



HALF YEAR RESULTS

Analyst conference call

2 August 2012

INTRODUCTION

Gérard Mestrallet

Good morning Ladies and Gentlemen and welcome to our H1 conference call.

I am pleased to be talking to you this morning as we have just released our H1 2012 results, one week earlier than last year.

The key points that I will comment on this morning, along with Isabelle Kocher and Jean François Cirelli, are the following:

- Starting with, our results during this 1st half are solid. They prove once again the robustness of our business model in a particularly challenging environment, most notably in Europe.
The results allow us to confirm all our 2012 financial targets for the full year and also, something that remains a priority for us, our attractive dividend policy.
- H1 2012 has also been a major milestone in the history of GDF SUEZ with the full acquisition of International Power. The group is now the benchmark energy player in the fast growing markets.
We see this step as a major and structural move for our company. It significantly changes our identity and turns us into a unique global player among the industry.
We consider we have now the critical size and we give the priority to performance and profitability.
- Along with this successful transaction we have pursued our industrial development focused on returns; several significant contracts have been won. I will come back on that. We have also been active on the regulatory side in France and Belgium and Jean François will give you an update on the situation.
- Of course, everybody knows that the economic context is difficult, and this is especially true in the European mature markets where there is no improvement foreseen in the near future. We anticipate a

special difficult 2013 year, therefore our ambition is to focus on performance and flexibility. I will say a few words on our roadmap.

Compared to H1 2011, our net recurring income group share increased by 6%, at a faster rate than EBITDA for which we posted a +4.2% growth. This is in line with the decision of the Group to focus on the bottom line.

This solid performance allows us to confirm our guidance for the full year 2012, which is net recurring income group share between €3.7bn and €4.2bn, assuming average weather conditions and stable regulation.

Capex stood at €4.7bn at the end of H1 2012. For the full year, we are adjusting our expectation to €10 to €11bn. This figure does not include of course the acquisition of the International Power minorities.

For 2013, given the wider economic backdrop, we plan to adjust our capex program to the lower end of the €9-11bn range.

Along with the successful implementation of our asset optimization program, we have already achieved more than €8bn of asset disposals out of the initial program of €10bn since the beginning of 2011 which makes an 80% at the middle of the period -, this will enable us to further strengthen our Balance sheet and comfort our dividend policy.

Our A category rating has been recently confirmed by both Standard and Poors and Moody's. This is a clear competitive advantage for us and this allowed us to achieve record conditions in our recent debt capital market transactions in May and July 2012. We raised €4.5bn with an average cost of financing of 1.68%, the lowest coupons ever paid by GDF SUEZ.

Now let me give you a few words on our dividend policy, which is a priority for GDF SUEZ.

I confirm our commitment to an attractive and sustainable dividend policy: 2012 dividend will be at least equal to 1.5€ per share. Over 2012-2015, the dividend paid by GDF SUEZ to its shareholders will be at least equal to or higher than the prior year.

Our dividends are secured by the strong free cash flow generation of our business portfolio: as you may see, for 2011, the free cash flow was 2.7 times higher than the dividend paid.

As you know, we offered a share option for the upcoming 2012 interim dividend of 83 cents per share to be paid on October 25th. I want to make it very clear that this is a one-off option designed to optimize the financing structure of the acquisition of the IPR minorities.

Our dividend policy is and will remain a key pillar of our value proposal to the market.

Transition: let's now look at our main achievements over the first half with IP

Through an innovative two-steps acquisition, we achieved an accretive transaction with IP for GDF SUEZ earnings. It reinforces the long-term growth and value profile of the Group. It also simplifies the Group structure and reduces minorities' interests.

This strategic step leads to an immediate increase of the net recurring income generated from the fast growing areas, from 23% to 30%.

We have a medium term objective of allocating between 40 and 50% of our growth capex to the fast growing markets.

On the financing side, the structure of the transaction was very well balanced. Market response to our share dividend option and our latest bond issuances demonstrate the market confidence in our long term strategy and in the outlook of GDF SUEZ.

Over the first half we have accelerated our development in high growth markets

Accelerating our development in fast growing markets is indeed the first pillar of our strategy. This map you can see is a clear testimony of our strong commitment to this goal. Let us briefly review some selected examples of these developments.

This map is on slide 7 for those who are only by telephone.

We have been selected as preferred bidder for power plants in Kuwait and in Mongolia, a new and promising market in Asia. We are expanding in the Middle East through new commissioning in Saudi Arabia and Oman; and commercial operation has started at the Al Dur plant in Bahrain.

