2013 First-Half Financial Report

BY PEOPLE FOR PEOPLE

GDF SUEZ **Profile**

GDF SUEZ develops its businesses (power, natural gas, energy services) around a model based on responsible growth to take up today's major energy and environmental challenges: meeting energy needs, ensuring the security of supply, fighting against climate change and maximizing the use of resources.

The Group provides highly efficient and innovative solutions to individuals, cities and businesses by relying on diversified gas-supply sources, flexible and low-emission power generation as well as unique expertise in four key sectors: independent power production, liquefied natural gas, renewable energy and energy efficiency services.

GDF SUEZ employs 138,200 people worldwide and achieved revenues of €82 billion in 2012*. The Group is listed on the Paris, Brussels and Luxembourg stock exchanges and is represented in the main international indices: CAC 40, BEL 20, DJ Euro Stoxx 50, Euronext 100, FTSE Eurotop 100, MSCI Europe, ASPI Eurozone, Euronext Vigeo Eurozone 120, Vigeo World 120, Vigeo Europe 120 and Vigeo France 20.

Key figures at June 30, 2013*

138,200 employees throughout the world including

- inc. **60,050** in power and gas,
- and **78,150** in energy services.

€82 billion in 2012 revenues.

A presence in close to **50** countries.

€7 - 8 billion of investments per year over 2013-2015.

800 researchers and experts at **7** R&D centers.

---

* *Pro forma figures with equity consolidation of SUEZ Environnement as of January 1, 2012.*

Table of Contents

Management Report

In a persistently tough economic and regulatory environment, the GDF SUEZ Group reported results for the first half of 2013, reflecting a solid operating performance amid favorable climatic conditions.

Revenues for the first six months of 2013 fell by 1.6% on a reported basis to €49.7 billion compared with the first half of 2012 (organic growth of 1.3%). This decrease in reported revenues was chiefly due to the impact of changes in the scope of consolidation, negative currency effects, and outages at the Belgian Doel 3 and Tihange 2 nuclear power plants, whose combined impact was only partly offset by the increase in gas and electricity sales in France caused by exceptionally cold climatic conditions, and by the upturn in LNG sales as part of arbitrage transactions in early 2013.

EBITDA, which amounted to €8.8 billion in the first half of the year, was down 4.9% on a reported basis (organic decrease of 1.4%). This decrease in reported EBITDA was due to the abovementioned outages at nuclear power plants in Belgium, lower electricity prices in Europe, the decline in production in the Exploration & Production business and the impact of disposals as part of the Group's "portfolio optimization" program. These adverse impacts were partially offset by the positive impact of the commissioning of new assets, cold climatic conditions in France, strong operating performances and the results of the Group's performance action plan.

Current operating income edged back by 1.1% over the period on a reported basis (organic growth of 3.4%) to €5.4 billion. This performance reflects the decrease in EBITDA which was partially offset by lower net depreciation, amortization, and provision charges, mainly due to impairment losses recognized at December 31, 2012 on certain Group assets and the decrease in production in the Exploration & Production business combined with an increase in the Book of Reserves.

Net income Group share totaled €1.7 billion for first-half 2013, down €0.6 billion compared to the same prior-year period. During the first half of 2013, net income Group share was mainly affected by the decrease in current operating income but also by the negative €0.2 billion impact of mark-to-market on commodities versus a positive €0.3 billion impact for the first six months of 2012.

Net recurring income Group share amounted to €2.4 billion in the six months to June 30, 2013, down 1.7% compared with the first half of 2012. The income tax expense and the effective recurring tax rate increased while the net recurring financial expense reduced and the share of non-controlling interests was lower, reflecting the purchase of the 30% of International Power the Group did not already own in 2012.

Cash generated from operations before income tax and working capital requirements, which amounted to €8.5 billion, edged down by €0.3 billion compared to the first half of 2012.

Net debt, which at end-June 2013 stood at €40.0 billion, including cash generated before income tax and working capital requirements less gross investments made by the Group in the first half of the year (€4.0 billion), the payment to GDF SUEZ SA's shareholders of the balance of the 2012 dividend (€1.6 billion) and the effects of disposals carried out as part of the "portfolio optimization" program, including the sale of SPP (Slovakia) and the classification of Jirau (Brazil) and Astoria Energy, Phase I (United States) within assets held for sale. At June 30, 2013, the Group's net debt does not reflect the impact of the equity accounting of SUEZ Environnement following the loss in control or the impact of the issuance of hybrid notes carried out by GDF SUEZ SA in early July.

1. REVENUES AND EARNINGS TRENDS

In millions of euros	June 30, 2013	June 30, 2012	% change (reported basis)
Revenues	**49,743**	**50,535**	**-1.6%**
EBITDA	**8,782**	**9,236**	**-4.9%**
Depreciation, amortization and provisions	(3,139)	(3,589)	
Net disbursements under concession contracts	(208)	(154)	
Share-based payments	(59)	(58)	
Current operating income	**5,377**	**5,436**	**-1.1%**

Consolidated **revenues** for the six months ended June 30, 2013 amounted to €49.7 billion, a decrease of 1.6% compared with the first half of 2012. On an organic basis (excluding the impact of changes in the scope of consolidation and exchange rates), revenues moved up by 1.3%.

Changes in the scope of consolidation had a negative €1,198 million impact, mainly corresponding to disposals (sales of SPP in Slovakia, Maestrale in Italy and the Red Hills plant in the United States), as well as changes in the consolidation method applied to Senoko in Singapore and Al Hidd in Bahrain following the loss in control and thus their accounting under equity method.

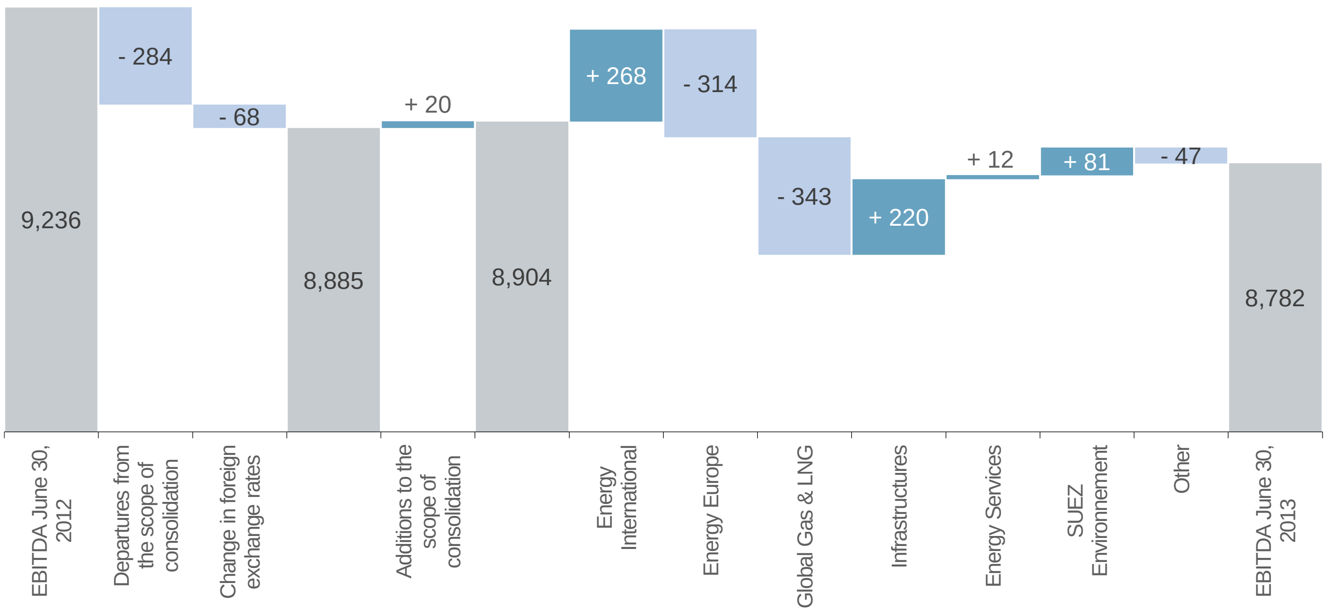
Exchange rates had a negative €244 million impact on Group revenues, due mainly to fluctuations in the Brazilian real, US dollar and pound sterling exchange rates.

Organic revenue performance varied across the Group's business lines: Energy International, Global Gas & LNG and Infrastructures all reported growth for the period, while Energy Europe, Energy Services and SUEZ Environnement edged back slightly.

EBITDA declined by 4.9% to €8.8 billion over the period. Excluding the impact of changes in exchange rates and in the scope of consolidation, the decrease in EBITDA came out at 1.4%.

EBITDA TRENDS

In millions of euros



Changes in the scope of consolidation had a negative €264 million impact on EBITDA, broadly reflecting the same transactions that impacted revenues. Additions to the scope of consolidation were few in number and not material.

Changes in exchange rates had a negative €68 million impact.

On an organic basis, EBITDA decreased by 1.4% or €122 million, reflecting the following performances:

- EBITDA for Energy International amounted to €2,159 million and was up 14.2% on an organic basis due to the positive contribution of commissioned facilities, by the generally strong operating performances of assets in Thailand, Brazil and Peru and LNG activities in the United States, and Australia, whereas Chile reported a decline in EBITDA in the first half of 2013;
- EBITDA for Energy Europe amounted to €2,100 million and was down 13.2% on an organic basis due to the fall in electricity market prices and outages at the Doel 3 and Tihange 2 nuclear power plants. These adverse impacts were only partially offset by exceptionally cold climatic conditions in 2013 and the benefit of the decision on gas tariffs in France;
- EBITDA for Global Gas & LNG was down €343 million or 24.2% on an organic basis, chiefly as a result of the fall in production of the Exploration & Production business, notably impacted by repair and maintenance works at the Snøvhit field in Norway in the first half of 2013;
- EBITDA for Infrastructures climbed 12.8% on an organic basis to €1,938 million, boosted by cold climatic conditions and infrastructure access tariffs increase in 2012 and 2013, partially offset by lower storage capacity sales;
- EBITDA for Energy Services advanced by 2.2% on an organic basis to €542 million and continued to demonstrate the business line’s ability to withstand tough economic conditions in most of its European markets;
- SUEZ Environnement posted EBITDA of €1,209 million, up 7.3% on an organic basis as international activities offset the contraction in Europe.

Current operating income moved up 3.4% on an organic basis compared with the first half of 2012, to €5.4 billion. Net depreciation, amortization, and provision charges were down period on period, reflecting the impairment losses recognized at December 31, 2012 and the decrease in production in the Exploration & Production business combined with an increase in the Book of Reserves. After taking into account changes in the scope of consolidation and exchange rates, current operating income for the period edged down by 1.1%.

2. BUSINESS TRENDS

2.1. ENERGY INTERNATIONAL

	June 30, 2013						
In millions of euros	Latin America	North America	United Kingdom and Other Europe	Middle East, Turkey & Africa	Asia	Australia	Total[1]
Revenues	**1,823**	**2,032**	**1,534**	**567**	**998**	**660**	**7,614**
EBITDA	**808**	**562**	**246**	**107**	**250**	**238**	**2,159**
Depreciation, amortization and provisions	(196)	(202)	(77)	(16)	(60)	(77)	(628)
Share-based payments	-	-	-	-	-	-	(2)
Current operating income	**612**	**361**	**169**	**91**	**191**	**161**	**1,529**

[1] The Energy International business line also has a "headquarters" function, the costs for which are not broken down in the table above.

Energy International's **revenues** for the first half of 2013 came in at €7,614 million, down 6.3% on a reported basis but up 4.1% on an organic basis, mainly driven by:

- a negative €622 million impact of changes in the scope of consolidation mainly as a result of the change in consolidation method of Senoko in Singapore following a change of control in June 2012, of Al Hidd in Bahrain following its partial disposal in May 2012 as well as the disposals or partial disposals of various assets in North America and in the UK and Other Europe region (Maestrale);
- a negative foreign exchange impact of €189 million, driven mainly by the weakening of the Brazilian real, US dollar and pound sterling against the euro;
- an organic increase of €296 million, mainly driven by strong organic growth in Asia, resulting from the commissioning of new plants in Thailand (Gheco One in July 2012 and TNP2 in December 2012) and in Australia, due mainly to the increase of electricity prices following the introduction of the carbon scheme on July 1, 2012.

During the period, reported **EBITDA** was up 0.6% at €2,159 million, despite a negative €180 million impact of changes in scope of consolidation and €75 million of unfavourable foreign exchange rate movements. On an organic basis, EBITDA was up by €268 million or 14.2% due to the positive contribution of commissioned facilities, by the generally strong operating performances of assets in Thailand, in Brazil and Peru and LNG activities in the United States, and Australia, whereas Chile reported a decline in EBITDA in the first half of 2013.

Reported **current operating income** came in at €1,529 million, up by €278 million or 22.2% on an organic basis, in line with the EBITDA performance.

June 30, 2012							
Latin America	North America	United Kingdom and Other Europe	Middle East, Turkey & Africa	Asia	Australia	Total[1]	% change (reported basis)
1,981	**2,119**	**1,787**	**630**	**1,089**	**522**	**8,129**	**-6.3%**
863	**517**	**298**	**144**	**201**	**200**	**2,145**	**+0.6%**
(233)	(208)	(128)	(15)	(55)	(72)	(713)	
-	-	-	-	-	-	(3)	
630	**309**	**169**	**128**	**145**	**128**	**1,429**	**+7.0%**

LATIN AMERICA

Revenues for the Latin America region totaled €1,823 million during the first half of 2013, down €157 million on a reported basis or €49 million (2.6%) on an organic basis compared to the first half of 2012. This evolution partially results from lower revenues in Chile, following a progressive decrease in LNG sales due to the expiration of initial gas supply agreements. Brazil is presenting a positive evolution thanks to the commissioning of units in Estreito hydro power plant (436 MW, fully completed in March 2013) combined with an increase in the average bilateral sales price primarily due to inflation and positive results on spot transactions. Peru is also presenting a positive evolution thanks to the commissioning of Chilca CC (270 MW - Natural Gas) and higher demand (new PPA with regulated and non-regulated clients).

Electricity sales increased slightly (0.5 TWh) reaching 26.8 TWh, while gas sales inched down 1.5 TWh, coming in at 5.1 TWh, mainly due to LNG supply agreement expiration in Chile.

EBITDA totaled €808 million, representing an organic increase of €7 million or 0.8%, mainly reflecting:

- in Brazil, commissioning of the remaining units of the Estreito hydro power plant, increase in bilateral contracts' average prices, mainly due to inflation, and positive results on spot transactions, partly offset by higher energy purchase prices;
- in Peru, commissioning, in the last quarter of 2012, of Chilca CC power plant;
- partly offset by negative evolution in Chile, mostly linked to coal plants (CTA / CTH) forced outage during January 2013, and the end of LNG high margin gas supply agreements.

Current operating income amounted to €612 million, increasing €32 million or 5.5% on an organic basis. This evolution is higher than the one of EBITDA, due to a positive contribution from change in LNG gas terminal depreciation profile (in Chile), in line with end of high margin gas selling contracts and start of re-gasification services.

NORTH AMERICA

Revenues for the North America region came in at €2,032 million, up €23 million or 1.1% on an organic basis. This resulted from sustained performance in the gas business and positive price movement in the wholesale power market, but was tempered by compression in the retail market.

Electricity sales in the North America region fell by 3.2 TWh to 34.3 TWh, following the implementation of the "portfolio optimization" program which reduced volumes by 2.5 TWh; whilst natural gas sales, excluding intragroup transactions, fell by 6.7 TWh to 21.3 TWh due mainly to fewer LNG cargoes scheduled in the first six months of 2013[2].

