

Opening of the electricity and gas markets Figures as at 31 December 2011

Retail Market

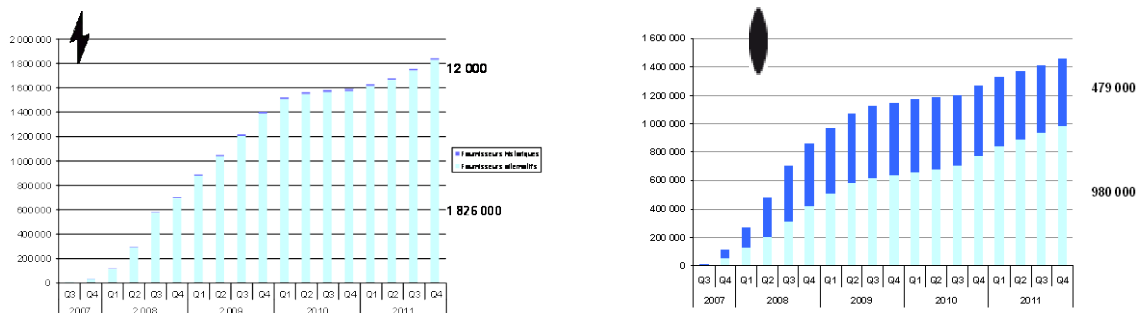
The opening of the residential electricity market continues with an upward trend with 87, 000 additional customers (thus +5%) with contracts at market price at the end of the fourth quarter of 2011 (+77, 000 at the end of the third quarter of 2011).

On the gas market, competition keeps increasing significantly: 48, 000 additional customers subscribed to a market-price contract (+3.4 %) over the fourth quarter of 2011 (+ 42, 000 over Q3 2011).

As at 31 December 2011, 1,838, 000 sites, out of a total 30.6 million, have electricity contracts based on market prices, 1, 826, 000 of which are with an alternative supplier.

On the gas market, 1, 459, 000 sites, out of a total 10.7 million, have gas contracts based on market prices, 980, 000 of which are with an alternative supplier.

Number of residential customers with market-price contracts

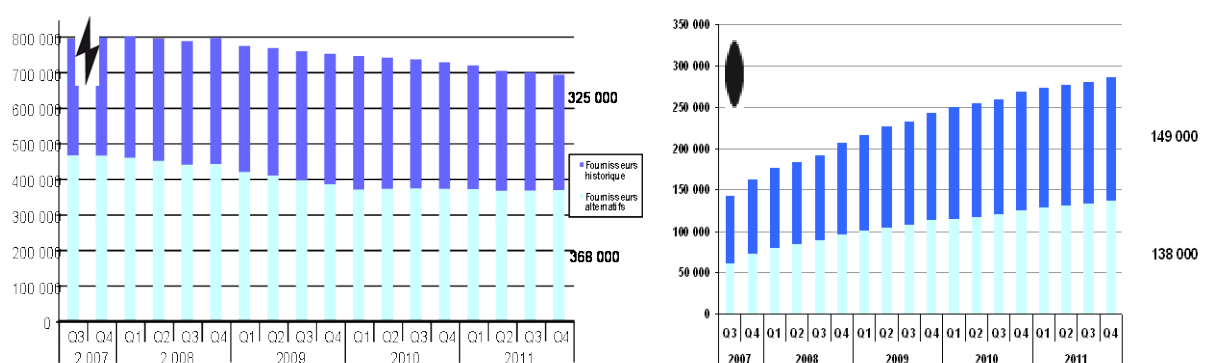


On the non-residential retail market, the number of customers with market-price electricity contracts has dropped 0.9% compared to the previous quarter. The opening of the gas market is accelerating with 6, 400 additional customers with market-price contracts (representing a 2.3% gain) accrued over the fourth quarter of 2011 (+3, 500 during the third quarter of 2011).

As at 31 December 2011, 693,000 sites, out of a total 4.9 million, have electricity contracts based on market prices, 368, 000 sites are with an alternative supplier.