We also started commercial operation of Senoko in Singapore and of Paiton in Indonesia, and also creating a new trading platform which was opened in Singapore.

We have pursued the strengthening of our global positions in LNG with a floating LNG import terminal project in India together with the objective to access liquefaction capacity in the US through our agreement with Semptra - the US Group – in order to export shale gas after liquefaction from US to Asia.

We have also signed a contract with PTT in Thailand where we will ship LNG for the first time in H2 2012. I am also very happy to announce that we signed two new significant medium term contracts for LNG deliveries with Kogas from Korea and Gail from India.

In the E&P, supported by our strategic partnership with CIC the sovereign Chinese fund, we sealed our first cooperation with Petrochina in Qatar.

We also announced this morning our large project in the UK, Cygnus, for which we have the operatorship. This project is now reaching sanction and pending government approval will start construction as scheduled. The Cygnus gas field is the largest discovery in the Southern gas basin of the north sea in the last 25 years.

First gas from Cygnus will be produced in late 2015 with a 14.2 Mboe yearly production by 2016. The field is expected to meet the demand for nearly one and a half million homes at peak production, accounting for around 5% of the UK's gas production in 2016.

GDF SUEZ is the license operator, Centrica and Bayerngas are our partners.

To sum up, GDF SUEZ is a unique global energy player which combines the skills to achieve these developments: strong resources, daring and winning spirit, power to convince, financial rigor, and capacity to build strong partnerships.

Our unique ability to manage large projects is a clear competitive advantage to develop in these markets

As you see on slide 8, for some years we have been expanding our power generation activities into high growth regions, especially Latin America, Middle East and Asia Pacific.

These markets are where demand for electrical power will increase most; for example, the Asia Pacific region, excluding China, is expected to need around 240GW of new capacity by 2020.

We have a significant number of projects in these three regions: nearly 10GW under construction, over 3GW in the advanced development stage and another 17GW in the early development stage.

For our gas and services businesses there are also several large projects which will be commissioned over the coming years. For example, our E&P production will grow with the contribution from 3 new fields: Touat in Algeria, Cygnus in the UK and Gudrun in Norway.

If our strategy is geared toward pursuing growth, we will only do it when we meet our strict financial criteria, in particular in terms of expectations in achieving attractive returns.

Now let's move to LNG, which is also a key part of our international growth strategy

Compared to its peers, GDF SUEZ has a unique position in LNG with a diversified supply portfolio, including global liquefaction capacities. I will take this opportunity to give you a brief overview of the entire LNG value chain within our Group.

You already know that LNG demand is strong, especially in Asia, and is expected to double by 2025 thanks to economic growth, price attractiveness, concerns on the environment – it's a clean energy - and needs to diversify supply sources.

We are the largest LNG importer in the Atlantic basin and the 3rd largest LNG importer globally. Around 30% of our long term gas supply is LNG. We have the ambition to increase our LNG supply portfolio from the current 16 mtpa to 20 mtpa by 2020 through projects that offer attractive returns. Large projects in the US, in Cameroon and in Australia are supporting this growth strategy.

Our optimized fleet of 17 LNG carriers with various chartering durations also provides high flexibility. We are able to ship LNG where it is needed and to capture value from premium markets. Over H1 2012, we have doubled the number of cargoes shipped to Asia.

We have a global presence in regasification for more than 31 mtpa capacity around the world.

LNG is a highly dynamic business in terms of commercial innovation with

- new applications, that open new customer bases such as in transportation – trucks, buses, trains, ships fueled with LNG
- and with new technologies, that drive engineering needs such as: Floating LNG and small scale LNG. With more than 60 top LNG experts, Tractebel Engineering is currently working on 24 LNG projects (including 16 projects outside of Europe).

On a medium term basis, we have concluded a significant range of LNG supply arrangements: 138 cargoes will be delivered to major Asian players between 2010 and 2016, and this figure do not take into account the new deals signed with Kogas and Gail. By 2020, our target is to double the sales to third parties, mainly in emerging markets.

The contribution of the entire LNG value chain to GDF SUEZ performance is significant. Adding the contribution coming from our Energy International, Energy Europe, Global Gas & LNG and Infrastructures business lines, our LNG activities posted a €800m EBITDA for 2011. 60% of the total came from the supply and sales, 40% came from both international and European infrastructures.