EBITDA came in at €562 million, up €83 million or 17.3% on an organic basis. The strong performance from the LNG businesses was partially offset by the non repeat of compensation received following the termination of a gas contract in Mexico and lower overall retail margins resulting from challenging market conditions.

Current operating income came in at €361 million, up by €70 million or 24.0% on an organic basis, due primarily to an improved EBITDA.

[2] *Sales of natural gas came to 28.4 TWh with an organic decrease of 5.6 TWh.*

UNITED KINGDOM AND OTHER EUROPE[3]

Revenues for the UK and Other Europe region totaled €1,534 million, a reduction of €126 million or 7.5% on an organic basis, primarily from lower prices in UK and reduced volumes at Turbogas.

Electricity sales for the period were 15.8 TWh (down 2.0 TWh) resulting from negative scope impacts of 0.8 TWh from the disposal of continental wind assets and lower load factors in the continental thermal assets. Gas sales were 11.5 TWh, down 0.7 TWh, following lower volumes in the UK.

EBITDA amounted to €246 million, increasing 11.7% or €27 million on an organic basis. Power production assets in the United Kingdom continued to face challenging market conditions (particularly in the gas-fired assets) and also suffered from the end of the Free Carbon allocations. Although these were partially offset by the strong contribution from the non-thermal assets, implementing cost-reducing actions, plus a favorable one-off compensation.

Current operating income amounted to €169 million, increasing €46 million or 36.1% on an organic basis. This resulted from the favourable EBITDA combined with lower depreciation from the decommissioning of Teesside.

MIDDLE EAST, TURKEY & AFRICA

Revenues for the Middle East, Turkey and Africa region came in at €567 million gaining 4.7% or €25 million on an organic basis. This increase was driven by an upturn in power sales in Turkey, although with no effect on margins, as well as higher revenues from operation and maintenance activities.

EBITDA came in at €107 million, down €37 million gross but representing an organic increase of 0.7%. This gross decrease takes into account the change in consolidation method of Al Hidd and Sohar power plants, accounted for under the equity method since their partial disposals in May 2012 and May 2013 respectively. Higher O&M margin following start of operations of PP11, Barka 3 and Sohar 2 is offset by lower development fees.

Current operating income totalled €91 million, flat on an organic basis.

ASIA

Revenues for the Asia region reached €998 million, showing a gross decrease of 8.3% or €90 million, reflecting the change of consolidation method of Senoko in Singapore following a change in control, and a strong organic growth of 37.8% or €270 million.

The organic growth is primarily attributed to the commissioning of power generating assets in Thailand (Gheco One in August 2012 and TNP2 in December 2012), and also to an increase in prices.

Electricity sales in the region grew 0.2 TWh to 12.2 TWh, despite the negative scope impact of 2.7 TWh of Senoko sales. Gas sales went up by 0.2 TWh to 1.4 TWh.

EBITDA amounted to €250 million, an increase by €50 million gross (24.9%), despite the consolidation method change of Senoko, and €83 million (51.0%) on an organic basis.

The organic growth is mainly attributable to the power generation assets in Thailand, driven by the commissionings as well an increase of both volumes (partly related to the maintenance cycle) and prices.

Current operating income came in at €191 million, up €67 million or 56.7% on an organic basis, reflecting the evolution of EBITDA and the start of the amortization of the recently commissioned plants of Gheco One and TNP2.

AUSTRALIA

Revenues in Australia came in at €660 million, higher €154 million or 30.4% on an organic basis. This increase is mainly attributable to increased wholesale electricity prices in Victoria and South Australia due to the introduction of the carbon scheme on July 1, 2012.

Electricity sales fell slightly by 0.2 TWh to 11.7 TWh, while natural gas sales rose 0.1 TWh to 1.2 TWh.

EBITDA came in at €238 million, up €44 million or 22.8% organically. This growth reflects the overall higher prices after the introduction of the carbon scheme. It also benefits from the increased performance of the retail business, in line with higher number of clients.

Current operating income came in at €161 million, rising by €37 million or 29.9% on an organic basis.

[3] GDF SUEZ Energy UK and Other Europe includes assets that were formerly part of International Power's UK - Europe region but does not include GDF SUEZ's other generation assets or activities across Europe.

2.2. ENERGY EUROPE

In millions of euros	June 30, 2013 Total[4]	June 30, 2013 o/w Central Western Europe (CWE)	June 30, 2013 o/w Southern & Eastern Europe[5]	June 30, 2012 Total[4]	June 30, 2012 o/w Central Western Europe (CWE)	June 30, 2012 o/w Southern & Eastern Europe[5]	% change (reported basis)
Revenues	**23,412**	**19,711**	**3,701**	**24,269**	**19,620**	**4,649**	**-3.5%**
EBITDA	**2,100**	**1,946**	**196**	**2,485**	**2,031**	**523**	**-15.5%**
Depreciation, amortization and provisions	(733)	(531)	(201)	(830)	(607)	(222)	
Share-based payments	(7)	(6)	-	(8)	(7)	-	
Current operating income	**1,360**	**1,409**	**(6)**	**1,647**	**1,417**	**301**	**-17.4%**

[4] *Of which business line corporate function costs.*

[5] *Other Europe has been renamed Southern & Eastern Europe.*

Volumes sold by the business line

In TWh	June 30, 2013	June 30, 2012	% change (reported basis)
Gas sales	378	380	-0.6%
Electricity sales	90	105	-14.0%

The contribution of Energy Europe to Group **revenues** in first-half 2013 came in at €23,412 million, down 3.5% compared to the same prior-year period. Gas sales amounted to 378 TWh, including 63 TWh to key accounts, while electricity sales totaled 90 TWh. As at end-June, Energy Europe had over 14.4 million individual customers for gas and over 5.3 million for electricity.

The business line's **EBITDA** for the period fell by 15.5% to €2,100 million. The first half of 2013 was adversely impacted by a fall in selling prices on the electricity market, by outages at the Doel 3 and Tihange 2 nuclear power plants in Belgium until the beginning of June 2013, and by the disposal of SPP in Slovakia at the beginning of 2013. Climatic conditions and the benefit of the decision on gas tariffs in France for 2011 and 2012 only partially offset these impacts.

Current operating income followed the same downward trend as EBITDA despite lower depreciation, amortization and provision charges.

CENTRAL WESTERN EUROPE (CWE)

The contribution of CWE to Group **revenues** amounted to €19,711 million, edging up 0.5% compared to first-half 2012, as the strong performance in France more than offset sluggish sales in Belgium.

CWE's **EBITDA** decreased by 4.2% on a reported basis, primarily due to the overall fall in electricity market prices in Europe and outages at the two nuclear power plants in Belgium (Doel 3 and Tihange 2), partially offset by favorable climatic conditions, the benefit of the decision on gas tariffs in France and an increase in LNG cargo sales to Asia[6].

Current operating income edged down by just 0.7%, as the decline in EBITDA was offset by lower depreciation, amortization and provision charges.

[6] *Activity for which the margin is split between the Energy Europe and Global Gas & LNG business lines.*

CWE France

In millions of euros	June 30, 2013	June 30, 2012	% change (reported basis)
Revenues	**10,452**	**9,647**	**+8.3%**
EBITDA	**1,210**	**815**	**+48.5%**
Depreciation, amortization and provisions	(234)	(246)	
Share-based payments	(2)	(3)	
Current operating income	**974**	**566**	**+72.0%**

Volumes sold in France

En TWh	June 30, 2013	June 30, 2012	% change (reported basis)
Gas sales[7]	172.5	172.2	+0.2%
Electricity sales	27.2	26.5	+2.6%

[7] *Business line contribution.*

France climatic correction

In TWh	June 30, 2013	June 30, 2012	Variation brute en TWh
Climate adjustment volumes (negative figure = warm climate, positive figure = cold climate)	+22.2	+2.4	+19.8

The CWE France contribution to Group **revenues** amounted to €10,452 million for the six months ended June 30, 2013, up €805 million versus first-half 2012.

Natural gas sales rose by 0.3 TWh compared to the first six months of 2012, with more favorable climatic conditions in first-half 2013 offsetting customer losses. GDF SUEZ still holds around 85% of the retail market and around 52% of the business market.

Electricity sales increased by 0.7 TWh on the back of sales to end customers and on the market as a result of the increase in power generation, which amounted to 18.0 TWh (17.2 TWh in first-half 2012) thanks to the commissioning of wind farms, and to a higher level of hydropower than in 2012, partly offset by a decrease in production from gas-fired power plants due to unfavorable market conditions.

EBITDA increased by €395 million due mainly to the very favorable climatic conditions in 2013 (positive impact on gas sales and hydropower), the impact of the benefit of the decision on gas tariffs in France, which had a €150 million impact on the 2013 interim consolidated financial statements. These various positive factors were partly offset by a fall in electricity market prices.

Current operating income came out €408 million higher, in line with the increase in EBITDA.

CWE Benelux - Germany

In millions of euros	June 30, 2013	June 30, 2012	% change (reported basis)
Revenues	**6,688**	**7,691**	**-13.0%**
EBITDA	**597**	**1,247**	**-52.1%**
Depreciation, amortization and provisions	(255)	(326)	
Share-based payments	(3)	(3)	
Current operating income	**339**	**917**	**-63.0%**

Revenues from Benelux - Germany amounted to €6,688 million, a fall of 13% compared with the six months ended June 30, 2012. Electricity volumes sold were down 14% to 46.4 TWh, reflecting lackluster sales in Belgium. Power generation amounted to 29.6 TWh, a fall of almost 7.1 TWh, due to outages at two nuclear power plants and to a lesser extent to decreases in production in the Netherlands and Germany as a result of unfavorable spreads for the gas plants and outages at coal-fired plants:

- electricity sales in Belgium and Luxembourg decreased on the back of a more-than 20% reduction in volumes to 35.0 TWh, due mainly to a fall in market sales, which were adversely impacted by outages at Doel 3 and Tihange 2, and to customer losses;
- electricity sales in the Netherlands advanced 6% to 5.0 TWh, driven by higher sales to business customers;
- electricity sales in Germany surged 35% to 6.4 TWh due to the impact of fewer plant outages and higher sales to business customers.

Gas volumes sold increased 2.9%, or 2.0 TWh, driven by a positive climatic effect and stronger market sales that offset the loss of business customers and key accounts in Belgium.

EBITDA for Benelux - Germany slumped by 52%, due to the outages at the Doel 3 and Tihange 2 nuclear power plants for over five months, and lower performances in Germany and the Netherlands, which were adversely impacted by lower electricity market prices.

The fall in **current operating income** was less severe in absolute terms than the decrease in EBITDA, due to lower depreciation, amortization and provision charges than in the same prior-year period.

SOUTHERN & EASTERN EUROPE

In millions of euros	June 30, 2013	June 30, 2012	% change (reported basis)
Revenues	**3,701**	**4,649**	**-20.4%**
EBITDA	**196**	**523**	**-62.6%**
Depreciation, amortization and provisions	(201)	(222)	
Current operating income	**(6)**	**301**	**-101.9%**

The Southern & Eastern Europe region saw **revenues** decrease by 20.4% on the back of lower sales in Italy and the unfavorable change in the scope of consolidation due to the disposal of SPP (Slovakia).

EBITDA for Southern & Eastern Europe slumped 62.6%, under the impact of the unfavorable change in the scope of consolidation in Slovakia (disposal of SPP at the beginning of 2013) and lackluster performances in Italy and Poland due to an unfavorable regulatory environment, notwithstanding a strong performance from Romania.

Current operating income followed a similar trend to EBITDA, with net depreciation, amortization and provision charges down slightly on the same prior-year period.

2.3. GLOBAL GAS & LNG

In millions of euros	June 30, 2013	June 30, 2012	% change (reported basis)
Revenues	**2,898**	**2,494**	**+16.2%**
Total revenues *(incl. intra-group transactions)*	4,457	4,252	+4.8%
EBITDA	**1,076**	**1,415**	**-23.9%**
Depreciation, amortization and provisions	(501)	(674)	
Share-based payments	(1)	(1)	
Current operating income	**574**	**740**	**-22.5%**

Global Gas & LNG's contribution to Group **revenues** for the six months ended June 30, 2013 amounted to €2,898 million, up 16.2% or €404 million compared with the same prior-year period. Organic growth came out at 16.4% or €408 million.

The contribution to revenues was driven by:

- growth of 8.6 TWh in external LNG sales with volumes amounting to 39.4 TWh for the six months ended June 30, 2013, representing 44 cargoes, including 30 shipped to Asia (first-half 2012: 30.8 TWh for 34 cargoes, including 20 shipped to Asia), and the impact of higher gas selling prices in Europe;
- a slight decrease in the level of Exploration & Production hydrocarbon production, particularly in the Norwegian fields. The contribution of hydrocarbon production in first-half 2013 fell by 2.0 Mboe[8] to 22.0 Mboe from 24.0 Mboe in the first half of 2012.

EBITDA posted by the Global Gas & LNG business line came out at €1,076 million in the first half of 2013 compared with €1,415 million in the same prior-year period, down €339 million or 23.9% on the reported figure and €343 million on an organic basis. This performance was chiefly attributable to the decrease in the Exploration & Production activity, which was notably impacted by repair and maintenance works at the Snøhvit field in Norway in the first half of 2013.

Current operating income amounted to €574 million for first-half 2013, down 22.5% or €166 million on a reported basis, due to lower depreciation charges as a result of the above-mentioned fall in production, combined with the upward revaluation of the Book of Reserves.

[8] *A 5 Mboe fall in total production, which amounted to 25.9 Mboe in first-half 2013 compared with 30.9 Mboe in first-half 2012 (lower internal LNG sales)*

2.4. INFRASTRUCTURES

In millions of euros	June 30, 2013	June 30, 2012	% change (reported basis)
Revenues	**1,269**	**932**	**+36.1%**
Total revenues *(incl. intra-group transactions)*	3,563	3,147	+13.2%
EBITDA	**1,938**	**1,718**	**+12.8%**
Depreciation, amortization and provisions	(630)	(632)	
Share-based payments	(2)	-	
Current operating income	**1,306**	**1,087**	**+20.2%**

Total **revenues** for the Infrastructures business line, including intra-group services, amounted to €3,563 million in the first six months of 2013, an increase of 13.2% compared with the first half of 2012. This was primarily driven by an increase in distribution and transportation infrastructure access tariffs (up 8% and 8.3% respectively), in an environment marked by lower storage capacity sales in France and by colder climatic conditions as compared to the first six months of 2012.

First-half 2013 revenue trends reflect:

- an increase in volumes transported by GrDF due to colder climatic conditions in first-half 2013 than in the same prior-year period (26.6 TWh increase);
- an 8.0% increase in the distribution infrastructure access tariff as from July 1, 2012;
- the annual review of the transport infrastructure access tariff on April 1, 2012 (6% increase) and at April 1, 2013 (8.3% increase).

For the same reasons, the business line's contribution to Group revenues in the first half of 2013 was €1,269 million, 36.1% higher than the same prior-year period. This increase reflects:

- the growth of transportation, storage and terminal services for third parties against the backdrop of an increasingly deregulated market;
- higher gas purchase-sale transactions to maintain storage performance.

EBITDA for the Infrastructures business line amounted to €1,938 million over the period, up 12.8% compared with first-half 2012.

Current operating income came in at €1,306 million for the period, up 20.2% compared with the same prior-year period, with net depreciation, amortization and provision charges remaining stable.

