



2006 results in line with targets:

- acceleration of operating investments in France
- dynamic international activities

EDF SA's Board of Directors, meeting on February 20, 2007 under the Chairmanship of Pierre Gadonneix, approved the Group's consolidated financial statements.

All the Group's indicators showed a positive evolution.

- **Sales** amounted to € 58,932 million, with organic growth of 11%. In Europe excluding France, sales were up 19.7%. Sales in Europe excluding France amounted to 42.2% of total sales.
- **EBITDA** came to € 13,930 million, and € 14,400 million before the provision relating to the Company's contribution to the financing of the implementation of the transitional regulated tariff for market adjustment ("Transition Tariff"). EBITDA organic growth was 5.3%. Before factoring in this provision, growth stood at 9%.
- **The Group share of net income** amounted to € 5,605 million. Excluding non-recurring items (mainly related to asset disposals and goodwill write downs and write-backs), net income from ordinary operations came to € 4,227 million, up 47.3%.
- **Investments** totalled € 5.9 billion, up 14,8% (up 21.5% in France).
- **Net financial debt** stood at € 14.9bn, down € 3.7bn on 2005.

For Pierre Gadonneix, EDF's Chairman and Chief Executive Officer: *"EDF's 2006 operating and financial results are in line with announced targets. 2006 was marked by an acceleration in the Group's investments, particularly in France, against a backdrop of high energy prices in Europe and moderate tariff increases in France. As a result of these performances, the Board of Directors is able to propose a dividend per share of € 1.16, an increase of 47%. As regards the future, EDF will continue to implement its industrial plan, while remaining faithful to its public service commitments and respecting the financial objectives announced at the time of its initial public offering. The Group also intends to take part in the global nuclear energy revival and to assert itself as the leader in the energies of tomorrow".*



Consolidated full-year results

<i>In € millions</i>	2006	2005**	Overall growth as %	Organic growth*** as %
Sales	58,932	51,047	+ 15.4%	+11%
EBITDA* (earnings before interest, tax, depreciation and amortisation)	13,930*	12,906	+7.9%	+5.3%
EBIT (earnings before interest, tax)	9,356	7,993	+17.1%	+16.1%
Net income (Group share)	5,605	3,230	+73.5%	
Net income from ordinary operations***	4,227	2,870	+47.3%	
Operating cash-flow	11,165	9,477	+17.8%	
Net financial debt	As of 31/12/06 14,932	As of 31/12/05 18,592	-19.7%	

* 2006 EBITDA of € 14,400 million before a provision of € 470 million related to the financing of the implementation of the Transition Tariff.

** Restated for the effects of the retrospective application of IFRIC 4.

*** Excluding scope, exchange rates and method effects.

France

The 6.4% organic sales growth in France reflects increased market prices, the higher electricity volumes sold and the rise in natural gas sales. The 1.7% tariff increase as from August 15, 2006 had a limited impact on sales growth.

EBITDA posted organic growth of 4.1%, after taking into account the provision associated with the financing of the implementation of the Transition Tariff. Before this provision, EBITDA rose by 9.6%. The growth in EBITDA benefited from the increase in market prices and tight control of operating expenses, under the Altitude performance programme.



Europe excluding France

Sales in Europe excluding France (organic growth of 19.7%) were driven primarily by higher prices and tariffs in all markets and by dynamic sales in the United Kingdom and Germany.

EBITDA organic growth was 7.9%, against a backdrop of higher energy and fuel prices and a milder climate than in 2005. The increase reflects, in particular, the good performances achieved in Germany and the rest of Europe.

United Kingdom (EDF Energy)

EDF Energy's organic growth of 24.3% can be attributed primarily to higher prices and tariffs and, to a lesser extent, to increased volumes.

EDF Energy recorded a slight contraction in terms of its organic EBITDA (-3.1%) in 2006, against the backdrop of a market marked by highly volatile fossil fuel prices and a particularly mild climate at the end of the year. The costs associated with sustained commercial expansion (nearly 450,000 new accounts) had a negative impact upon the operating performance of the competitive activities. The mark-to-market valuation of energy purchase hedges had a negative impact of €92 million on EDF Energy's EBITDA. The distribution networks improved their performance.

Germany (EnBW)

In Germany, the Group's organic sales growth of 14% was due to the higher electricity volumes sold in the wholesale markets and to industrial companies.