Now I would like to say a few words on our roadmap.

In the current European context, where the intensity and duration of the economic crisis are still difficult to evaluate, I would like to remind you that the Group has set 4 management priorities

- Optimize the asset base
- Focus on bottom line which led us to set a guidance at the net recurring income level
- Increase financial flexibility

- And also anticipate trends in new markets and favor commercial innovation.

Regarding our asset base optimization, we are on track to meet our 2012 annual Efficio 2 target of €600m, after achieving €300m in H1. Cost reduction and performance improvement are our priorities for the upcoming period.

Regarding our financial flexibility, we already achieved €8bn on our portfolio optimization program over the past 18 months - which represents 80% of the initial program of €10bn -, and now we expect to complete our enhanced €13bn program by the end of next year. We will also maintain a strict selection of our organic investments and focus on profitable growth. Given the current environment, we anticipate that our gross capex will be down from €10-11bn this year to the lower end of €9-11bn next year.

Regarding our focus on net recurring income, first it is now the key aggregate of our guidance and, as incentive, top managers will receive around 50% of their quantitative variable compensation based on this parameter.

I will now hand over to Jean François Cirelli, who will give you some update on our European operation.

SHAPING UP EUROPEAN BUSINESS PROFILE TO FACE CHALLENGING ENVIRONMENT
--

Jean-François Cirelli

Thank you Gérard, good morning

Today, I will give you a quick overview of the price environment for power generation in Europe.

Then I will make a focus on the latest developments of:

- Gas tariff in France and
- Nuclear in Belgium

To conclude, I will come back on our gas supply business which has always remained profitable and will continue to do so.

Regarding the market environment in Europe, obviously the recent developments in the power market are challenging in particular on the copper plate Central Western Europe.

1. Power demand remains low.
2. Power prices are continuously decreasing since mid 2011: next year forward are below 50 euros / MWh, 1st time since 2007.
3. In a sense, coal is displacing gas in Europe given the current coal prices, thus reducing the profitability of our CCGT.

In the months to come our operations will be affected by:

1. The continuation of this deterioration of the market conditions
2. The end of free CO2 allocations scheduled as you know for next year. The impact for GDF SUEZ will be roughly 45 million tonnes of CO2.

So therefore, in this challenging environment, and since the creation of the Energy Europe Business line, our top priority to offset this trend is to optimize our power asset fleet.

To reach this goal:

- First, we continuously improve our operational performance. The ambition is to maintain the high level of availability of our nuclear fleet and to improve the efficiency and flexibility of our plants to be better adapted to the market evolutions.
- Second, we are reviewing all our asset fleet to close or mothball plants no longer profitable. Last year, 2.9GW have been decommissioned or mothballed – the bulk of it coming from Teeside in the UK. For this year and next year 2012-2013, we already announced the closure of 1.2GW in Belgium and 0.4GW in the UK.
- Third, we have decided to currently stop all Central Western Europe thermal projects.
- Four, we continue to have a very highly selective development strategy for our investment based on value creation.
- And finally for Energy Europe business line we have as you know €200m targeted synergies which have been announced in February. Half of them will be posted this year and the rest next year.

Now, I turned rapidly to the French gas tariff.

1/ As you know, the last weeks have been very active. First, with the recent decision of the Conseil d'Etat, following the appeal that we filed in October last year, we got a very positive signal which confirms that tariff should cover cost. This is in line with our expectations and confirms that the legal principle of a pass through of cost has to be respected.

Consequently, we will:

- Book in H2 2012 a positive impact at EBITDA level of around €290m before implementation costs and €190m at net income level.
- We will have a progressive cash inflow mainly next year in 2013 due to the progressive billing we will put in place. Clearly, the invoices will be spread over 2 years starting at end 2012 and the last invoices will be sent mid 2014.

2/ Second, the July tariff increase :

- As you know, according to the current formula, tariff change as of July the 1st should have been +7.3% as supply costs rose mainly due to an increase in oil prices over the period of calculation and a weakening of the euro vs US dollar. This tariff change was also necessary to cover non supply costs, according to the CRE our regulator. CRE, our regulator, declared that our request was justified.
- French government decided to cap the tariff change at +2% as of July 20th.
- CRE and the Conseil Supérieur de l'Energie have both expressed an unfavorable opinion on the 2% tariff increase decided by the government, setting therefore a favorable basis for any upcoming case that GDF SUEZ or its competitors could file against this decision with the Conseil d'Etat.
- We, GDF SUEZ, are currently reviewing the situation and we will take our final decision in the coming weeks.
- For Q3 2012, the estimated shortfall – difference between +7,3% and 2% - for GDF SUEZ at EBITDA level is close to €30m

3/ Finally, we are also currently expecting from the government to work in two new directions:

- First extending the current social tariff scheme. This is an avenue that we support. Indeed it will also facilitate future price adjustments.

