

Results 2002

EDF Group

Wednesday, 26 March 2003

① Significant events 2002

Major strides have been made; many initiatives have met with success in winning newly-opened markets

February

- The European Electricity Sales Observatory rated France as one of the least expensive countries in Europe in terms of residential and professional consumer pricing.

March

- At the Barcelona Summit Meeting, the decision was taken to open up the electricity market to all consumers other than households as of July 2004. For the first time, the opening up of utilities markets has been placed on an equal footing with the principle of "public service". This is a true innovation in the building of Europe which, for the past decade, had only been characterised by a move towards an increasingly free market.
- Four generation-capacity auctions were held in 2002: in March, June, September and December, bringing the total available capacity on the French wholesale electricity market to 4,200 MW.

November

- EDF signed an agreement with Westinghouse Electric, a 100% subsidiary of the British Nuclear Fuels (BNFL) group for supplying 20% of its requirements in nuclear fuel.
- In 2002, nuclear power plants surpassed previous records by generating 416 billion kWh with an improved availability coefficient.

Consolidation of Group International Positions

February

- EDF abandoned the proposed acquisition of the Czech electricity utility, CEZ, mainly for cost reasons.

May

- The Asia-Pacific Branch, resulting from the new organisation set up in January, was inaugurated in Beijing.

June

- EnBW acquired GVS, in partnership with ENI, reinforcing its position in the gas distribution sector in Germany.
- The London Electricity Group acquired Seeboard and has thus attained the sought-after critical mass.
- EDF bolstered its investment in Edison through signing of agreements with partners. The trading name Edison will be used by the new company resulting from the merger, on 1 December, between Edison and Italoenergia; on 11 December, the shareholders of Italoenergia Bis approved the Edison recapitalisation project.

August

- The Egyptian Suez nuclear power plant started producing electricity. Built by EDF, the plant will begin commercial operation in early 2003.

October

- EDF sold its shares in Edasz to E.On, strategically improving consistency in its international portfolio.
- In China, the second unit at the Ling Ao NPP started generating electricity. EDF acted as a consultant to the prime contractor in terms of project management.

November

- EDF inaugurated its Americas Branch in Buenos Aires.

A Year Marked by Deep Commitment to Sustainable Development

January

- EDF signed a new agreement for the rehabilitation of handicapped individuals. Within the framework of this three-year agreement, EDF, in addition to other commitments, has agreed to hire two handicapped individuals on an average per unit, and, by the year 2004, to improve access to all facilities open to the public to persons with limited mobility.

April

- The Group received ISO 14001 certification, attesting that the Group is respectful of the environment. Four nuclear power plants (Chinon, Penly, Paluel and Cruas) were ISO 14001 certified in 2002.

May

- SIIF Energies, an EDF affiliate, purchased EnXco, one of the leading wind power providers in the United States. A programme for providing solar electrical power to 16,000 Moroccan homes was launched.

July

- EDF was a partner in the Handisport World Athletics Championships which took place, for the first time, in France.

August

- The Group participated in the Johannesburg Earth Summit, and shared its experience in raising public awareness of Sustainable Development which is perceived as a prerequisite for effective action.

September

- EDF offered consumers electricity generated from "renewable sources" for the first time in France. This is the "Option Equilibre", or "Balance Option".

December

- EDF was chosen by the European Commission as the best Renewable Energy Partner in developing nations for its work with "Yeelen Kura", a decentralised service company for rural electrification in Mali.
- EDF staff members, in co-operation with the 2002 Telethon, raised €260,913 setting a new record. This sum was matched by the Group.

Continuing Public Service Mission

January

- The results of the EDF survey of nearly 17 million customers in June 2001 led EDF, at the end of 2001, to launch an action plan to reinforce consumer awareness of public service issues within the context of the opening of the market, and of changes occurring within the enterprise: 20 concrete commitments were made to consumers (concerning the environment, transparency of information, quality of electricity supply, promotion of energy savings, etc.) making the public service mission a pillar of EDF strategy.
- EDF's Rapid Action Force (Force d'Intervention Rapide d'Electricité) also known as FIRE, was sent to Réunion following the passage of tropical cyclone DINA. FIRE was also sent to Great Britain after the severe weather experienced in October.

September

- The enterprise had to mop up after flooding in southeast France.

October

- A recent decree set the contribution to public service supply of electricity at €3.3 per megawatt-hour for 2003.
- The cost of electricity transmission appeared on invoices for the first time. This was also the first time that consumers had been required to contribute to expenses arising from the provision of the public service (end 2002).

The Question of Retirement – a Timely Social Issue

January

- In 2002, the mediator processed 223 files (237 in 2001).

March

- The European Works Council of the EDF Group held its first session.

October

- On 3 October, EDF staff was highly mobilised in defense of public service values.

December

- Three of the trade unions (CFDT, CFE-CGC and CFTC) representing EDF staff approved the Summary of Conclusion Document dated 9 December, concerning changes to the financial structure of the electricity/gas staff retirement plan.

Significant Financial and Corporate Choices Made in Terms of Group Development

January

- François Roussely presented the new Group organisation.
- EDF launched a first bond issue of US\$250 million to reach maturity in December 2007. Other bond issues will follow during the course of the year.
- EDF sold approximately 7.8% of its holdings in Pechiney on the market for a total of €368m, to French and international investors.

July

- Two statements were made by the President and Prime Minister of France concerning the future of EDF:
 - ➡ The President stated: "If EDF hopes to retain the leading position it currently enjoys in the world today, this may only be accomplished through making international investments; and this may only come about if a part of the registered capital is open to trading".
 - ➡ The Prime Minister referred to a partial opening up of EDF's capital in his speech on general policy to the National Assembly, while underlining that EDF would "remain in the public sector".

September

- EDF increased borrowing by €300m (maturity 2016), for a total of €1,100m in outstanding credit.

November

- EDF acquired 4% of Vivendi Environnement, a financial investment intended to enable the Group to secure Dalkia, an affiliate common to both firms.

December

- Daniel Camus was named EDF Chief Financial Officer. He succeeded Jacques Chauvin. Daniel Camus was previously Financial Director, a member of the Board of Directors and Executive Committee of Aventis Pharma.