2.5. ENERGY SERVICES

In millions of euros	June 30, 2013	June 30, 2012	% change (reported basis)
Revenues	**7,380**	**7,392**	**-0.2%**
EBITDA	**542**	**531**	**+2.1%**
Depreciation, amortization and provisions	(149)	(150)	
Net disbursements under concession contracts	(18)	(17)	
Share-based payments	(5)	(6)	
Current operating income	**370**	**358**	**+3.3%**

Revenues for the Energy Services business line remained practically flat at €7,380 million in the first half of 2013, down by just €12 million on a reported basis compared to first-half 2012.

On an organic basis, revenues were down by 0.4% or €27 million, reflecting:

- a decline in installation activities in France (€69 million) and in the Netherlands (€23 million), where the cold winter and a low number of working days held local investment back;
- an €11 million decrease in services activities in France, reflecting the impact of the expiration of gas cogeneration contracts and the slowdown in construction;
- a resilient performance by the engineering activity, which was affected by the slowdown in investment in the European energy sector and by upbeat international markets and the recovery of nuclear.

These items were partially offset by:

- a €32 million rise in the heating networks activity in France, which was primarily due to the positive impact of rate increases and cold climatic conditions in the first six months of the year;
- €21 million growth in the international business unit with contrasting results across geographic areas (growth in Northern Europe and international activities outside Europe; contraction in Spain and Portugal);
- €23 million growth for installation activities in Belgium, although the pace of growth was slower than in first-half 2012.

EBITDA for Energy Services rose 2.1% to €542 million in the first half of 2013, representing an increase of €11 million.

Organic growth came out at 2.2% or €12 million, despite the following adverse impacts:

- the expiration of gas cogeneration contracts in France;
- narrower margins, especially in engineering and installation;
- negative volume impacts, especially for installation activities in France and the Netherlands.

These items were more than offset by:

- the positive impact of the French tax credit promoting competitiveness and jobs (*Crédit d'Impôt Compétitivité Emploi*);
- cold climatic conditions in France in the first half of 2013;
- cost saving measures, primarily in terms of overheads.

Current operating income amounted to €370 million in the first half of 2013 compared with €358 million in the prior-year period, in line with the growth in EBITDA, reflecting relatively stable net depreciation, amortization and provision charges.

2.6. SUEZ ENVIRONNEMENT

In millions of euros	June 30, 2013	June 30, 2012	% change (reported basis)
Revenues	**7,170**	**7,318**	**-2.0%**
EBITDA	**1,209**	**1,133**	**+6.7%**
Depreciation, amortization and provisions	(486)	(524)	
Other	(202)	(149)	
Current operating income	**521**	**460**	**+13.0%**

SUEZ Environnement contributed €7,170 million to **revenues** for the six months ended June 30, 2013, down €148 million on a reported basis compared to first-half 2012.

Taking into account a negative €36 million currency effect and the positive €12 million impact of changes in the scope of consolidation, organic revenue contracted by 1.7% or €124 million, reflecting:

- €63 million growth for the water business in Europe, on the back of selling price rises, despite an organic volume decrease of 2.0% in France and 5.8% in Spain, due to the crisis and climatic conditions;
- a steep €151 million fall in waste activities in Europe owing to a 3.6% decline in volumes processed as a result of the industrial crisis and falling selling prices for secondary raw materials;
- a €29 million contraction in international business following the completion of Degrémont's desalinization plant in Melbourne (negative impact of €74 million) offset by €45 million in organic business growth in water, waste and electricity in Asia, where volumes and selling prices are rising, and in the waste activity in Australia where volumes are falling but selling prices are resilient.

SUEZ Environnement's **EBITDA** advanced 6.7% to €1,209 million in the first half of 2013, representing an increase of €76 million.

On an organic basis, growth came in at 7.3% or €81 million driven largely by international business, especially the completion of the Melbourne plant.

Current operating income amounted to €521 million in the first half of 2013 compared with €460 million in the prior-year period, in line with the growth in EBITDA.

2.7. OTHER

In millions of euros	June 30, 2013	June 30, 2012	% change (reported basis)
EBITDA	**(242)**	**(190)**	**-27.1%**
Depreciation, amortization and provisions	(12)	(67)	
Share-based payments	(29)	(28)	
Current operating income	**(283)**	**(285)**	**+0.7%**

In first-half 2013, **EBITDA** for the Other business line worsened as compared to the prior-year period to a negative €242 million, largely owing to the settlement of a dispute.

Current operating income for first-half 2013 came out at a similar level to first-half 2012 as a result of provision reversals, principally concerning the above-mentioned dispute.

.

3. OTHER INCOME STATEMENT ITEMS

In millions of euros	June 30, 2013	June 30, 2012	% change (reported basis)
Current operating income	**5,377**	**5,436**	**-1.1%**
Mark-to-market on commodity contracts other than trading instruments	(217)	295	
Impairment losses	(493)	(361)	
Restructuring costs	(74)	(78)	
Changes in scope of consolidation	(72)	33	
Other non-recurring items	43	243	
Income from operating activities	**4,564**	**5,569**	**-18.0%**
Net financial loss	(1,010)	(1,537)	
Income tax expense	(1463)	(1,205)	
Share in net income of associates	233	261	
Net income	**2,325**	**3,088**	**-24.7%**
o/w non-controlling interests	592	762	
o/w net income Group share	**1,733**	**2,326**	**-25.5%**

Income from operating activities amounted to €4,564 million, representing an 18.0% decrease compared with the first half of 2012, due primarily to the impact of the change in fair value on commodity contracts other than trading instruments and the positive impact in 2012 of the settlement of the "MEGAL" legal proceedings.

Changes in the fair value of commodity instruments had a negative €217 million impact on income from operating activities (reflecting the impact of transactions not eligible for hedge accounting) compared with a positive impact of €295 million in the first half of 2012. The impact for the period was primarily due to a negative price effect related to changes in the forward prices of the underlying commodities during the period coupled with the negative impact of the settlement of positions with a positive market value at December 31, 2012.

Income from operating activities was also affected by:

- impairment losses for an amount of €493 million at June 30, 2013, including an impairment loss of €252 million to write down in full the value of goodwill allocated to the Energy – Southern Europe CGU, which comprises the production and sale of gas and electricity activities in Italy and Greece, and impairment losses of €204 million mainly relating to GDF SUEZ Energy Europe's gas power plants. In the first six months of 2012, the Group had recognized impairment losses in the amount of €361 million, primarily relating to GDF SUEZ Energy Europe assets and listed ACEA securities;
- restructuring costs of €74 million, compared with €78 million in the prior-year period;
- "Changes in scope of consolidation" (gains and losses on the disposal of consolidated equity interests or on the remeasurements of previously held interests in accordance with IFRS 3) which amounted to a negative €72 million (including a capital loss of €15 million recognized on the disposal of the Red Hills plant in the United States), compared with a €33 million gain in the first half of 2012;
- "Other non-recurring items" for a positive €43 million, compared with €243 million for the first six months of 2012 (mainly corresponding to income relating to the reduction of a penalty within the scope of the "MEGAL" proceedings).

The Group reported a **net financial expense** of €1,010 million for the first half of 2013, compared with a €1,537 million expense for the first half of 2012. This improvement was mainly the result of a positive interest rate impact on net debt and the reversal of positive mark-to-market impacts in the first half of 2013 which were significantly negative in the prior-year period (as a result of the increase in the valuation of the derivative instrument for the International Power convertible US bond, particularly following movements in the share price in the wake of the Group's offer to buy the remaining 30% of its share capital that it did not already own, and the impact of lower interest rates on the portfolio of fixed-rate derivatives that do not qualify for hedge accounting).

The effective recurring tax rate was 8.6% higher than in the first half of 2012, mainly as a result of:

- the new 3% tax on dividends paid by French companies introduced in 2013;
- the impact of interest expenses partly reintegrated in taxable income in France in accordance with the *Loi de Finances rectificative de 2012*;
- the write down of the net deferred tax asset for the GDF SUEZ Energia Italia tax consolidation group in 2013;
- the recognition in the first half of 2012 of one-off deferred tax income, including €90 million on the Australian power generation business following changes in tax legislation.

The share in net income of associates came in €28 million lower than in the first half of 2012.

Net income attributable to non-controlling interests for first-half 2013 amounted to €592 million, down on the same prior-year period as a result of the acquisition of the 30% non-controlling interest in International Power.

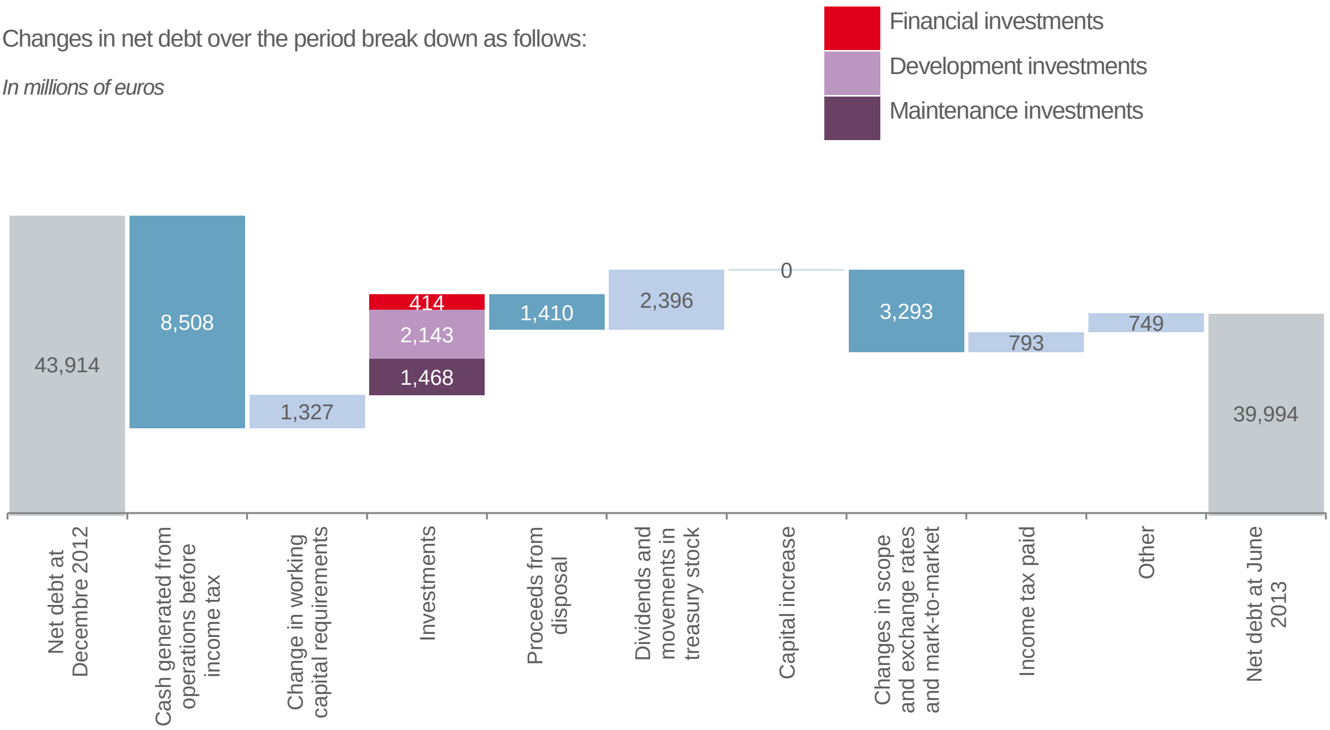
4. CHANGES IN NET DEBT

At June 30, 2013, net debt amounted to €40.0 billion, down €3.9 billion compared with the level of net debt at the end of December 2012, reflecting cash generated from operations before income tax and working capital requirements during the period (€8.5 billion) minus gross investments made by the Group in the first half of the year (€4 billion), the payment to GDF SUEZ SA's shareholders of the balance of the 2012 dividend (€1.6 billion) and the effects of disposals carried out as part of the "portfolio optimization" program, such as the sale of SPP (Slovakia) and the classification of Jirau (Brazil) and Astoria Energy, Phase I (United States) within assets held for sale.

At June 30, 2013, the Group's net debt does not reflect the impact of the consolidation under equity method of SUEZ Environnement following the loss in control or the impact of the issuance of hybrid notes carried out by GDF SUEZ in early July.

Changes in net debt over the period break down as follows:

In millions of euros



The net debt to EBITDA ratio amounted to 2.41 at June 30, 2013. The ratio is calculated as follows:

In millions of euros	June 30, 2013	Dec. 31, 2012
Net debt	39,994	43,914
EBITDA (12-month rolling)	16,572	17,026
Net debt/EBITDA ratio	**2.41**	**2.58**

4.1. CASH GENERATED FROM OPERATIONS BEFORE INCOME TAX AND WORKING CAPITAL REQUIREMENTS

Cash generated from operations before income tax and working capital requirements amounted to €8,508 million at June 30, 2013, down €340 million or 3.8% compared with the prior-year period (€8,848 million).

This decrease was smaller than the contraction in EBITDA (down 4.9%), mainly as a result of the negative impact on cash generated from operations before income tax and working capital requirements of the payments of one-off premiums in 2012.

4.2. CHANGE IN WORKING CAPITAL REQUIREMENTS

The **change in working capital requirements** represented a cash outflow of €1,327 million, reflecting the seasonality of the Group's operations. Over the period, the change in working capital requirements was augmented by the impact of cold climatic conditions.

4.3. NET INVESTMENTS

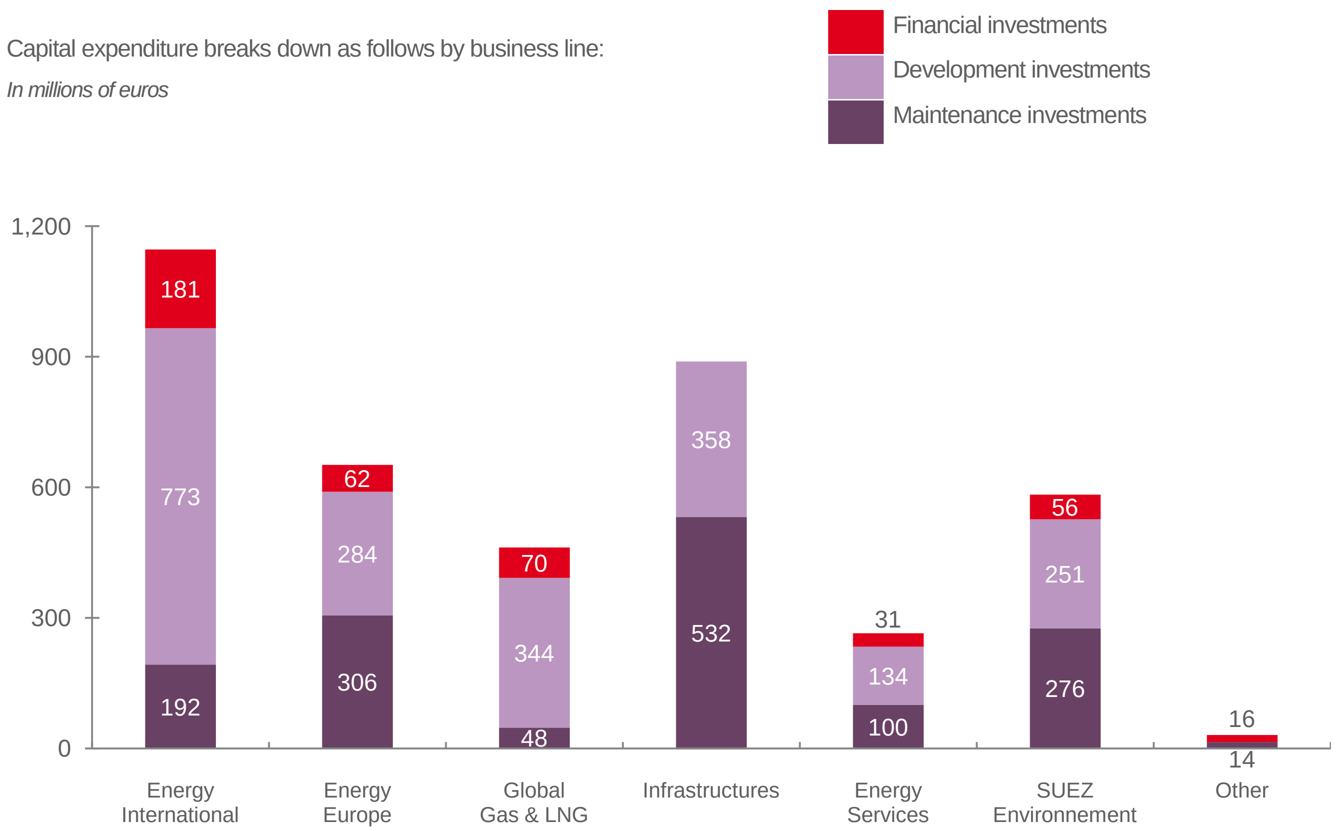
Investments in the first half of 2013 amounted to €4,026 million and included:

- financial investments for €414 million;
- development investments totaling €2,143 million. Most of this amount was invested by the Energy International business line in Brazil;
- maintenance investments for €1,468 million.

