



# PRESS RELEASE

GDF SUEZ

August 10, 2010

## GDF SUEZ delivers solid results in the first half and confirms targets

<b>Revenues:</b>	<b>EUR 42.3 billion (+ 0.3%)</b>
<b>EBITDA:</b>	<b>EUR 8.2 billion (+ 4.3%)</b>
<b>Net income, Group share:</b>	<b>EUR 3.6 billion (+ 9.3%)</b>
<b>Gearing:</b>	<b>48%</b>
<b>Net Capex:</b>	<b>EUR 3 billion</b>

Commenting on the first half results, Gérard Mestrallet, Chairman and Chief Executive Officer of GDF SUEZ said: *"The Group has delivered in the first half a set of solid results. They confirm the strength and might of our business model and are the result of an ambitious and ongoing industrial development program. The Group is ideally positioned to take advantage of the recovery particularly in high-growth emerging countries. This solid performance combined with a positive outlook reinforces our confidence in the Group's ability to achieve its targets for 2010 and 2011."*

### Solid performance in a difficult environment

For the six month period ending 30 June 2010, the Group reported growing results, with a 4.3% increase in EBITDA, to EUR 8.2 billion, and a significant 9.3% growth in net income, Group share, to EUR 3.6 billion. Revenues were stable compared to H1 2009.

This performance enabled the Group to maintain its robust balance sheet. Net debt totaled EUR 33.5 billion, EUR 3.5 billion above the year-end 2009 figure mainly due to changes in Group scope (+ EUR 2 billion) and exchange rate fluctuations (+ EUR 1.6 billion). The Group's gearing was 48%.

Despite some signs of recovery, particularly in demand for electricity and natural gas, the first half of 2010 was marked by a difficult economic context.

In France, the Group benefited in particular from an especially cold winter, the implementation of a new public service contract for natural gas on April 1, and the increase in electricity production. Group results were also boosted by international activities, as demonstrated by the performance of the Energy Europe & International Business Line, which recorded a 16% increase in EBITDA compared to the first half of 2009. This increase also included EUR 160 million in non-recurring items in the first half. The Infrastructures Business Line also made a positive recurring contribution to Group results thanks to investments made and favorable weather conditions in the first half. The Energy Services Business Line saw a 2.9% increase in organic growth in EBITDA, as a result of continued productivity improvements. As expected, the Global Gas & LNG Business Line recorded a 42% fall in EBITDA, during a period characterized by the persistent disconnect between oil and gas prices, unfavorable prices and also by a high basis of comparison with the first half of 2009 which had benefited from non-recurring items. Finally, SUEZ Environnement (9.6% EBITDA increase) benefited from a high level of commercial activity and the impact of its ongoing cost-saving program.



All of these factors contributed to the Group's growth and more than offset the impact of the crisis. The implementation of the Efficio Plan, with EUR 1 billion in savings reached as of June 30, 2010, also contributed to the Group's performance.

### **Strengthened industrial development strategy**

The Group's solid 2010 first-half results strengthen GDF SUEZ's industrial development strategy. Thanks to its solid balance sheet and the quality of its energy mix, which the Group seeks to reinforce, GDF SUEZ kept strengthening its positions in all its business areas via diversified, large-scale projects (electricity, natural gas, energy and environment services) including:

- Major industrial initiatives, particularly in emerging, high-growth countries.
  - o Construction of three natural gas-fuelled power plants in the Middle East (one in Saudi Arabia and two in Oman), with a total production capacity of more than 3,200 MW. These three projects are secured with energy supply contracts for all electricity produced over a period of 15 to 20 years.
  - o Startup of the Mejillones LNG regasification terminal in Chile, which was built in under two years. The terminal is of strategic importance for the country and will help support Chile's energy independence and increase the global competitiveness of its mining sector which will benefit from the supply of clean, secure, and low cost energy. One GDF SUEZ LNG tanker per month will dock at the Mejillones terminal.
  - o Construction in Poland of the world's largest biomass-fuelled power station (190 MW), generating energy from the combustion of wood and agricultural waste, reducing its CO<sub>2</sub> emissions by 1.2 million metric tons per year.
  - o Construction and operation of France's largest solar power facility, with a total installed capacity of 33 MWc. This solar power plant, located in Curbans, will have approximately 145,000 solar panels producing 43.5 million kilowatt hours of electricity per year.
  