- And second avenue, introducing progressive tariff for gas and electricity. But to be fair with you, we have no clear proposal so far. This will be clearly a discussion that we will have with the government and all the sector in Q3 and Q4 this year.

Now a brief update on nuclear situation in Belgium.

First, the robustness of the Belgian nuclear facilities has been confirmed by the Belgian and European nuclear safety authorities.

- They had no objection for the pursuit of the 7 units in operation given the safety and security standards applied in our plants
- Nevertheless as you know some investments are needed and an action plan representing additional capex of around €200m for the 7 nuclear units has been validated. Naturally it will be less if Doel 1 & 2 are closed.

Second, regarding the lifetime extension of the nuclear power plants. The Belgian government announced the decision to extend for 10 years as of 2015 Tihange 1 unit and to close Doel 1 & 2 in 2015.

- For us, first, this decision does not respect the previous agreement signed in 2009 with the Van Rompuy government.
- Second, the 2 units to be closed represent a contribution of around €100m per year before nuclear contribution and tax.
- Third, for Tihange 1, before taking our decision to extend or not the unit, we need a clear and stable legal framework and also all the economics. Of course, any investment in lifetime extension will have to meet our investment criteria. Clarifications from the government are expected after the recess as a new nuclear law is in preparation. We will take our final position based on this law in September or October.
- If this investment is finally decided for the extension of Tihange 1, GDF SUEZ share will amount to roughly €300m.

Finally the gas supply business.

As you know, the conditions are unfavorable on the gas market for now some years. But, I want to restate that this business has been continuously positive, will remain so this year and we are very confident it will be the case beyond 2012.

This makes, in my view, a clear difference with the other players of the market.

We are able to keep this business profitable because of the continuation of 3 elements:

1. Our approach is to negotiate much more frequently with our suppliers to introduce the appropriate changes in the contracts so that they are in line with the market evolutions ; we have managed to shorten the review cycles to less than 2 years to ensure that contracts remain profitable for us.
2. We do not believe that a structural solution can be implemented as a one off or is even desirable; we are convinced that a permanent adaptation of the long term supply portfolio is a much more efficient solution. We prefer a dynamic approach.
3. We have a very flexible gas portfolio, both on the supply and on the sales side. Notably - Gérard mentioned it -, we have a strong advantage with our LNG portfolio and we extract all the value from the flexibility brought by this asset: off taking or not volumes, increasing diversions.

So far our strategy of negotiation has also been to favor a much more significant improvement of the contracts for upcoming deliveries instead of seeking only compensation for the past.

And so far, we have favored commercial negotiations as they have allowed us to reach successful agreements. But arbitration is still and still will remain an option.

We have reached agreements with all our major LT suppliers in 2010 and 2011, and even 2 times over this period for some of them, notably Gazprom, Sonatrach and Gas Terra.

In 2012 we will renegotiate 55% of our long term volumes. Next year, over the next 15-18 months, we will start again discussions with Statoil, Gazprom, Eni and Sonatrach.

With Gas Terra which represents, around 60 TWh per year, we expect to reach an agreement in the very short term.

Let me briefly comment the circle in the middle of the slide because it's not self explanatory. In 2010, according to the contracts, we could renegotiate 65% of the long term volumes and that we have done. Again in 2011, 65% of our long term contracts were opened for revision and again we did it then. And this year, 55% of the volumes are again opened for price revision, and we are currently renegotiating this 55%.

For these negotiations currently underway all levers will be used. And we have 4 parameters to renegotiate our contracts.

- The first one is to increase the share of market price indexation
- The second is to decrease the level of oil indexed prices
- The third is to increase flexibility with a reduction in volumes
- And the fourth is to increase ability to divert LNG volumes.

So, we are using all these levers

Naturally, it will depend on the contracts, the constant objective being to ensure that the profitability of the contract in the current market conditions are really met.

Therefore, I confirm that for the full year 2012, gas supply EBITDA contribution will again be positive, in the upper end of the €100-200m range that we indicated in February.