Disposals amounted to €1,410 million and primarily involved the sale of SPP (Slovakia) for €1,127 million (disposal price less an outstanding balance receivable in 2015).

Capital expenditure breaks down as follows by business line:

In millions of euros



4.4. SHARE BUYBACKS, DIVIDENDS AND CAPITAL INCREASE

Total dividends paid by GDF SUEZ SA during the period to owners amounted to €1,580 million. This amount corresponds to the balance of the €0.67 per share dividend for 2012 paid in April 2013.

The remaining €816 million corresponds to dividends paid by various subsidiaries to non-controlling interests, withholding tax and share buybacks.

4.5. NET DEBT AT JUNE 30, 2013

Excluding amortized cost but including the impact of foreign currency derivatives, at June 30, 2013, 67% of net debt was denominated in euros, 15% in US dollars and 2% in Brazilian reals.

Including the impact of financial instruments, 75% of net debt is at fixed rates.

The average maturity for the Group's net debt is 9.6 years.

At June 30, 2013, the Group had total undrawn confirmed credit lines (which may be used as back up lines for commercial paper programs) of €15.5 billion.

5. OTHER ITEMS IN THE STATEMENT OF FINANCIAL POSITION

Property, plant and equipment and intangible assets stood at €94.0 billion at June 30, 2013, representing a decrease of €5.6 billion compared with December 31, 2012. This change was primarily the result of depreciation and amortization (negative €3.4 billion impact) and translation adjustments (negative €1.4 billion impact), with investments over the period offsetting the classification within "Assets held for sale" of Jirau and Astoria Energy, Phase I.

Goodwill decreased €0.5 billion to €29.6 billion, including €0.3 billion relating to impairment losses recognized during the period.

Available-for-sale securities were unchanged at €3.4 billion.

Investments in associates amounted to €3.2 billion, up €0.3 billion due mainly to Energy International (Asia).

Total equity stood at €70.7 billion, down €0.6 billion compared to December 31, 2012 (€71.3 billion), essentially reflecting net income for the period (positive €2.3 billion impact), the payment of cash dividends (negative €2.4 billion impact) and other comprehensive income items (translation differences and other items resulting in a negative €0.5 billion impact).

Provisions remained stable at €17.6 billion, with the impact of the unwinding of discounting adjustments to provisions (positive €0.3 billion impact) being offset by provisions used (negative €0.2 billion impact) and changes in exchange rates (negative €0.1 billion impact).

6. RELATED PARTY TRANSACTIONS

Related party transactions are described in Note 25 to the consolidated financial statements included in the 2012 Reference Document. An update is provided in Note 9 to the condensed interim consolidated financial statements for the six months ended June 30, 2013.

7. DESCRIPTION OF THE MAIN RISKS AND UNCERTAINTIES FOR THE SECOND HALF OF 2013

The Risk Factors section of GDF SUEZ's 2012 Reference Document (Section 2) provides a detailed description of the risk factors to which the Group is exposed.

Developments in legal proceedings over the period and risks related to financial instruments to which the Group is exposed are respectively set out in Note 8 and Note 7 to the condensed interim consolidated financial statements for the six months ended June 30, 2013.

The risks and uncertainties relating to the carrying amounts of goodwill, property, plant and equipment and intangible assets are presented in Note 4.1.2 to the condensed interim consolidated financial statements for the six months ended June 30, 2013.

The Group has not identified any risks or uncertainties other than those described in this document.

8. PRO FORMA FINANCIAL STATEMENTS INCLUDING THE SUEZ ENVIRONNEMENT COMPANY GROUP AS AN ASSOCIATE

The Group announced on December 5, 2012, in mutual agreement with the other members, its intention not to renew the shareholders' agreement in SUEZ Environnement Company which is due to expire in July 2013.

In line with this announcement and given the various notices of termination received from the parties concerned, the Board of Directors' Meeting of January 22, 2013, confirmed that the SUEZ Environnement shareholders' agreement will not be renewed and will therefore expire on July 22, 2013 for all the parties involved.

As a consequence of the end of the shareholders' agreement, in July GDF SUEZ will cease to control SUEZ Environnement Company, which will be accounted for under the equity method as from that date in the GDF SUEZ's consolidated financial statements.

In accordance with IAS 27 – *Consolidated and Separate Financial Statements*, the residual interest in SUEZ Environnement Company is recognized at fair value at the date control was lost.

Based on SUEZ Environnement Company's share price of €10.26 on July 22, 2013, the associate's carrying amount was €1,868 million and the fair value revaluation gain amounts to €482 million (based on the accounting position at June 30, 2013). The revaluation gain will be presented under "Changes in scope of consolidation" in the income statement for the year ending December 31, 2013.

The PPA (Purchase Price Allocation) for SUEZ Environnement Company's assets, liabilities and contingent liabilities will be carried out during the second half of 2013 and is expected to be finalized during the closing of the financial statements for the year ending December 31, 2013.

For information purposes, the Group prepared pro forma financial statements with the SUEZ Environnement Company Group as an associate as from January 1, 2012 excluding revaluation gain and the purchase price allocation.

INCOME STATEMENT AT JUNE 30, 2013

In millions of euros	June 30, 2013	Exclusion SUEZ Environnement Group contribution and presentation as an associate	Intra-group and others	Pro forma GDF SUEZ : SUEZ Environnement as investment in associates
Revenues	49,743	(7,170)	7	42,580
Purchases	(27,558)	1,479	(4)	(26,083)
Personnel costs	(6,834)	1,894	-	(4,940)
Depreciation, amortization and provisions	(3,139)	486	-	(2,653)
Other operating expenses	(7,987)	2,950	(11)	(5,047)
Other operating income	1,152	(160)	8	1,000
CURRENT OPERATING INCOME	**5,377**	**(521)**	**-**	**4,856**
Mark-to-market on commodity contracts other than trading instruments	(217)	1	-	(215)
Impairment losses	(493)	(4)	-	(496)
Restructuring costs	(74)	16	-	(59)
Changes in scope of consolidation	(72)	3	-	(69)
Other non-recurring items	43	(9)	-	34
INCOME FROM OPERATING ACTIVITIES	**4,564**	**(514)**	**-**	**4,050**
Financial expenses	(1,422)	243	(3)	(1,182)
Financial income	412	(47)	3	369
NET FINANCIAL EXPENSE	**(1,010)**	**196**	**-**	**(813)**
Income tax expense	(1,463)	86	(1)	(1,378)
Share in net income of associates	233	26	-	259
NET INCOME	**2,325**	**(206)**	**(1)**	**2,118**
Net income Group share	1,733	-	-	1,733
Non-controlling interests	592	(207)	(1)	385
EBITDA	**8,782**	**(1,209)**	**-**	**7,573**

NB: amounts in tables are generally expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the lines and columns showing totals.

STATEMENT OF FINANCIAL POSITION AT JUNE 30, 2013

ASSETS

In millions of euros	June 30, 2013	Exclusion SUEZ Environnement Group contribution and presentation as an associate	Intra-group and others	Pro forma GDF SUEZ : SUEZ Environnement as investment in associates
Non-current assets				
Intangible assets, net	12,693	(3,975)	-	8,718
Goodwill	29,559	(3,220)	-	26,339
Property, plant and equipment, net	81,346	(8,490)	-	72,857
Available-for-sale securities	3,366	(416)	-	2,950
Loans and receivables at amortized cost	3,620	(703)	(17)	2,901
Derivative instruments	2,676	(203)	-	2,473
Investments in associates	3,236	912	6	4,153
Other non-current assets	854	(76)	-	779
Deferred tax assets	1,258	(752)	(19)	487
TOTAL NON-CURRENT ASSETS	**138,608**	**(16,921)**	**(30)**	**121,656**
Current assets				
Loans and receivables at amortized cost	1,413	(269)	-	1,144
Derivative instruments	5,802	(2)	-	5,801
Trade and other receivables, net	23,705	(3,860)	46	19,891
Inventories	4,446	(324)	-	4,122
Other current assets	8,739	(1,178)	1	7,562
Financial assets at fair value through income	854	(53)	-	801
Cash and cash equivalents	11,187	(2,106)	-	9,082
Assets classified as held for sale	4,313	-	-	4,313
TOTAL CURRENT ASSETS	**60,460**	**(7,792)**	**46**	**52,715**
TOTAL ASSETS	**199,068**	**(24,713)**	**16**	**174,371**

NB: amounts in tables are generally expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the lines and columns showing totals.

EQUITY AND LIABILITIES

In millions of euros	June 30, 2013	Exclusion SUEZ Environnement Group contribution and presentation as an associate	Intra-group and others	Pro forma GDF SUEZ : SUEZ Environnement as investment in associates
Shareholder's equity	59,643	-	-	59,643
Non-controlling interests	11,035	(5,119)	(11)	5,905
TOTAL EQUITY	**70,678**	**(5,120)**	**(11)**	**65,547**
Non-current liabilities				
Provisions	15,695	(1,385)	-	14,311
Long-term borrowings	39,509	(7,290)	-	32,220
Derivative instruments	2,898	(64)	-	2,834
Other financial liabilities	284	(3)	-	282
Other non-current liabilities	1,891	(631)	-	1,260
Deferred tax liabilities	11,761	(587)	(1)	11,173
TOTAL NON-CURRENT LIABILITIES	**72,039**	**(9,960)**	**(1)**	**62,079**
Current liabilities				
Provisions	1,903	(446)	-	1,458
Short-term borrowings	13,240	(2,820)	1	10,421
Derivative instruments	5,406	(9)	-	5,397
Trade and other payables	16,083	(2,453)	25	13,655
Other current liabilities	17,008	(3,905)	2	13,104
Liabilities directly associated with assets classified as held for sale	2,710	-	-	2,710
TOTAL CURRENT LIABILITIES	**56,350**	**(9,634)**	**28**	**46,745**
TOTAL EQUITY AND LIABILITIES	**199,068**	**(24,713)**	**16**	**174,371**

NB: amounts in tables are generally expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the lines and columns showing totals.

STATEMENT OF CASH FLOWS AT JUNE 30, 2013

In millions of euros	June 30, 2013	Exclusion SUEZ Environnement Group contribution and presentation as an associate	Intra-group and others	Pro forma GDF SUEZ SUEZ Environnement as investment in associates
NET INCOME	**2,325**	**(206)**	**-**	**2,118**
- Share in net income of associates	(233)	(26)	-	(259)
+ Dividends received from associates	134	99	-	233
- Net depreciation, amortization, impairment and provisions	3,505	(456)	-	3,049
- Impact of changes in scope of consolidation and other non-recurring items	30	7	-	37
- Mark-to-market on commodity contracts other than trading instruments	217	(1)	-	215
- Other items with no cash impact	58	(13)	-	45
- Income tax expense	1,463	(86)	1	1,378
- Net financial expense	1,010	(196)	-	813
Cash generated from operations before income tax and working capital requirements	**8,508**	**(879)**	**-**	**7,629**
+ Tax paid	(793)	111	(18)	(700)
Change in working capital requirements	**(1,327)**	**229**	**(1)**	**(1,099)**
CASH FLOW FROM OPERATING ACTIVITIES	**6,388**	**(539)**	**(19)**	**5,830**
Acquisitions of property, plant and equipment and intangible assets	(3,611)	527	-	(3,085)
Acquisitions of controlling interest in entities, net of cash and cash equivalents acquired	(20)	13	-	(7)
Acquisitions of investments in associates and joint ventures	(209)	4	-	(205)
Acquisitions of available-for-sale securities	(44)	6	-	(38)
Disposals of property, plant and equipment, and intangible assets	95	(22)	-	74
Loss of controlling interest in entities, net of cash and cash equivalents sold	194	(19)	-	176
Disposals of investments in associates and joint ventures	1,043	(7)	-	1,036
Disposals of available-for-sale securities	70	-	-	70
Interest received on non-current financial assets	23	2	3	29
Dividends received on non-current financial assets	52	(18)	-	34
Change in loans and receivables originated by the Group and other	(83)	31	144	93
CASH FLOW USED IN INVESTING ACTIVITIES	**(2,490)**	**519**	**147**	**(1,823)**
Dividends paid	(2,391)	348	-	(2,043)
Repayment of borrowings and debt	(2,413)	519	-	(1,894)
Change in financial assets at fair value through income	(341)	28	-	(313)
Interest paid	(946)	203	(3)	(746)
Interest received on cash and cash equivalents	66	(19)	-	47
Cash flow on derivatives qualifying as net investment hedges and compensation payments on derivatives	17	(1)	-	16
Increase in borrowings	1,961	(978)	(125)	857
Increase/decrease in capital	35	(2)	-	32
Purchase and/or sale of treasury stock	(5)	-	-	(5)
Changes in ownership interests in controlled entities	(68)	12	-	(56)
CASH FLOW FROM (USED IN) FINANCING ACTIVITIES	**(4,085)**	**109**	**(128)**	**(4,104)**
Effects of changes in exchange rates and other	(9)	38	-	29
TOTAL CASH FLOW FOR THE PERIOD	**(196)**	**128**	**-**	**(68)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**11,383**	**(2,233)**	**-**	**9,150**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**11,187**	**(2,106)**	**-**	**9,081**

NB: amounts in tables are generally expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the lines and columns showing totals.

INCOME STATEMENT AT JUNE 30, 2012

In millions of euros	June 30, 2012[9]	Exclusion SUEZ Environnement Group contribution and presentation as an associate	Intra-group and others	Pro forma GDF SUEZ : SUEZ Environnement as investment in associates
Revenues	50,535	(7,318)	8	43,224
Purchases	(27,546)	1,701	(4)	(25,849)
Personnel costs	(6,624)	1,893	-	(4,731)
Depreciation, amortization and provisions	(3,589)	524	-	(3,065)
Other operating expenses	(8,401)	2,875	(10)	(5,536)
Other operating income	1,061	(135)	7	933
CURRENT OPERATING INCOME	**5,436**	**(460)**	**-**	**4,976**
Mark-to-market on commodity contracts other than trading instruments	295	4	-	299
Impairment losses	(361)	58	-	(303)
Restructuring costs	(78)	35	-	(43)
Changes in scope of consolidation	33	(37)	-	(4)
Other non-recurring items	243	(3)	-	240
INCOME FROM OPERATING ACTIVITIES	**5,569**	**(403)**	**-**	**5,165**
Financial expenses	(2,125)	280	(3)	(1,849)
Financial income	588	(65)	3	526
NET FINANCIAL EXPENSE	**(1,537)**	**215**	**-**	**(1,323)**
Income tax expense	(1,205)	46	(3)	(1,162)
Share in net income of associates	261	(2)	1	260
NET INCOME	**3,088**	**(145)**	**(2)**	**2,941**
Net income Group share	2,326	-	-	2,326
Non-controlling interests	762	(145)	(2)	615
EBITDA	**9,236**	**(1,133)**	**-**	**8,104**

[9] *Comparative data for first-half 2012 have been restated due to the retrospective application of IAS 19 Revised (see Note 1.2.1).*

NB: amounts in tables are generally expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the lines and columns showing totals.