EnBW's contribution to Group EBITDA amounted to € 996 million, with organic growth of 7.2%. In the electricity activities, the increase was driven by sales to industrial companies and in wholesale markets, as well as the improved availability and optimisation of the industrial facilities. The decline in access tariffs for the EnBW networks, which occurred in the 2nd half of the year, has not yet produced all its effects. Moreover, EBITDA has risen in the gas activities, particularly in transport.

At end-2006, EnBW achieved its 2003-2006 objective set under the TOPFIT programme.

Italy

In Italy, the EDF Group's results consist primarily of Edison's contribution. Edison was consolidated for the first time over the whole of 2006 financial year and has included EDF Energia Italia, EDF's historic commercial subsidiary in Italy, since October 2006.

Sales published by Edison show strong organic growth of 28.6%, driven by the increase in electricity sales volumes and higher electricity and natural gas prices.

Edison published EBITDA growth of 19,3%. In electricity, the growth comes from increased sales and improved margins in the open market. Improved conditions for supplies and, to a lesser extent, higher selling prices have contributed to the growth in natural gas.



Rest of Europe

Organic sales growth of 18.1% in the Rest of Europe was driven by the organic growth of EDF Trading and subsidiaries in Central and Eastern Europe.

EBITDA organic growth of 22.6% can be attributed, to a large extent, to the excellent performances of EDF Trading. This subsidiary was particularly active in the electricity, CO₂, coal and gas markets, and helped strengthen the Group's positions under a controlled risk policy.

Rest of the World

Organic growth of 4.3% in sales and 6.8% in EBITDA in the Rest of the World was due primarily to the impact of the November 2005 tariff increase in Brazil (withdrawal from the consolidation scope in the 2nd half of 2006).

Operating income (EBIT)

Organic growth in the Group's operating income was 16.1%. Excluding the € 470 million provision related to the financing of the implementation of the Transition Tariff, growth was 22%. The sharp rise in EBIT reflects the increased EBITDA, as well as the impact of various elements, including asset disposals and goodwill write downs and write-backs.

Increase in net income and dividend

The Group's net income from ordinary operations amounted to € 4,227 million in 2006, up 47.3%. The Group share of net income of € 5,605 million includes non-recurring items, notably capital gains on asset disposals carried out as part of the Group's strategy of refocusing on Europe as well as goodwill write downs and write backs.

EDF's Board of Directors will propose the payment of a dividend of 1.16 €/share in respect of 2006 at the Annual General Meeting on May 24, 2007. This is an increase of 47% compared with 2005. This dividend accounts for 50% of Group's net income from ordinary operations, which is consistent with the Group's policy stated at the time of the Initial Public Offering.

Stepping up investment and strengthening the balance sheet

Group cash flow amounted €11,165 million in 2006, in particular contributing to the stepping up of investments (+14.9% at 5.9 €bn) and to the acceleration of the constitution of its dedicated assets (€ 2.8billion in 2006).

The Group continued to strengthen its balance sheet. At end-2006, shareholders' equity amounted to € 23,309 billion and net financial debt to € 14,932 million vs. € 19,913 and € 18,592 million respectively at end-2005. The continuation of the disposal programme, in particular, has helped reduce net financial debt.



Continuation of the industrial plan

The key features of 2007 will be the complete opening up of markets in France, the incorporation of the distribution activities, as well as a new regulatory environment.

The Group's financial objectives over the 2006-2008 period are still in accordance with the announcements made at the time of the Initial Public Offering.

Next publication by the EDF Group:
The EDF Group will publish its 2007 Q1 sales on May 14, 2007.

The EDF Group, one of the leaders in the energy market in Europe, is an integrated energy company active in all the businesses: production, transport, distribution, energy selling 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 operates 1,200,000 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 40 million customers around the world, including more than 28 million in France. The Group generated consolidated sales of € 58.9 billion (of which 42% in Europe excluding France) and net income from ordinary operations of € 4.2 billion in 2006. EDF is listed on the Paris Stock Exchange and is a member of the CAC 40 index.