- Large-scale contracts:
  - o In Peru, at a long-term energy auction organized by Peruvian distribution companies, GDF SUEZ won contracts to provide 662 MW representing total revenues of approximately EUR 1.5 billion.
  - o In the United Kingdom, GDF SUEZ Energy UK signed new electricity supply contracts with five of the country's leading water companies for approximately GBP 600 million in total revenues over five years. These contracts represent a total volume of 9 TWh, or nearly a 30% market share of the regulated water sector.
  
- Strategic and promising partnerships:
  - o Signature of a partnership with E.ON to explore new opportunities in nuclear energy in Italy and to participate actively in the revival of nuclear power in that country.
  - o A 9% equity investment in Nord Stream AG, closed in July 2010. This new gas pipeline connecting Russia to Europe, with an annual transmission capacity of 55 billion m<sup>3</sup>, will contribute to the security and diversification of the GDF SUEZ natural gas supply portfolio.
  - o Signature of a cooperation agreement with Gazprom in the area of energy efficiency.
  - o Completion of SUEZ ENVIRONNEMENT's friendly acquisition of Agbar.
  - o Agreement with the mining giant Codelco to merge the electricity generation (1,691 MW) and natural gas transmission and distribution activities in northern Chile. GDF SUEZ holds a 52.4% majority stake in the new entity called E-CL.



GDF SUEZ confirms all the 2010 and 2011 targets that it announced to the market<sup>1</sup>. The Group also reaffirms its policy of providing shareholders sustainable and competitive return. On November 15, 2010 it will distribute an interim dividend of EUR 0.83 per share for the fiscal year 2010.

GDF SUEZ will publish its Q3 results, November 4, 2010.

*GDF SUEZ develops its businesses around a responsible-growth model to take up great challenges: responding to energy needs, ensuring the security of supply, combating climate change, and optimizing the use of resources. The Group provides high-performance, innovative energy solutions to individuals, municipalities, and businesses, relying upon a diversified natural gas supply portfolio, a flexible, low CO<sub>2</sub>-emitting production base, and unique expertise in four key sectors: liquefied natural gas, energy efficiency services, independent power production, and environment services. GDF SUEZ employs 200,650 people worldwide and achieved revenues of EUR 79.9 billion in 2009. The Group is listed on the Brussels, Luxembourg, and Paris stock exchanges and is represented in the main international indices: CAC 40, BEL 20, DJ Stoxx 50, DJ Euro Stoxx 50, Euronext 100, FTSE Eurotop 100, MSCI Europe, ASPI Eurozone, and ECPI Ethical Index EMU.*

### **Forward-Looking statements**

*This communication contains forward-looking information and statements. These statements include financial projections, synergies, cost-savings and estimates, statements regarding plans, objectives, savings, expectations and benefits from the transactions and expectations with respect to future operations, products and services, and statements regarding future performance.*

*Although the management of GDF SUEZ believes that the expectations reflected in such forward-looking statements are reasonable, investors and holders of GDF SUEZ securities are cautioned that forward-looking information and statements are not guarantees of future performances and are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of GDF SUEZ, that could cause actual results, developments, synergies, savings and benefits to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements.*

*These risks and uncertainties include those discussed or identified in the public filings made by GDF SUEZ with the Autorité des marchés financiers (AMF), including those listed under "Facteurs de Risques" (Risk factors) section in the Document de Référence filed by GDF SUEZ with the AMF on 6, April 2010 (under no: D.10-218). Investors and holders of GDF SUEZ securities should consider that the occurrence of some or all of these risks may have a material adverse effect on GDF SUEZ.*

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<sup>1</sup> These objectives assume average weather conditions, no significant regulatory and macro economic changes, underlying 2010/2011 assumptions (average brent \$/bbl 74/79 ; average electricity baseload Belgium €/MWh 48/48 ; average Zeebrugge gas price €/MWh 15/17).