STATEMENT OF FINANCIAL POSITION AT DECEMBER 31, 2012

ASSETS

In millions of euros	Dec. 31, 2012[10]	Exclusion SUEZ Environnement Group contribution and presentation as an associate	Intra-group and others	Pro forma GDF SUEZ : SUEZ Environnement as investment in associates
Non-current assets				
Intangible assets, net	13,020	(4,056)	-	8,965
Goodwill	30,035	(3,257)	-	26,778
Property, plant and equipment, net	86,597	(8,867)	-	77,730
Available-for-sale securities	3,398	(393)	-	3,005
Loans and receivables at amortized cost	3,541	(703)	128	2,966
Derivative instruments	3,108	(257)	-	2,851
Investments in associates	2,961	961	10	3,932
Other non-current assets	962	(80)	-	881
Deferred tax assets	1,487	(761)	(24)	701
TOTAL NON-CURRENT ASSETS	**145,108**	**(17,414)**	**113**	**127,808**
Current assets				
Loans and receivables at amortized cost	1,630	(215)	-	1,416
Derivative instruments	4,280	(5)	-	4,274
Trade and other receivables, net	25,034	(3,763)	34	21,305
Inventories	5,423	(291)	-	5,131
Other current assets	9,012	(1,111)	(6)	7,896
Financial assets at fair value through income	432	(24)	-	408
Cash and cash equivalents	11,383	(2,233)	-	9,149
Assets classified as held for sale	3,145	-	-	3,145
TOTAL CURRENT ASSETS	**60,339**	**(7,643)**	**29**	**52,725**
TOTAL ASSETS	**205,448**	**(25,057)**	**142**	**180,533**

[10] *Comparative data at December 31, 2012 have been restated due to the retrospective application of IAS 19 Revised (see Note 1.2.1).*

NB: amounts in tables are generally expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the lines and columns showing totals.

EQUITY AND LIABILITIES

In millions of euros	Dec. 31, 2012[11]	Exclusion SUEZ Environnement Group contribution and presentation as an associate	Intra-group and others	Pro forma GDF SUEZ : SUEZ Environnement as investment in associates
Shareholder's equity	59,834	-	-	59,834
Non-controlling interests	11,468	(5,388)	(17)	6,063
TOTAL EQUITY	**71,303**	**(5,388)**	**(17)**	**65,898**
Non-current liabilities				
Provisions	15,480	(1,408)	-	14,072
Long-term borrowings	45,247	(8,392)	-	36,855
Derivative instruments	2,751	(91)	-	2,660
Other financial liabilities	343	(3)	-	340
Other non-current liabilities	2,063	(640)	(5)	1,418
Deferred tax liabilities	11,959	(578)	-	11,381
TOTAL NON-CURRENT LIABILITIES	**77,843**	**(11,112)**	**(5)**	**66,726**
Current liabilities				
Provisions	2,071	(560)	-	1,511
Short-term borrowings	11,962	(1,488)	143	10,617
Derivative instruments	4,092	(9)	-	4,083
Trade and other payables	19,481	(2,834)	31	16,679
Other current liabilities	16,820	(3,666)	(10)	13,144
Liabilities directly associated with assets classified as held for sale	1,875	-	-	1,875
TOTAL CURRENT LIABILITIES	**56,302**	**(8,557)**	**164**	**47,909**
TOTAL EQUITY AND LIABILITIES	**205,448**	**(25,057)**	**142**	**180,533**

[11] *Comparative data for first-half 2012 have been restated due to the retrospective application of IAS 19 Revised (see Note 1.2.1).*

NB: amounts in tables are generally expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the lines and columns showing totals.

STATEMENT OF CASH FLOWS AT JUNE 30, 2012

In millions of euros	June 30, 2012	Exclusion SUEZ Environnement Group contribution and presentation as an associate	Intra-group and others	Pro forma GDF SUEZ SUEZ Environnement as investment in associates
NET INCOME[12]	**3,088**	**(145)**	**(2)**	**2,941**
- Share in net income of associates	(261)	2	(1)	(260)
+ Dividends received from associates	157	92	-	249
- Net depreciation, amortization, impairment and provisions	3,635	(579)	-	3,056
- Impact of changes in scope of consolidation and other non-recurring items	(276)	39	-	(237)
- Mark-to-market on commodity contracts other than trading instruments	(295)	(4)	-	(299)
- Other items with no cash impact	59	(12)	-	47
- Income tax expense[12]	1,205	(46)	3	1,161
- Net financial expense[12]	1,537	(215)	-	1,322
Cash generated from operations before income tax and working capital requirements	**8,848**	**(866)**	**-**	**7,982**
+ Tax paid	(687)	42	-	(644)
Change in working capital requirements	**(1,114)**	**(14)**	**1**	**(1,126)**
CASH FLOW FROM OPERATING ACTIVITIES	**7,048**	**(837)**	**1**	**6,212**
Acquisitions of property, plant and equipment and intangible assets	(4,049)	598	-	(3,451)
Acquisitions of controlling interest in entities, net of cash and cash equivalents acquired	(86)	(6)	-	(92)
Acquisitions of investments in associates and joint ventures	(72)	58	-	(14)
Acquisitions of available-for-sale securities	(116)	26	-	(90)
Disposals of property, plant and equipment, and intangible assets	57	(12)	-	45
Loss of controlling interest in entities, net of cash and cash equivalents sold	222	(78)	-	144
Disposals of investments in associates and joint ventures	52	-	-	52
Disposals of available-for-sale securities	44	(26)	-	18
Interest received on non-current financial assets	31	(8)	3	27
Dividends received on non-current financial assets	44	(19)	-	26
Change in loans and receivables originated by the Group and other	(194)	96	2	(96)
CASH FLOW USED IN INVESTING ACTIVITIES	**(4,065)**	**629**	**5**	**(3,431)**
Dividends paid	(1,164)	323	-	(841)
Repayment of borrowings and debt	(5,060)	973	-	(4,087)
Change in financial assets at fair value through income	1,887	2	-	1,889
Interest paid	(1,158)	233	(3)	(928)
Interest received on cash and cash equivalents	102	(28)	-	74
Cash flow on derivatives qualifying as net investment hedges and compensation payments on derivatives	(437)	43	-	(394)
Increase in borrowings	6,882	(962)	(3)	5,917
Increase/decrease in capital	108	-	-	108
Purchase and/or sale of treasury stock	(302)	-	-	(302)
Changes in ownership interests in controlled entities	(202)	(14)	-	(216)
CASH FLOW FROM (USED IN) FINANCING ACTIVITIES	**656**	**571**	**(6)**	**1,221**
Effects of changes in exchange rates and other	4	(2,507)	-	(2,503)
TOTAL CASH FLOW FOR THE PERIOD	**3,643**	**(2,145)**	**-**	**1,498**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**14,675**	**-**	**-**	**14,675**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**18,318**	**(2,145)**	**-**	**16,174**

[12] *Comparative data for first-half 2012 have been restated due to the retrospective application of IAS 19 Revised (see Note 1.2.1).*

NB: amounts in tables are generally expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the lines and columns showing totals.

9. OUTLOOK

The results of first-half 2013 pave the way for confirming the Group's 2013 targets[13], assuming average weather conditions and a stable regulatory environment:

- net recurring income Group share of between €3.1 billion and €3.5 billion. This target is based on estimated EBITDA of between €13 billion and €14 billion, and the equity accounting of SUEZ Environnement as of January 1, 2013;
- gross capex of between €7 billion and €8 billion;
- net debt/EBITDA ratio below or equal to 2.5x and an "A" category rating.

The "Perform 2015" action plan is on track as of end of June 2013 with a gross EBITDA contribution of €380 million plus €100 million below EBITDA.

Progress achieved in the "portfolio optimization" program led to a decrease in net debt at the end of June of more than €3 billion. The Group confirms the target of a cumulative impact of €11 billion over 2013-2014.

In early July, GDF SUEZ successfully issued hybrid notes on the euro and sterling markets for an amount equivalent to €1.7 billion accounted for as 100% equity under IFRS standards and bearing an average coupon of 4.4%, enabling the buy-back of a portfolio of debt bearing an average coupon of around 5%. With this operation, the Group is reinforcing its financial flexibility and nearing its end of 2014 net debt target of €30 billion.

The Group is evolving in a still uncertain and challenging economic environment, particularly in power generation in Europe where depressed market conditions do not yet offer any sign of improvement.

In this context, in order to achieve its short and medium-term objectives, the Group continues with resolve its strategy of fundamental transformation:

- priority to investments in fast-growing markets or to activities with recurring income;
- ambitious "Perform 2015" action plan adapted to current challenges;
- development of new business models in Europe leveraging, among others on its energy services expertise.

The Group maintains its policy of providing shareholders with an attractive return and will pay an interim dividend on November 20, 2013, of €0.83 per share for fiscal year 2013 (whose ex-dividend date is set for November 15, 2013), at the same level of the interim dividend paid for fiscal year 2012.

[13] *Assuming average weather conditions, restart of Doel 3 and Tihange 2 in the second quarter of 2013, no substantial change in regulations or in the macro-economic environment, equity accounting of SUEZ Environnement as of January 1, 2013, commodity price assumptions based on market conditions as of end of January 2013 for the non-hedged part of production, and average foreign exchange rates as follow for 2013: €/$1.27, €/BRL2.42. These objectives include the positive impact of the January 30, 2013 decision from the Conseil d'Etat on gas tariffs.*

2

Consolidated Financial Statements

Pages

INCOME STATEMENT

In millions of euros	Notes	June 30, 2013	June 30, 2012[1]
Revenues	3.2	49,743	50,535
Purchases		(27,558)	(27,546)
Personnel costs		(6,834)	(6,624)
Depreciation, amortization and provisions		(3,139)	(3,589)
Other operating expenses		(7,987)	(8,401)
Other operating income		1,152	1,061
CURRENT OPERATING INCOME	**3.2**	**5,377**	**5,436**
Mark-to-market on commodity contracts other than trading instruments		(217)	295
Impairment losses		(493)	(361)
Restructuring costs		(74)	(78)
Changes in scope of consolidation		(72)	33
Other non-recurring items		43	243
INCOME FROM OPERATING ACTIVITIES	**4.1**	**4,564**	**5,569**
Financial expenses		(1,422)	(2,125)
Financial income		412	588
NET FINANCIAL EXPENSE	**4.2**	**(1,010)**	**(1,537)**
Income tax expense	4.3	(1,463)	(1,205)
Share in net income of associates		233	261
NET INCOME		**2,325**	**3,088**
Net income Group share		1,733	2,326
Non-controlling interests		592	762
BASIC EARNINGS PER SHARE *(euros)* [2]		**0.74**	**1.04**
DILUTED EARNINGS PER SHARE *(euros)* [2]		0.73	1.03

[1] *Comparative data for first-half 2012 have been restated due to the retrospective application of IAS 19 Revised (see Note 1.2.1).*

[2] *Earnings per share for the first half of 2012 were adjusted to take into account the impact of the payment of part of the October 2012 interim dividend in shares. Basic earnings per share and diluted earnings per share as published in the condensed interim consolidated financial statements for the six months ended June 30, 2012 amounted to €1.05 and €1.03, respectively.*

NB: amounts in tables are generally expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the lines and columns showing totals.

STATEMENT OF COMPREHENSIVE INCOME

In millions of euros	Notes	June 30, 2013	June 30, 2013 Group share	June 30, 2013 Non-controlling interests	June 30, 2012[3]	June 30, 2012 Group share[3]	June 30, 2012 Non-controlling interests[3]
NET INCOME		**2,325**	**1,733**	**592**	**3,088**	**2,326**	**762**
Available-for-sale financial assets	6	(21)	(41)	21	97	64	33
Net investment hedges		121	94	27	(151)	(126)	(25)
Cash flow hedges (excl. commodity instruments)		245	187	58	(292)	(310)	18
Commodity cash flow hedges		(29)	(28)	(1)	(200)	(233)	33
Deferred tax on items above		(94)	(80)	(14)	214	218	(4)
Share of associates of recyclable items, net of tax		61	58	3	(62)	(40)	(22)
Translation adjustments		(803)	(590)	(213)	509	275	234
TOTAL RECYCLABLE ITEMS		**(519)**	**(400)**	**(119)**	**114**	**(152)**	**266**
Actuarial gains and losses		(31)	(31)	(1)	(137)	(122)	(15)
Deferred tax on actuarial gains and losses		13	13	-	36	32	4
Share of associates of non-recyclable items from actuarial gains and losses, net of tax		10	10	-	32	32	-
TOTAL NON-RECYCLABLE ITEMS		**(8)**	**(7)**	**(1)**	**(69)**	**(58)**	**(11)**
TOTAL COMPREHENSIVE INCOME		**1,797**	**1,325**	**472**	**3,132**	**2,115**	**1,017**

[3] *Comparative data for first-half 2012 have been restated due to the retrospective application of IAS 19 Revised (see Note 1.2.1).*

NB: amounts in tables are generally expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the lines and columns showing totals.

STATEMENT OF FINANCIAL POSITION

ASSETS

In millions of euros	Notes	June 30, 2013	Dec. 31, 2012[4]
Non-current assets			
Intangible assets, net	5	12,693	13,020
Goodwill	5	29,559	30,035
Property, plant and equipment, net	5	81,346	86,597
Available-for-sale securities	6	3,366	3,398
Loans and receivables at amortized cost	6	3,620	3,541
Derivative instruments	6	2,676	3,108
Investments in associates		3,236	2,961
Other non-current assets		854	962
Deferred tax assets		1,258	1,487
TOTAL NON-CURRENT ASSETS		**138,608**	**145,109**
Current assets			
Loans and receivables at amortized cost	6	1,413	1,630
Derivative instruments	6	5,802	4,280
Trade and other receivables, net	6	23,705	25,034
Inventories		4,446	5,423
Other current assets		8,739	9,012
Financial assets at fair value through income	6	854	432
Cash and cash equivalents	6	11,187	11,383
Assets classified as held for sale	2	4,313	3,145
TOTAL CURRENT ASSETS		**60,460**	**60,339**
TOTAL ASSETS		**199,068**	**205,448**

[4] *Comparative data at December 31,2012 have been restated due to the retrospective application of IAS 19 Revised (see Note 1.2.1).*

NB: amounts in tables are generally expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the lines and columns showing totals.