Thank you for your attention; and now I hand over to Isabelle.

FINANCIAL RESULTS

Isabelle Kocher

Thank you Jean François.

Before presenting our financials into more details, I would like to start by highlighting that

- in a particularly challenging environment, the Group has recorded solid half-year results:
 - The net recurring income is up year-on-year by 6%
 - Cash flow generation increased significantly as well
- At the same time our credit ratings have been confirmed by both agencies in the A rating category following the full acquisition of IP

But first of all, I will give you an overview of our H1 results

- You see on slide 19 that Broadly speaking, GDF SUEZ delivered an improvement in all key financial metrics in H1 2012

- It is the case as I said at Net Recurring Income level group share +6.0% and at free cash flow level +5.4%.
- It is also true at EPS level which is up by +6.2% with a limited effect of scrip dividend at end of June and on the contrary a positive effect of the Share Buy Back program
- Looking at other metrics, EBITDA reached €9.2bn, up +4.2% and +3.7% on an organic basis. Current Operating Income increased by 4% and by more than 5% on an organic basis
- Net income group share was last year very boosted by significant capital gains (roughly 600 M€) and it explains the lower result in H1 2012

Let me now comment on slide 20 comment more in details the Net recurring Income since we are now focused on this aggregate.

- May I remind you that this non-GAAP measure only excludes from Net income exceptional items such as impairments, restructuring costs, disposals, mark to market effect. Nuclear contribution is not included so far, since we contest this contribution.
- As I said, we reached a 6% increase at Net recurring income group share level
- First of all, depreciation and amortization have roughly followed the growth of Ebitda
- On the Financial result, the slight increase in cost reflects the increase in gross debt in preparation of the IPR full acquisition. This is therefore a volume effect.
- Income tax expenses are much lower : this is mainly due to the UK, following a higher tax in E&P last year and a new legislation regarding the so called “*Foreign Branch Exemption*”
- *Contribution of Associates decreased*, following the booking of Belgium intermunicipalities in “Available for sale securities” in H1 2011 ;
- Minority Interests grew, following the strategic partnerships signed in 2011 with CIC on E&P and with CDC/CNP on GRTgaz and also reflecting the IPR growth and scope effect. Of course the effect of the IP minorities buy out is still to come over the second semester.
- For year end, as mentioned before by Gérard, we confirm our commitment to be between €3.7 and 4.2 bn in net recurring income, group share.

I will now present to you the breakdown of growth from operations by business line

On slide 21, you see that EBITDA, as I said, increased by 4.2%

- this figure take into account the positive climate and gas tariff effects compared to last year :
 - on climate in France a positive impact of €290m for Energy Europe and Infrastructures, with a return to average weather and even in fact a slightly cold climate
 - The negative impact of the 73 M€ gas tariff shortfall in H1 2011 didn't repeat itself in H1 2012.
- These figures also include strong actions on costs and performance, with an Efficio effect of €300m.
I will describe rapidly the operational performance by business line,

Energy International first, slide 22.

- Ebitda grew by 5% with scope and foreign exchange effects. Performance is good in Latam, especially in Brazil, good in Asia. It is stable in the Middle East. Unfavorable market conditions affect mature markets : Europe, with especially a hard situation for CCGT's in the UK, like in fact elsewhere in Europe, weak markets in Australia and to a lesser extent in North America.

- We continue to deliver synergies, this is included in the Efficio program. Two concrete examples may be:
 - Synergies were achieved between electrical generation plants which by standardizing spare parts processes and reducing outages
 - Also reduction in overhead of corporate functions through streamlining of staff functions
- Adjusted COI grew by 15%, helped by the end of the one-off 2011 negative effect on PPA, and by a strong growth of associates.

For full year we expect similar trends as H1.

For Energy Europe, slide 23

- I remind you that we indicated a stable Ebitda for FY 2012 compared to last year despite positive climate and gas tariff effect. We explained that we expected a decrease on gas and electricity margins
- At this stage it is better in terms of trends, since the EBITDA increased by more than 200m€ against H1 2011.
- This is mainly due to the fact that we preserve well our gas margin. We see even a slight increase in gas margins.
- Electricity margins decreased by roughly €150m as expected. This is mainly due to 2 elements :
 - Lower load factors for CCGTs, and Jean-François described rapidly the prices context
 - And increase of injection prices in Belgium

For the full year, we maintain our forecast of general stability compared to 2011.

