(2,353)
Other changes	8	n.a	(287)
(Increase)/ decrease in net indebtedness, excluding the impact of changes in scope of consolidation and exchange rates	**(890)**	n.a	**(679)**
Effect of change in scope of consolidation	2,607	n.a	9,358
Effect of change in exchange rates	(516)	n.a	(782)
Effect of other non-monetary changes	(97)	n.a	15
(Increase)/Decrease in net indebtedness	**1,104**	n.a	**7,912**
(Increase)/Decrease in net indebtedness of discontinued operations	**0**	n.a	**195**
Net indebtedness at beginning of period	34,389	n.a	42,496
Net indebtedness at end of period	33,285	n.a	34,389