EQUITY AND LIABILITIES

In millions of euros	Notes	June 30, 2013	Dec. 31, 2012[5]
Shareholders' equity		59,643	59,834
Non-controlling interests		11,035	11,468
TOTAL EQUITY		**70,678**	**71,303**
Non-current liabilities			
Provisions		15,695	15,480
Long-term borrowings	6	39,509	45,247
Derivative instruments	6	2,898	2,751
Other financial liabilities	6	284	343
Other non-current liabilities		1,891	2,063
Deferred tax liabilities		11,761	11,959
TOTAL NON-CURRENT LIABILITIES		**72,039**	**77,843**
Current liabilities			
Provisions		1,903	2,071
Short-term borrowings	6	13,240	11,962
Derivative instruments	6	5,406	4,092
Trade and other payables	6	16,083	19,481
Other current liabilities		17,008	16,820
Liabilities directly associated with assets classified as held for sale	2	2,710	1,875
TOTAL CURRENT LIABILITIES		**56,350**	**56,302**
TOTAL EQUITY AND LIABILITIES		**199,068**	**205,448**

[5] *Comparative data at December 31,2012 have been restated due to the retrospective application of IAS 19 Revised (see Note 1.2.1).*

NB: amounts in tables are generally expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the lines and columns showing totals.

STATEMENT OF CASH FLOWS

In millions of euros	Notes	June 30, 2013	June 30, 2012
NET INCOME[6]		**2,325**	**3,088**
- Share in net income of associates		(233)	(261)
+ Dividends received from associates		134	157
- Net depreciation, amortization, impairment and provisions		3,505	3,635
- Impact of changes in scope of consolidation and other non-recurring items		30	(276)
- Mark-to-market on commodity contracts o her than trading instruments		217	(295)
- Other items wi h no cash impact		58	59
- Income tax expense[6]		1,463	1,205
- Net financial expense[6]		1,010	1,537
Cash generated from operations before income tax and working capital requirements		**8,508**	**8,848**
+ Tax paid		(793)	(687)
Change in working capital requirements		**(1,327)**	**(1,114)**
CASH FLOW FROM OPERATING ACTIVITIES		**6,388**	**7,048**
Acquisitions of property, plant and equipment and intangible assets	3.4.3	(3,611)	(4,049)
Acquisitions of controlling interests in entities, net of cash and cash equivalents acquired	3.4.3	(20)	(86)
Acquisitions of investments in associates and joint ventures	3.4.3	(209)	(72)
Acquisitions of available-for-sale securities	3.4.3	(44)	(116)
Disposals of property, plant and equipment, and intangible assets		95	57
Loss of controlling interests in entities, net of cash and cash equivalents sold		194	222
Disposals of investments in associates and joint ventures		1,043	52
Disposals of available-for-sale securities		70	44
Interest received on non-current financial assets		23	31
Dividends received on non-current financial assets		52	44
Change in loans and receivables originated by the Group and other	3.4.3	(83)	(194)
CASH FLOW USED IN INVESTING ACTIVITIES		**(2,490)**	**(4,065)**
Dividends paid		(2,391)	(1,164)
Repayment of borrowings and debt		(2,413)	(5,060)
Change in financial assets at fair value through income		(341)	1,887
Interest paid		(946)	(1,158)
Interest received on cash and cash equivalents		66	102
Cash flow on derivatives qualifying as net investment hedges and compensation payments on derivatives		17	(437)
Increase in borrowings		1,961	6,882
Increase/decrease in capital		35	108
Purchase and/or sale of treasury stock		(5)	(302)
Changes in ownership interests in controlled en ities	3.4.3	(68)	(202)
CASH FLOW FROM (USED IN) FINANCING ACTIVITIES		**(4,085)**	**656**
Effects of changes in exchange rates and other		(9)	4
TOTAL CASH FLOW FOR THE PERIOD		**(196)**	**3,643**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		**11,383**	**14,675**
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**11,187**	**18,318**

[6] *Comparative data for first-half 2012 have been restated due to the retrospective application of IAS 19 Revised (see Note 1.2.1).*

NB: amounts in tables are generally expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the lines and columns showing totals.

STATEMENT OF CHANGES IN EQUITY

In millions of euros	Number of shares	Share capital	Additional paid-in capital	Conso-lidated reserves	Changes in fair value and other	Translation adjustments	Treasury stock	Share-holders' equity	Non-controlling interests	Total equity
EQUITY AT DECEMBER 31, 2011	**2,252,636,208**	**2,253**	**29,716**	**31,205**	**240**	**447**	**(930)**	**62,931**	**17,340**	**80,270**
Impact of IAS 19 Revised (see Note 1 2.1)				**78**				**78**	**6**	**84**
EQUITY AT JANUARY 1, 2012[7]	**2,252,636,208**	**2,253**	**29,716**	**31,283**	**240**	**447**	**(930)**	**63,009**	**17,346**	**80,354**
Net income[7]				2,326				2,326	762	3,088
Other comprehensive income items[7]				(58)	(427)	275		(210)	255	45
Total comprehensive income				**2,268**	**(427)**	**275**		**2,115**	**1,017**	**3,132**
Employee share issues and share-based payment	134,434	0	1	52				53	4	57
Dividends paid in shares	69,002,807	69	1,065	(1,134)						
Cash dividends paid				(341)				(341)	(1,042)	(1,382)
Acquisitions/disposals of treasury stock				(75)			(228)	(302)		(302)
Transactions between owners (International Power transaction)				(2,276)	(127)	240		(2,164)	(5,898)	(8,062)
Other transactions between owners				(110)				(110)	(60)	(171)
Share capital increases subscribed by non-controlling interests									108	108
Other changes			(6)	50				44	(35)	9
EQUITY AT JUNE 30, 2012[7]	**2,321,773,449**	**2,322**	**30,775**	**29,717**	**(314)**	**961**	**(1,157)**	**62,304**	**11,439**	**73,743**
EQUITY AT DECEMBER 31, 2012[7]	**2,412,824,089**	**2,413**	**32,207**	**26,427**	**(242)**	**235**	**(1,206)**	**59,834**	**11,468**	**71,303**
Net income				1,733				1,733	592	2,325
Other comprehensive income				(7)	190	(590)		(407)	(120)	(528)
Total comprehensive income				**1,725**	**190**	**(590)**		**1,325**	**472**	**1,797**
Employee share issues and share-based payment				52				52	5	57
Cash dividends paid[8]				(1,580)				(1,580)	(854)	(2,434)
Acquisitions/disposals of treasury stock[9]				(69)			64	(5)		(5)
Transactions between owners				28	(4)			24	(55)	(31)
Share capital increases subscribed by non-controlling interests									34	34
Other changes				(8)				(8)	(35)	(43)
EQUITY AT JUNE 30, 2013	**2,412,824,089**	**2,413**	**32,207**	**26,576**	**(56)**	**(354)**	**(1,142)**	**59,643**	**11,035**	**70,678**

[7] Comparative data for 2012 have been restated due to the retrospective application of IAS 19 Revised (see Note 1.2.1).

[8] On April 23, 2013, the Shareholders' Meeting resolved that a €1.50 dividend per share would be paid for 2012. An interim dividend of €0 83 was paid on October 25, 2012 (€427 million in cash and €1,460 million in shares) and the balance of €0.67 per share (total of €1,580 million) was paid on April 30, 2013.

[9] As part of its stock repurchase program, the Group acquired €5 million in treasury stock (net of disposals) during the first half of 2013.

NB: amounts in tables are generally expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the lines and columns showing totals.

3

Notes to the Consolidated Financial Statements

INFORMATION ON THE GDF SUEZ GROUP

GDF SUEZ SA, the parent company of the GDF SUEZ Group, is a French *société anonyme* with a Board of Directors that is subject to the provisions of Book II of the French Commercial Code (*Code de commerce*), as well as all other provisions of French law applicable to commercial companies. GDF SUEZ was incorporated on November 20, 2004 for a period of 99 years.

It is governed by current and future laws and by regulations applicable to *sociétés anonymes* and its bylaws.

The Group is headquartered at 1, place Samuel de Champlain – 92400 Courbevoie (France).

GDF SUEZ shares are listed on the Paris, Brussels and Luxembourg Stock Exchanges. The Group is one of the world's leading energy providers, active across the entire energy value chain – upstream and downstream – in both electricity and natural gas. It develops its businesses (energy, energy services and environment) around a responsible growth model in order to meet the challenges of satisfying energy needs, safeguarding supplies, combating climate change and optimizing the use of resources.

On July 31, 2013, the Group's Board of Directors approved and authorized for issue the condensed interim consolidated financial statements of GDF SUEZ and its subsidiaries for the six months ended June 30, 2013.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation

In accordance with the European Regulation on international accounting standards dated July 19, 2002, the Group's annual consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB) and endorsed by the European Union[1].

The Group's condensed interim consolidated financial statements for the six months ended June 30, 2013 were prepared in accordance with the provisions of IAS 34 – Interim Financial Reporting, which allows entities to present selected explanatory notes. The condensed interim consolidated financial statements for the six months ended June 30, 2013 do not therefore incorporate all of the notes and disclosures required by IFRS for the annual consolidated financial statements, and accordingly must be read in conjunction with the consolidated financial statements for the year ended December 31, 2012, subject to specific provisions relating to the preparation of interim financial statements as described hereafter.

[1] *Available on the European Commission's website: http://ec.europa.eu/internal_market/accounting/ias/index_en.htm*

1.2 Accounting policies

The accounting policies used to prepare the Group's condensed interim consolidated financial statements for the six months ended June 30, 2013 are consistent with those used to prepare the consolidated financial statements for the year ended December 31, 2012 in accordance with IFRS as published by the IASB and endorsed by the European Union, with the exception of the following items in 1.2.1 and 1.2.2:

1.2.1 IAS 19 Revised – Employee benefits applicable on January 1, 2013

Changes in accounting principles pursuant to the application of IAS 19 Revised are as follows for the Group:

- under IAS 19 Revised, the net interest expense (income) on the net defined benefit liability (asset) is determined by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability (asset). This net interest expense (income) is presented as "financial expense" ("financial income") in the income statement. Until December 31, 2012, two separate financial components regarding defined benefit plans were recognized in the Group's income statement:
  - an interest expense ("financial expense"), being the unwinding of the discount on the present value of the defined benefit obligation;

  – an interest income ("financial income"), being the expected return on plan assets;

- under the amended standard, plan administration costs are recognized when the administration services are rendered. Before the revision of the standard, administration costs were included in the actuarial assumptions used to measure the defined benefit obligation;
- as from application of IAS 19 Revised, unvested past service cost shall be recognized immediately whereas previously it was recognized over the vesting period.

The impacts resulting from the retrospective application of the revised standard on the 2012 financial statements are as follows:

- in the statement of financial position as of December 2012, the change implies a €146 million decrease of the provision for post-employment benefits, a €50 million decrease of the deferred tax assets, and a €96 million increase of equity. These restatements mainly originate from the change in the accounting for plan administration costs;
- as of June 30, 2012, net financial income and net income decrease by €9 and €6 million respectively, whereas basic earnings per share and diluted earnings per share remain unchanged. There is no significant impact on total comprehensive income as of June 30, 2012;
- equity as of January 1, 2012 increases by €84 million.

1.2.2 Other standards, amendments and interpretations applicable in 2013

- IFRS 13 – Fair value measurement: this new standard has no significant impact neither on the Group's income statement nor on the statement of financial position. Additional disclosures as required by IFRS 13 on financial assets and liabilities fair value measurement are presented in Note 6 "Financial instruments";
- Amendments to IFRS 7 – Financial instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities: information about rights to offset and related arrangements associated with financial assets and liabilities will be disclosed in the annual consolidated financial statements;
- Annual improvements – 2009-2011 Cycle: these amendments have no impact for the Group;
- IFRIC 20 – Stripping costs in the production phase of a surface mine: The Group is not concerned by this interpretation.

1.2.3 IFRS standards and amendments applicable after 2013 that the Group has elected not to early adopt

Standards et amendments applicable in 2014

- IFRS 10 – Consolidated Financial Statements;
- IFRS 11 – Joint Arrangements;
- Amendment to IAS 28 – Investments in Associates and Joint Ventures.

The application of these standards and amendments will not have any material impact on the Group's consolidated financial statements.

- IFRS 12 – Disclosure of Interests in Other Entities;
- Amendments to IAS 32 – Offsetting Financial Assets and Financial Liabilities;
- Amendments to IAS 36 – Recoverable Amount Disclosures for Non-Financial Assets[2];
- Amendments to IAS 39 – Novation of derivatives and continuation of hedge accounting[2];
- IFRIC 21 – Levies[2].

The potential impact on the Group resulting from the application of these standards and amendments is currently being assessed.

Standard effective in 2015

- IFRS 9 – Financial Instruments – Classification and measurement[2].

The potential impact on the Group resulting from the application of this standard is currently being assessed.

1.3 Use of estimates and judgment

The economic and financial crisis prompted the Group to step up its risks oversight procedures and include an assessment of these risks in measuring financial instruments and performing impairments tests. The Group's estimates used in business plans and determination of discount rates used in impairment tests and for calculating provisions take into account the crisis situation and the resulting important market volatility.

Estimates

The preparation of consolidated financial statements requires the use of estimates and assumptions to determine the value of assets and liabilities, and contingent assets and liabilities at the statement of financial position reporting date, as well as revenues and expenses reported during the period.

Due to uncertainties inherent to the estimation process, the Group regularly revises its estimates in light of currently available information. Final outcomes could differ from those estimates.

The key estimates used in preparing the Group's consolidated financial statements relate mainly to:

- measurement at fair value of assets acquired and liabilities assumed in a business combination;
- measurement of the recoverable amount of goodwill, property, plant and equipment and intangible assets;
- measurement of provisions, particularly for nuclear waste processing and storage, dismantling obligations, disputes, pensions and other employee benefits;
- financial instruments;

[2] *These standard, amendments and interpretation have not yet been endorsed by the European Union.*

- measurement of un-metered revenues;
- measurement of recognized tax loss carry-forwards.

Detailed information related to the use of estimates is provided in Note 1 to the consolidated financial statements for the year ended December 31, 2012.

Judgment

As well as relying on estimates, Group management also makes judgments to define the appropriate accounting policies to apply to certain activities and transactions, particularly when the effective IFRS standards and interpretations do not specifically deal with related accounting issues.

In particular, the Group exercised its judgment in determining the accounting treatment applicable to concession contracts, the classification of arrangements which contain a lease, the recognition of acquisitions of non-controlling interests prior to January 1, 2010 and the identification of electricity and gas purchase and sale "own use" contracts as defined by IAS 39.

In accordance with IAS 1, the Group's current and non-current assets and liabilities are shown separately on the consolidated statement of financial position. For most of the Group's activities, the breakdown into current and non-current items is based on when assets are expected to be realized, or liabilities extinguished. Assets expected to be realized or liabilities extinguished within 12 months of the statement of financial position date are classified as current, while all other items are classified as non-current.

1.4 Interim financial reporting

Seasonality of operations

Although the Group's operations are intrinsically subject to seasonal fluctuations, key performance indicators and income from operating activities are more influenced by changes in climatic conditions than by seasonality. Consequently, the interim results for the six months ended June 30, 2013 are not necessarily indicative of those that may be expected for full-year 2013.

Income tax expense

Current and deferred income tax expense for interim periods is calculated at the level of each tax entity by applying the average estimated annual effective tax rate for the current year to income for the period.

Pension benefit obligations

Pension costs for interim periods are calculated on the basis of the actuarial valuations performed at the end of the prior year. If necessary, these valuations are adjusted to take account of curtailments, settlements or other major non-recurring events during the period. Furthermore, amounts recognized in the statement of financial position in respect of defined benefit plans are adjusted, if necessary, in order to reflect material changes impacting the yield on investment-grade corporate bonds in the geographic area concerned (the benchmark used to determine the discount rate) and the actual return on plan assets.

NOTE 2 MAIN CHANGES IN GROUP STRUCTURE

2.1 Disposals carried out during the first half of 2013

During the first half of 2013, the Group continued to roll out its “portfolio optimization” program aimed at reducing consolidated net debt.