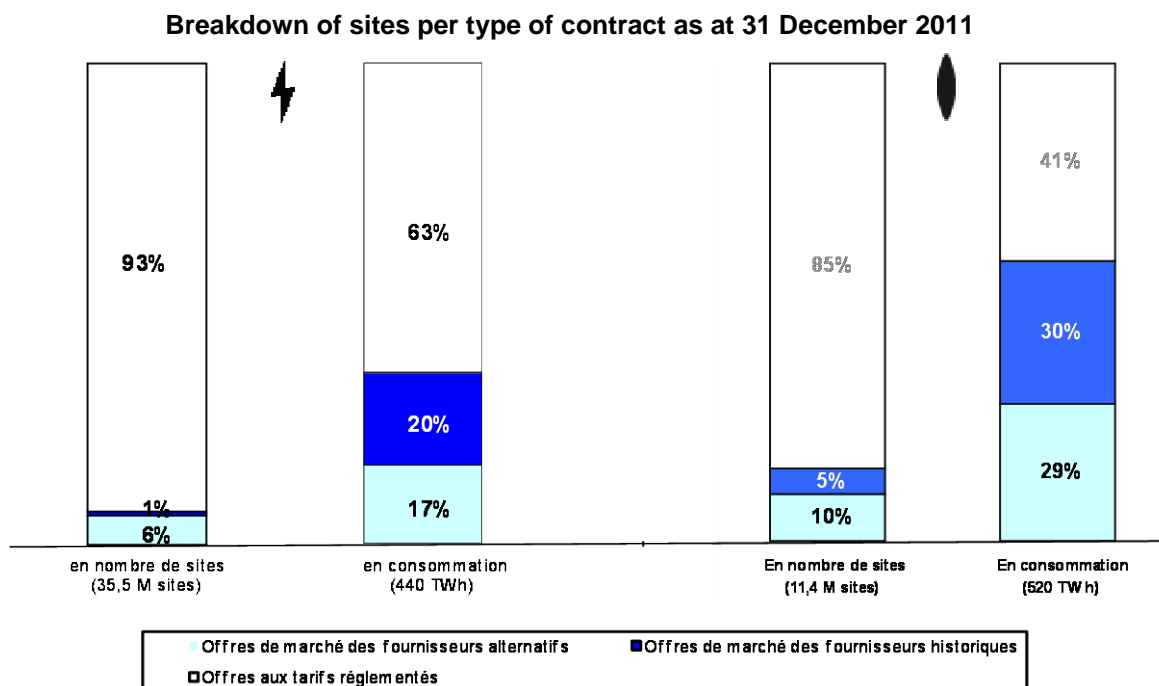
On the gas market, 287,000 sites, out of a total 677, 000 sites, have market-price contracts, 138, 000 of which are with an alternative supplier.

Number of non-residential customers with market-price contract



Retail market conclusion

The electricity retail market continues to be dominated by regulated tariffs: as at 31 December 2011, 93% of all sites (representing 63% of consumption) had electricity contracts based on regulated tariffs. On the gas market, 41% of all sites had gas contracts based on regulated tariffs (representing 85% of the consumption).



Over the fourth quarter of 2011, 27% of residential and non-residential consumers opted for an alternative gas supplier and 10% opted for an alternative electricity supplier when connecting their supply after moving house or premises.

All figures shown in this section were provided by network operators and energy suppliers and analyzed by the CRE.

Wholesale Markets

On the wholesale electricity market, trading volumes on the spot market and particularly on the day-ahead market remained steady, but this hides an increase in trading volumes on the EPEX Spot market (+12% on day-ahead) to the detriment of brokerage platforms. **113 TWh were traded for all term products, corresponding to a 6% decrease compared to previous quarter and a 20% decrease compared to the 4th quarter of 2010**, due to a sharp decline in trading volumes on monthly and quarterly products, which was not offset by the observed increase in volume for yearly products.

The day-ahead baseload average price on EPEX Spot established itself at € 51 /MWh during the 4th quarter of 2011, an 18% increase and an 11% decrease compared to previous quarter and 4th quarter 2010 indices, respectively. Yearly (Y+1) *future* average price decreased by 5% in France and 6% in Germany, respectively establishing at € 53.2 /MWh and € 54.2 /MWh. French prices remained lower than in Germany during the whole quarter.

Finally, nuclear fleet availability was slightly below the high record levels during the same period in 2010. The hydro stocks level at the end of the 4th quarter of 2011 was at its highest value since 2008 for an equivalent period.

As per decision dated November 30th 2011, the European Commission gave an end to EDF's commitment to make production capacities available through virtual power plants (VPP) sold through auction. This commitment was indeed made in the context of EDF's stake in EnBW, which was sold in recent months. The mentioned auctions above will no longer hold.

Exchanges on the wholesale gas market continue their growth. Trading volumes amounted to 105 TWh during the 4th quarter of 2011, an increase of 20% over the 4th quarter of 2010. **The balance of 2011 shows a strong increase in trading volumes on the intermediated market (+68%).**

Compared to last year, the volumes traded on the spot and the term markets increased by 48% and 78%, respectively.

During the 4th quarter of 2011, *day-ahead* prices at the PEG Nord increased by 5% compared to the previous quarter (€ 23.5 /MWh against € 22.4 /MWh). The *day-ahead* also increased by 11.6% compared to the 4th quarter of 2010 (€21.1 /MWh). The increase observed during October on the *day-ahead* across the European hubs is equivalent to the strong drop registered last September.

The spread between PEG Nord and PEG Sud day-ahead prices (in absolute values) widened over the 4th quarter (€ 0.34 /MWh on average compared to € 0.11 /MWh in the previous quarter), **especially when the North-to-South capacity was reduced from 7th to 26th November 2011.**

Over the same period, prices of *term* contracts were trending down from the 3rd quarter of 2011, but remained above levels observed during the last quarter of 2010.

Definitions

Since the total market opening as of 1st July 2007, consumers can choose from two different types of contracts:

- *Contracts at regulated end-user price: regulated tariffs offered only by incumbent suppliers.*
- *Contracts at market price are offered by both, incumbent and alternative suppliers, that fix freely their prices.*

The market is divided into two categories of segments:

- *Residential sites, which are the households.*
- *Non residential sites, which regroup all the other consumers: professionals, large industrial sites, administrations, etc.*

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