And once again, the H1 EBITDA result on this business line includes gains from our Efficio performance program, for example

- Streamlining of sales & marketing processes in our B-to-B market by applying very lean-management techniques
- And reorganization of our Italian operations

Global Gas & LNG.

- I remind you that we indicated for FY 2012 a +300 M€ growth at EBITDA level
- During the first semester Ebitda contribution grew by 170 M€ due to oil price increases but also to a higher production level despite the disposal of Elgin Franklin last year. This is mainly due to in fact the Gjøa field. On the LNG side, sales increased notably in Asia.
- In H2 we expect a production decrease compared to H1, especially in Gjøa

Infrastructure's performance, on slide 25, increased by 50 M€ or 3% and is flat after integration of the scope effect of gas storage facilities in Germany.

- Storage performance in France is affected by lower sales of capacities.
- Distribution benefited from a positive weather impact but not yet from the new tariff in place since July 1st .

For Full year we confirm a slight increase in Ebitda

Energy Services (slide 26):

- Ebitda is flat compared to last year and if we restate a one-off positive impact of €17 million in 2011, Energy Services demonstrates its resistance to difficult economic conditions.
- The achievement of this result includes a net EBITDA contribution from our Efficio program of 45 M€. Amongst the dozens of individuals actions that are being currently undertaken, we can cite the restructuring of our COFELY UK and Netherlands operations.

I won't come back on Environment since Jean-Louis Chaussade and Jean-Marc Boursier disclosed yesterday the details of their financial results. Ebitda decreased but we expect a full year Ebitda level which is all in all stable versus last year.

Globally we confirm the indication we gave of an EBITDA around 17 bn in 2012, taking into account a 700 m€ contribution from projects and 600 m€ of Efficio impact.

This operational growth has allowed us to generate strong free cash flow

- On slide 28, you see the Free Cash Flow generation 4.7bn€ as I mentioned
- Secondly, growth capex amounted to €3.3bn. For total capex, including growth and maintenance capex we will be between 10 and 11 bn€ in 2012.
- Thirdly, our portfolio optimization program is on track as we will detail in the next slide and this initiative will help us to reach our Net Debt/EBITDA objective of around 2.5 times by year end. At this stage (H1), Net Debt/EBITDA ratio remains at a level of 2.7 times, impacted by the recent full acquisition of International Power and not yet by the remedies of this operation.
- Lastly, the complete integration of International Power allowed the Group to simplify its structure, resulting in a significant decrease in minorities interests on the balance sheet by one third compared to full year 2011.

I propose now to have a closer look at our portfolio optimization program on slide 29

- So, this program is well on track and in line with Group strategy. First, let me remind you that we announced a €10bn portfolio optimization program in 2011 when we acquired 70% of IP. We announced a few months ago an additional 3 bn€ disposal program, to finance the IP minorities buy-out. That is to say 13bn€ as a whole.
- So, as you know, we achieved last year 6.6 bn€ and so far this year, we have locked-in an additional €1.5bn, of which Choctaw in the US, 40% of Al Hidd Power in Bahrain and Eurawasser in Germany
- We plan to close the remaining €5bn by the end of 2013. We are engaged in a concrete process for the relevant assets and we are confident in our ability to achieve the targets.
- The impact on 2012 P&L resulting from the portfolio optimization operations closed in 2011 and in H1 2012 should reach around €550m at the EBITDA level and around €250m at the Net recurring income group share level. This is in line with what we indicated early in 2012

Thank you very much for your attention, I will now hand over to Gérard Mestrallet

Gérard Mestrallet

Thank you Isabelle.

As a conclusion I want to underline that the first half of 2012 represents a major milestone in the Group's history. Our quick move to finalize the full integration of International Power accelerates our shift towards high growth areas. This is changing in depth our Group, its identity and the way you have to look at it, as a unique value proposal in the industry.

Our business model is unique, far reaching and positions us ideally to take advantage of profitable growth where it is, and weather challenging conditions when they happen.

For several years we have been able to build pioneering positions in selected markets and with our ambitious development targets we will stay ahead of the pack thanks also to our strict financial discipline, our solid balance sheet and also our permanent cost and performance actions.

So we thank you for your attention today and before answering your questions, a few words on our next events :

- we will be on road shows after the summer break in September
- we will hold our Q3 conference call on October 31st
- and I am very happy to announce our next investor day in Q4 2012.

We are now ready with Isabelle and Jean François to answer your questions.