The disposals carried out in the first half of 2013 within the scope of this program led to a €1,538 million decrease in net debt compared with December 31, 2012.

The table below shows the cumulative impact of these disposals on the Group’s net debt at June 30, 2013. The individual and aggregate disposal gains/(losses) were not material at June 30, 2013.

In millions of euros	Disposal price	Decrease in net debt
Disposal of the 24.5% interest in SPP (Slovakia)	1,242	(1,127)
Disposal of 80% of IP Maestrale (Italy and Germany)	28	(28)
Cash received on the remaining disposal price of the Choctaw plant (United States) - Transaction carried out in 2012	-	(132)
Disposal of the Red Hills plant (United States)	-	(238)
Disposal of a 10% interest in Sohar Power Company SAOG (Oman)	13	(13)
TOTAL		**(1,538)**

IP Maestrale, Sohar Power Company SAOG and the Group's 24.5% interest in SPP were classified within “Assets held for sale” at December 31, 2012. This classification had already resulted in a €946 million decrease in net debt at December 31, 2012. Overall, taking into consideration total disposal prices of €1,168 million received in the first half of 2013, these three transactions reduced consolidated net debt by €2,114 million.

Moreover, the Group classified its investments in the Jirau (Brazil) and Astoria Energy, Phase I (United States) power plants within “Assets held for sale” at June 30, 2013 (see Note 2.2 "Assets held for sale"). This change in classification reduced net debt by an additional €2,352 million.

2.1.1 Disposal of the 24.5% interest in SPP (Slovakia)

On January 23, 2013, GDF SUEZ and E.ON finalized the sale of their interests in Slovak Gas Holding (“SGH”), in which they both held an equal interest, to Energetický a Průmyslový Holding (“EPH”). SGH is the holding company that owns a 49% interest in the Slovak gas operator Slovenský Plynárenský Priemysel a.s. (“SPP”).

This disposal valued the Group's 24.5% interest in SPP at €1,301 million. On January 23, 2013, the Group received a payment of €1,127 million corresponding to the sale price of €1,301 million less the €59 million dividend paid in December 2012 and a guaranteed deferred payment of €115 million to be received in 2015.

The impact of this disposal on Income Statement is not material. This transaction also brings the arbitration proceedings that GDF SUEZ and E.ON had launched against the Slovak State before the ICSID to an end (see Note 27.1 "Legal and arbitration proceedings" to the consolidated financial statements for the year ended December 31, 2012).

2.1.2 Disposal of 80% of IP Maestrale (Italy and Germany)

On February 13, 2013, the Group finalized the disposal of 80% of the share capital of IP Maestrale, a subsidiary operating a portfolio of wind power generation assets in Italy and Germany. The Group sold its 80% controlling interest to the ERG Group and received the sale price of €28 million.

In view of the provisions of the agreement entered into with ERG, the 20% interest retained by GDF SUEZ in IP Maestrale is recognized as a financial asset for an amount of €7 million.

This transaction did not have a material impact on the income statement for the six months ended June 30, 2013.

2.1.3 Disposal of the Red Hills plant (United States)

On February 28, 2013, the Group sold its subsidiary Red Hills, a 440 MW coal-fired power plant in Mississippi.

The disposal generated a capital loss of €15 million and led to a €238 million reduction in net debt.

2.2 Assets held for sale

Total "Assets classified as held for sale" and total "Liabilities directly associated with assets classified as held for sale" amounted to €4,313 million and €2,710 million, respectively, at June 30, 2013.

The main categories of assets and liabilities reclassified on these two lines of the statement of financial position are detailed below:

In millions of euros	June 30, 2013	Dec. 31, 2012
Property, plant and equipment, net	4,012	2,282
Other assets	301	864
TOTAL ASSETS CLASSIFIED AS HELD FOR SALE	**4,313**	**3,145**
Borrowings and debt	2,458	1,259
Other liabilities	252	616
TOTAL LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE	**2,710**	**1,875**

At June 30, 2013, "Assets held for sale" included the 60% equity interest in Energia Sustentavel Do Brasil (Jirau) and the Astoria Energy, Phase I, power plant in the United States.

All "Assets held for sale" at December 31, 2012 were sold (SPP in Slovakia, IP Maestrale in Italy and Germany, and Sohar Power Company in Oman) during the first half of 2013 (see Note 2.1 "Disposals carried out during the first half of 2013").

2.2.1 Energia Sustentavel Do Brasil – "Jirau" (Brazil)

On May 13, 2013, the Group announced its agreement with Mitsui & Co. Ltd. on the Jirau hydro power plant in Brazil. Pursuant to the agreement, the Group will sell Mitsui & Co. Ltd. a 20% equity interest in Energia Sustentavel Do Brasil (ESBR). ESBR was created in order to build, own and operate the 3,750 MW Jirau hydro power plant.

Further to this transaction, GDF SUEZ's residual 40% stake in ESBR will be accounted for under the equity method.

At June 30, 2013, the conditions precedent for the completion of the transaction (including the ESBR bank pool agreement, authorization from the antitrust authorities and the energy regulation agency) had not been fulfilled. Accordingly, the assets and liabilities of the 60% proportionately consolidated interest in ESBR were classified under "Assets held for sale". This classification led to a €1,944 million decrease in the Group's net debt at June 30, 2013.

The Group expects to finalize this partial disposal during the second half of 2013.

2.2.2 Astoria Energy, Phase I power plant (United States)

On June 19, 2013, the Group entered into an agreement for the sale of a 20.6% stake in the capital of Astoria Energy, Phase I, a subsidiary which operates a 575 MW combined cycle power plant in the State of New York.

This partial disposal will result in a loss of control and the residual 44.8% equity interest (corresponding to 36.8% of voting rights) in Astoria Energy, Phase I will be accounted for under the equity method.

At June 30, 2013, the conditions precedent for the completion of the transaction had not been fulfilled. Accordingly, the assets and liabilities of Astoria Energy, Phase I, were classified within "Assets held for sale".

This classification led to a €408 million decrease in net debt at June 30, 2013.

The Group expects this transaction to be finalized in the second half of 2013.

2.3 Other transactions during the first half of 2013

Various other acquisitions, equity transactions and disposals took place in the first half of 2013 (including the acquisition of non-controlling interests in Hazelwood Power Partnership). The individual and aggregate impacts of these transactions on the consolidated financial statements for the six months ended June 30, 2013 are not material.

NOTE 3 SEGMENT INFORMATION

3.1 Operating segments

The Group is organized around the following six operating segments: GDF SUEZ Energy International, GDF SUEZ Energy Europe, GDF SUEZ Global Gas & LNG, GDF SUEZ Infrastructures, GDF SUEZ Energy Services and SUEZ Environnement business lines.

The Group's operating segments are described in Note 3, "Segment information", to the consolidated financial statements for the year ended December 31, 2012.

3.2 Key indicators by operating segment

Revenues

In millions of euros	June 30, 2013 External revenues	June 30, 2013 Intra-group revenues	June 30, 2013 Total	June 30, 2012 External revenues	June 30, 2012 Intra-group revenues	June 30, 2012 Total
Energy International	7,614	483	8,097	8,129	207	8,336
Energy Europe	23,412	927	24,339	24,269	923	25,193
Global Gas & LNG	2,898	1,558	4,457	2,494	1,758	4,252
Infrastructures	1,269	2,294	3,563	932	2,214	3,146
Energy Services	7,380	109	7,489	7,392	105	7,497
SUEZ Environnement	7,170	6	7,176	7,318	4	7,322
Other	-	-	-	-	-	-
Intra-group eliminations	-	(5,377)	(5,377)	-	(5,212)	(5,212)
TOTAL REVENUES	**49,743**	**-**	**49,743**	**50,535**	**-**	**50,535**

EBITDA

In millions of euros	June 30, 2013	June 30, 2012
Energy International	2,159	2,145
Energy Europe	2,100	2,485
Global Gas & LNG	1,076	1,415
Infrastructures	1,938	1,718
Energy Services	542	531
SUEZ Environnement	1,209	1,133
Other	(242)	(190)
TOTAL EBITDA	**8,782**	**9,236**

Current operating income (COI)

In millions of euros	June 30, 2013	June 30, 2012
Energy International	1,529	1,429
Energy Europe	1,360	1,647
Global Gas & LNG	574	740
Infrastructures	1,306	1,087
Energy Services	370	358
SUEZ Environnement	521	460
Other	(283)	(285)
TOTAL CURRENT OPERATING INCOME	**5,377**	**5,436**

Depreciation and amortization

In millions of euros	June 30, 2013	June 30, 2012
Energy International	(611)	(712)
Energy Europe	(693)	(784)
Global Gas & LNG	(465)	(670)
Infrastructures	(631)	(630)
Energy Services	(160)	(161)
SUEZ Environnement	(551)	(529)
Other	(48)	(45)
TOTAL DEPRECIATION AND AMORTIZATION	**(3,159)**	**(3,532)**

Industrial capital employed

In millions of euros	June 30, 2013	Dec. 31, 2012[1]
Energy International	24,679	27,827
Energy Europe	23,399	24,018
Global Gas & LNG	5,057	4,967
Infrastructures	20,414	20,877
Energy Services	3,527	3,141
SUEZ Environnement	13,671	13,677
Other	891	973
TOTAL INDUSTRIAL CAPITAL EMPLOYED	**91,639**	**95,480**

[1] *Comparative data at December 31, 2012 have been restated due to the retrospective application of IAS 19 Revised (see Note 1.2.1).*

Capital expenditure (CAPEX)

In millions of euros	June 30, 2013	June 30, 2012
Energy International	1,147	1,385
Energy Europe	652	1,220
Global Gas & LNG	462	316
Infrastructures	887	754
Energy Services	265	224
SUEZ Environnement	583	785
Other	31	24
TOTAL CAPITAL EXPENDITURE	**4,026**	**4,709**

3.3 Key indicators by geographic area

The amounts set out below are analyzed by:

- destination of products and services sold for revenues;
- geographic location of consolidated companies for industrial capital employed.

	Revenues		Industrial capital employed	
In millions of euros	June 30, 2013	June 30, 2012	June 30, 2013	Dec. 31, 2012[1]
France	20,255	19,108	33,543	33,990
Belgium	5,339	5,974	3,912	3,943
Other EU countries	13,628	15,189	27,004	27,537
Other European countries	533	501	1,328	1,426
North America	2,478	2,580	8,280	9,118
Asia, Middle-East & Oceania	4,702	4,149	9,449	9,155
South America	2,340	2,571	7,833	10,091
Africa	468	462	290	219
TOTAL	**49,743**	**50,535**	**91,639**	**95,480**

[1] *Comparative data at December 31, 2012 have been restated due to the retrospective application of IAS 19 Revised (see Note 1.2.1).*

3.4 Reconciliation of indicators with consolidated financial statements

3.4.1 Reconciliation of EBITDA with current operating income

The bridge between EBITDA and current operating income is explained as follows:

In millions of euros	June 30, 2013	June 30, 2012
CURRENT OPERATING INCOME	**5,377**	**5,436**
Net depreciation, amortization and provisions	3,139	3,589
Share-based payment (IFRS 2) and other	59	58
Net disbursements under concession contracts	208	154
EBITDA	**8,782**	**9,236**

3.4.2 Reconciliation of industrial capital employed with items in the statement of financial position

In millions of euros	June 30, 2013	Dec. 31, 2012[1]
(+) Property, plant and equipment and intangible assets, net	94,039	99,617
(+) Goodwill	29,559	30,035
(-) Goodwill arising on the Gaz de France - SUEZ merger[2]	*(11,592)*	*(11,592)*
(-) Goodwill arising on the International Power combination[2]	*(2,663)*	*(2,750)*
(+) IFRIC 4 and IFRIC 12 receivables	2,731	2,682
(+) Investments in associates	3,236	2,961
(+) Trade and other receivables, net	23,705	25,034
(-) Margin calls[2 & 3]	*(902)*	*(800)*
(+) Inventories	4,446	5,423
(+) Other current and non-current assets	9,593	9,974
(+) Deferred tax	(10,503)	(10,472)
(+) Carrying amount of the entities classified as "Assets held for sale"	1,602	1,271
(-) Share in net equity to be disposed of in a third party transaction[4]	*(527)*	*(1,271)*
(-) Provisions	(17,599)	(17,552)
(+) Actuarial gains and losses in shareholders' equity (net of deferred tax)[2]	*1,418*	*1,316*
(-) Trade and other payables	(16,083)	(19,481)
(-) Margin calls[2 & 3]	*365*	*302*
(-) Other liabilities	(19,186)	(19,219)
INDUSTRIAL CAPITAL EMPLOYED	**91,639**	**95,480**

[1] Comparative data at December 31, 2012 have been restated due to the retrospective application of IAS 19 Revised (see Note 1.2.1).

[2] For the purpose of calculating industrial capital employed, the amounts recorded in respect of these items have been adjusted from those appearing in the statement of financial position.

[3] Margin calls included in "Trade and other receivables" and "Trade and other payables" correspond to advances received or paid as part of collateralization agreements set up by the Group to reduce its exposure to counterparty risk on commodities transaction.

[4] The related operations are detailed in Note 2.2 "Assets held for sale". The definition of industrial capital employed includes the carrying value of the share in net equity the Group will retain after the transaction. In contrast, the share in net equity to be disposed of in a third party transaction is excluded.

3.4.3 Reconciliation of capital expenditure (CAPEX) with items in the statement of cash flows

In millions of euros	June 30, 2013	June 30, 2012
Acquisitions of property, plant and equipment and intangible assets	3,611	4,049
Acquisition of control over subsidiaries net of the cash and cash equivalents acquired	20	86
(+) Cash and cash equivalents acquired	*2*	*18*
Acquisitions of investments in associates and joint ventures	209	72
(+) Cash and cash equivalents acquired	*1*	-
Acquisitions of available-for-sale securities	44	116
Change in loans and receivables originated by the Group and other	83	194
(+) Other	-	*(3)*
Change in ownership interests in controlled entities	68	202
(+) Payments received in respect of the disposal of non-controlling interests	*(12)*	*(25)*
TOTAL CAPITAL EXPENDITURE	**4,026**	**4,709**

NOTE 4 INCOME STATEMENT

4.1 Income from operating activities

In millions of euros	June 30, 2013	June 30, 2012
CURRENT OPERATING INCOME	**5,377**	**5,436**
Mark-to-market on commodity contracts other than trading instruments	(217)	295
Impairment losses	(493)	(361)
Restructuring costs	(74)	(78)
Changes in scope of consolidation	(72)	33
Other non-recurring items	43	243
INCOME FROM OPERATING ACTIVITIES	**4,564**	**5,569**

4.1.1 Mark-to-market on commodity contracts other than trading instruments

In the first half of 2013, this item represents a net loss of €217 million, compared with a net gain of €295 million in the first half of 2012, mainly reflecting:

- changes in the fair value of (i) electricity and natural gas sale and purchase contracts falling within the scope of IAS 39 and (ii) financial instruments used as economic hedges but not eligible for hedge accounting, resulting in a net loss of €222 million (compared with a net gain of €273 million in the first half of 2012). This loss is mainly due to a negative price effect related to changes in the forward prices of the underlying commodities during the period. It also includes the negative impact of the settlement of positions with a positive market value at December 31, 2012;
- the ineffective portion of cash flow hedges representing a gain of €5 million (compared to a gain of €22 million in the first half of 2012).