Disclaimer

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APPENDIX

Consolidated Income Statement

	2006	2005*
(in millions of euros)		
Sales	58 932	51 047
Fuel and energy purchases	(23 949)	(17 775)
Other external expenses	(8 721)	(8 229)
Personnel expenses	(9 709)	(9 834)
Taxes other than income taxes	(3 175)	(3 095)
Other operating income and expenses	552	792
Operating profit before depreciation and amortization	13 930	12 906
Net depreciation and amortization	(5 363)	(5 017)
(Impairments) / reversals	121	(147)
Other income and expenses	668	251
Operating profit	9 356	7 993
Financial result	(2 701)	(3 415)
Income before taxes of consolidated companies	6 655	4 578
Income taxes	(1 146)	(1 445)
Share in income of companies accounted for under the equity method	263	190
Net income from discontinued operations	5	-
Group net income	5 777	3 323
Minority interests	172	93
EDF net income	5 605	3 230

* The figures published for 2005 have been adjusted to reflect the effects of retrospective application of IFRIC 4

Consolidated Balance Sheets

ASSETS	12.31.2006	12.31.2005*
(in millions of euros)		
Goodwill	7 123	7 181
Other intangible assets	2 100	1 886
Property, plant and equipment	103 881	101 667
Investments in companies accounted for under the equity method	2 459	2 030
Non-current financial assets	13 094	9 012
Deferred tax assets	2 167	1 748
Non-current assets	130 824	123 524
Inventories, including work-in-process	7 431	6 695
Trade receivables	15 716	16 107
Current financial assets	17 010	11 966
Current tax assets	431	275
Other receivables	4 226	4 621
Cash and cash equivalents	3 308	7 220
Current assets	48 122	46 884
Assets classified as held for sale	140	728
TOTAL ASSETS	179 086	171 136
	12.31.2006	12.31.2005*
EQUITY AND LIABILITIES		
(in millions of euros)		
Capital	911	911
Consolidated reserves and income	22 398	18 402
Equity (EDF share)	23 309	19 313
Minority interests	1 490	961
Total Equity	24 799	20 274
Provisions for end of nuclear fuel cycle	14 636	13 918
Provisions for decommissioning and for last cores	13 606	12 907
Provisions for employee benefits	12 377	12 971
Other provisions	2 505	2 178
Non-current provisions	43 124	41 974
Special concession liabilities	36 227	34 907
Non-current financial liabilities	19 983	23 511
Other liabilities	5 385	5 971
Deferred tax liabilities	4 646	4 567
Non-current liabilities	109 365	110 930
Provisions	4 018	4 075
Trade payables and other current liabilities payable	9 457	8 872
Current financial liabilities	15 110	11 933
Current tax liabilities	621	491
Other liabilities	15 600	13 969
Current liabilities	44 806	39 340
Liabilities related to assets classified as held for sale	116	592
TOTAL EQUITY AND LIABILITIES	179 086	171 136

* The figures published for 2005 have been adjusted to reflect the effects of retrospective application of IFRIC 4

Consolidated full-year sales

<i>In millions of euros</i>	2006	2005*	Overall growth as %	Organic growth** as %
France	31,927	30,015	+6.4%	+6.4 %
United Kingdom	8,319	6,682	+24.5%	+24.3%
Germany	6,016	5,005	+20.2%	+14.0%
Italy	5,615	2,019	ns	ns
Rest of Europe	4,930	4,446	+10.9%	+18.1%
Europe exc. France	24,880	18,152	+37.1%	+19.7%
Rest of the world	2,125	2,880	-26.2%	+4.3%
EDF Group*	58,932	51,047	+15.4%	+11.0%

*Restated for the effects of the retrospective application of IFRIC4.

**Excluding scope, exchange rate and method effects.

EBITDA (Operating profit before depreciation and amortization)

<i>In millions of euros</i>	2006	2005**	Overall growth as %	Organic growth*** as %
France	8,893	8,544	+4.1%	+4.1%
United Kingdom	1,268	1,306	-2.9%	-3.1%
Germany	996	905	+10.1%	+7.2%
Italy	928	300	ns	ns
Rest of Europe	1,363	1,193	+14.2%	+22.6%
Europe exc. France	4,555	3,704	+23.0%	+7.9%
Rest of the world	482	658	-26.7%	+6.8%
EDF Group*	13,930*	12,906	+7.9%	+5.3%

* 2006 EBITDA of € 14,400 million before a provision of € 470 million related to the financing of the implementation of the Transition Tariff.

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