4.1.2 Impairment losses

In millions of euros	June 30, 2013	June 30, 2012
Impairment losses :		
Goodwill	(291)	-
Property, plant and equipment and other intangible assets	(204)	(279)
Financial assets	(9)	(88)
TOTAL IMPAIRMENT LOSSES	**(505)**	**(368)**
Reversals of impairment losses :		
Property, plant and equipment and other intangible assets	10	5
Financial assets	3	2
TOTAL REVERSALS OF IMPAIRMENT LOSSES	**12**	**7**
TOTAL	**(493)**	**(361)**

In addition to the annual impairment tests on goodwill and non-amortizable intangible assets carried out in the second half of the year, the Group also tests goodwill, property, plant and equipment, intangible assets and financial assets for impairment whenever there is an indication that the asset may be impaired.

In Europe, the Group continues to face a tough economic environment that is significantly affecting the profitability of power generation assets and underground natural gas storage activities. In particular, the competitiveness of its gas-fired power plants has been adversely impacted by the combined effects of a flat power demand, the development of renewable energies, and competition from coal-fired power plants.

In addition, and as a result of new decreases during the first half of 2013 in power market prices, seasonal natural gas spreads, storage capacity reservations and margins for power plants, the Group carried out impairment tests on several CGUs in Europe at June 30, 2013.

The cash flow projections used to calculate the value in use of the CGUs take into account the impact of the most recent events known at the reporting date, as well as price assumptions that were updated over the course of the first half of 2013.

These price forecasts were determined as follows:

- the projections for the 2013-2015 period were drawn up using market forward prices for fuel, CO_2 and electricity over the liquidity time horizon;
- beyond this period, medium and long-term energy prices were determined by the Group based on fundamental supply and demand equilibrium models, the results of which are regularly compared against forecasts prepared by energy sector specialists. The Group determines medium and long-term electricity prices based on medium and long-term price estimates for fuel and CO_2, fundamental electricity supply and demand equilibrium models, and on the assumption of a gradual convergence towards a price level that covers a new entrant's investment costs and marginal costs.

Further to these tests, the Group recognized impairment losses (net of reversals) amounting to €493 million, including €440 million in respect of CGUs of the GDF SUEZ Energy Europe business line.

4.1.2.1 Impairment losses recognized during the first half of 2013

Impairment losses on goodwill

During the first half of 2013, the Group recognized an impairment loss of €252 million against the Energy – Southern Europe CGU, writing down the value of goodwill in full. This CGU comprises the production and sale of gas and electricity activities in Italy and Greece.

The value in use of the Energy – Southern Europe CGU was calculated based on cash flow projections for the 2013 - 2019 period. A terminal value was determined by extrapolating the cash flows beyond that period. The discount rates applied to these forecasts range from 5.6% to 13% depending on the risk profile assigned to each type of production and sales asset.

A 0.5% increase in the discount rate would lead to the recognition of an additional €269 million impairment loss on the CGU's property, plant and equipment and intangible assets. A €1/MWh decrease in the electricity price would result in an additional impairment loss of €144 million on those assets.

Impairment of property, plant and equipment and intangible assets

The net impairment losses of €204 million recognized in the first half of 2013 mainly relate to GDF SUEZ Energy Europe's gas-fired power plants in the Netherlands (€134 million), France (€28 million) and Germany (€25 million):

- in the Netherlands, lower estimates of projected margins over the residual life of an asset intended to cover peak period demands led the Group to recognize a €134 million impairment loss on the power plant;
- the mothballing of gas-fired power plants in France and Germany for an indefinite period of time gave rise to the recognition of impairment losses of €28 million and €25 million, respectively.

In the first half of 2012, the Group recognized impairment losses mainly relating to the following GDF SUEZ Energy Europe assets:

- a coal-fired power plant under construction in Germany (€90 million), due to technical problems;
- a thermal power plant in Greece (€42 million), in view of that country's difficult economic context and technical problems during the first half of 2012.

Impairment of financial assets

In the first half of 2013, this item did not include any amounts that were material taken individually.

Impairment losses recognized in the first half of 2012 (net of reversals), amounted to €86 million. This amount included an impairment loss of €80 million recognized by the Group against its equity interest in listed company ACEA.

A breakdown of available-for-sale securities and their values are presented in Note 6 “Financial instruments” to the condensed interim consolidated financial statements for the six months ended June 30, 2013.

4.1.2.2 Additional information on the impairment test on the Energy – Central Western Europe (CWE) CGU at June 30, 2013

The Central Western Europe CGU groups together the following activities: the supply, trading and sale of natural gas, power generation and the sale of energy in France, Belgium, the Netherlands, Luxembourg and Germany. The total amount of goodwill allocated to this CGU amounted to €12,336 million at June 30, 2013.

The key assumptions used in the impairment test are described in Note 1.3.1.2 "Recoverable amount of goodwill, property, plant and equipment and intangible assets" to the consolidated financial statements for the year ended December 31, 2012.

Regarding the assumptions on the regulatory frameworks in Belgium, the Council of Ministers announced a series of decisions on the power market in July 2012 and July 2013. In particular, the Belgian government confirmed the gradual schedule for the phase-out of nuclear power:

- the Doel 1 and Doel 2 reactors will be closed in 2015 after 40 years of operation. The operating life of Tihange 1 will be extended by 10 years to 2025, based on conditions which remain to be finalized and, consequently, to be approved by the owners;
- the Doel 3, Tihange 2 and Tihange 3 / Doel 4 reactors will be closed in 2022, 2023 and 2025 respectively, after 40 years of operation.

At this stage, the content and consequences of most of these announcements remain unclear, both in terms of the energy landscape as a whole and the conditions in which the measures announced are to be implemented and applied. Accordingly, as in 2012, the Group considers that a nuclear power production will still be necessary to ensure the security of supply in Belgium beyond 2025. The calculation of the terminal value in 2025 for the Belgian generation activities therefore includes a nuclear power generation equivalent to the aggregated capacities of the four reactors of Doel 3, Doel 4, Tihange 2 and Tihange 3.

Regarding the Doel 1 and Doel 2 reactors, the Group considers that as a result of these decisions, the Belgian government is not complying with the Memorandum of Understanding entered into in October 2009, which contains firm and reciprocal commitments that are binding on the parties, especially as regards the ten-year extension of the operating lives of the Doel 1, Doel 2 and Tihange 1 nuclear power plants. However, and although it disputes this measure, the Group has determined the value in use of the goodwill CGU based on the assumption that the Doel 1 and Doel 2 plants will be shut down in 2015, as well as on the principle of a ”profit sharing” of the nuclear plants benefiting from a lifetime extension granted by the government.

At June 30, 2013, the recoverable amount of this CGU remained higher than its carrying amount. However, in light of the worsening market conditions in Europe and regulatory uncertainties in Belgium, the outcome of the impairment test are particularly sensitive to changes in the assumptions used for electricity prices and the future of nuclear power plants in Belgium:

- a decrease of €1/MWh in the electricity price would have a negative impact of 62% on the excess of the recoverable amount over the carrying amount. However, the recoverable amount would remain above the carrying amount;
- lastly, various transformational scenarios have been considered concerning nuclear power generation in Belgium:
  - in the event of a ten-year extension of the operating lives of the Doel 3, Doel 4, Tihange 2 and Tihange 3 reactors, followed by the disappearance of all nuclear components in the portfolio, the recoverable amount would be lower than the carrying amount. In that scenario, the risk of impairment loss would amount to approximately €2,400 million at June 30, 2013, assuming that the other impairment test assumptions remained unchanged;
  - the disappearance of the entire nuclear component from the portfolio after 50 operating years for Tihange 1 and 40 operating years for the other plants currently in use would have a sharply adverse impact on the outcome of the impairment test. The resulting recoverable amount would be lower than the carrying amount of the CGU, and the risk of impairment loss would amount to approximately €5,200 million at June 30, 2013, assuming that the other impairment test assumptions remained unchanged.

4.1.2.3 Additional information on the impairment test on the Storage CGU at June 30, 2013

The Storage CGU brings together the entities that own, operate, and market underground natural gas storage capacities in France, Germany, and the United Kingdom. The total amount of goodwill allocated to this CGU amounted to €1,794 million at June 30, 2013.

The key assumptions used in the impairment test are described in Note 1.3.1.2 "Recoverable amount of goodwill, property, plant and equipment and intangible assets" to the consolidated financial statements for the year ended December 31, 2012.

The activities of the Storage CGU are impacted by the decline in seasonal natural gas price spreads on the European markets over the 2013 - 2015 period and by the decrease in capacity reservations in France. At June 30, 2013, the recoverable amount of this CGU remained slightly higher than its carrying amount.

In light of the worsening market context, the outcome of the test is particularly sensitive to changes in the assumptions used for the seasonal spread beyond the liquidity time horizon, and changes in the regulatory framework in France concerning capacity reservation obligations for natural gas suppliers.

In the event of a 5% decrease in storage capacity sales over the 2013 - 2019 period, and on the normative cash flows used in the terminal value, the risk of impairment loss would amount to approximately €500 million at June 30, 2013, assuming that the other impairment test assumptions remained unchanged.

In the event of a 10% decrease in the seasonal spread beyond the liquidity time horizon, the risk of impairment loss would amount to approximately €150 million at June 30, 2013, assuming that the other impairment test assumptions remained unchanged.

4.1.3 Restructuring costs

Restructuring costs include costs resulting from the implementation of the "Perform 2015" action plan, mainly at GDF SUEZ Energy Europe (€47 million). This item also includes the costs incurred to adapt to economic conditions at SUEZ Environnement (€16 million).

4.1.4 Changes in scope of consolidation

In the first half of 2013, this item mainly included the €15 million capital loss on the disposal of the Red Hills plant in the United States. The other items included in this caption are not material taken individually.

In the first half of 2012, this item mainly included the €34 million capital gain on the disposal of Eurawasser in Germany.

4.1.5 Other non-recurring items

In the first half of 2013, this item did not include any amounts that were material taken individually.

In the first half of 2012, this item mainly included a €233 million gain corresponding to the decrease in the fine related to the “MEGAL” legal proceedings following the judgment handed down by the General Court of the European Union on June 29, 2012.

4.2 Net financial income/(expense)

	June 30, 2013			June 30, 2012		
In millions of euros	Expense	Income	Total	Expense	Income	Total
Cost of net debt	**(896)**	**70**	**(826)**	**(1,086)**	**107**	**(979)**
Interest expense on gross debt and hedges	(1,053)	-	(1,053)	(1,255)	-	(1,255)
Foreign exchange gains/losses on borrowings and hedges	-	-	-	(14)	-	(14)
Ineffective portion of derivatives qualified as fair value hedges	(1)	-	(1)	(10)	-	(10)
Gains and losses on cash and cash equivalents and financial assets at fair value through income	-	70	70	-	107	107
Capitalized borrowing costs	158	-	158	192	-	192
Gains/(losses) on debt restructuring and early settlement of derivative instruments	**(73)**	**36**	**(37)**	**(248)**	**205**	**(43)**
Compensation payments on swap settlements	(44)	-	(44)	(228)	-	(228)
Reversal of the negative fair value of these derivatives that were settled early	-	36	36	-	205	205
Expenses on debt restructuring transactions	(30)	-	(30)	(19)	-	(19)
Other financial income and expenses	**(453)**	**306**	**(147)**	**(791)**	**276**	**(515)**
Net interest expense on post-employment benefits and other long-term benefits[1]	(89)	-	(89)	(103)	-	(103)
Unwinding of discounting adjustments to other long-term provisions[1]	(225)	-	(225)	(220)	-	(220)
Change in fair value of derivatives not qualifying for hedge accounting	-	103	103	(253)	-	(253)
Income from available-for-sale securities	-	61	61	-	50	50
Other	(139)	142	2	(215)	226	11
NET FINANCIAL INCOME/(EXPENSE)[1]	**(1,422)**	**412**	**(1,010)**	**(2,125)**	**588**	**(1,537)**

[1] Following the retrospective application of the IAS 19 Revised (see Note 1.2.1 "Revised IAS 19 – Employee benefits applicable on January 1, 2013"), the net interest expense resulting from the application of the discount rate to the net defined benefit plan obligation is now presented on a single line entitled "Net interest expense on post-employment benefits and other long-term benefits". At June 30, 2012, the interest expense on the projected benefit obligation was presented under "Unwinding of discounting adjustments to other long-term provisions" and the financial income under "Expected return on plan assets". The amounts at June 30, 2012 have been adjusted for the purposes of comparison.

The decrease in the cost of net debt is mainly due to the impact of lower interest rates on outstanding floating-rate borrowings and the positive impact of refinancing transactions carried out by the Group.

At June 30, 2012, “Other financial income and expenses” included a €162 million expense recognized in respect of the change in fair value of the derivative corresponding to the optional component of bonds convertible into International Power shares denominated in US dollars.

4.3 Income tax expense

In millions of euros	June 30, 2013	June 30, 2012[1]
Net income (A)	2,325	3,088
Total income tax expense recognized in income for the period (B)	(1,463)	(1,205)
Share in net income of associates (C)	233	261
INCOME BEFORE INCOME TAX EXPENSE AND SHARE IN NET INCOME OF ASSOCIATES (A)-(B)-(C)=(D)	**3,555**	**4,031**
EFFECTIVE TAX RATE - (B)/(D)	**41.2%**	**29.9%**

[1] *Comparative data for first-half 2012 have been restated due to the retrospective application of IAS 19 Revised (see Note 1.2.1).*

The effective tax rate was 11.3% higher than the first half of 2012, mainly due to the following reasons:

- the impact of new tax measures applicable to French companies: the income tax expense recognized in respect of the additional 3% contribution on dividends paid amounted to €68 million in the first half of 2013, while the cap on the deductibility of financial expenses resulted in a €32 million increase in income tax expense;
- the recognition by the Group in the first half of 2013 of a non-deductible impairment loss of €252 million against goodwill for the Energy – Southern Europe CGU and a €66 million write-down on net deferred tax assets for the GDF SUEZ Energia Italia tax consolidation group;
- the recognition by the Group in the first half of 2012 of one-off deferred tax income, including €90 million in respect of the Group's Australian power generation business following recent changes in tax legislation. The Group recognized a non-taxable gain of €233 million in first-half 2012 in relation to the decrease in the fine imposed by the European Commission as part of the "MEGAL" proceedings.

4.4 Net recurring income Group share

Net recurring income Group share is a financial indicator used by the Group in its financial communication to present net income Group share adjusted for unusual, irregular or non-recurring items.

This financial indicator therefore excludes:

- all items presented between the lines "Current operating income" and "Income from operating activities", i.e., "Mark-to-market on commodity contracts other than trading instruments", "Impairment losses", "Restructuring costs", "Changes in scope of consolidation" and "Other non-recurring items". These items are defined in Note 1.4.17 "Current operating income" to the consolidated financial statements for the year ended December 31, 2012;
- the following components of net financial income/(loss): the impact of debt restructuring, the compensation payments on the early settlement of derivative instruments, changes in the fair value of derivative instruments which do not qualify as hedges under IAS 39, as well as the ineffective portion of derivative instruments that qualify as hedges;
- the tax impact of the items described above, determined using the statutory income tax rate applicable to the relevant tax entity;
- the net expense relating to the nuclear contribution in Belgium, the legality of which is contested by the Group;
- net non-recurring items included in "Share in net income of associates". The excluded items correspond to non-recurring items as defined above.

The reconciliation of net recurring income Group share with net income is as follows:

In millions of euros	Note	June 30, 2013	June 30, 2012[1]
NET INCOME GROUP SHARE		**1,733**	**2,326**
Non-controlling interests		592	762
NET INCOME		**2,325**	**3,088**
Reconciliation between current operating income and income from operating activities		**812**	**(132)**
Mark-to-market on commodity contracts other than trading instruments	*4.1*	*217*	*(295)*
Impairment losses	*4.1*	*493*	*361*
Restructuring costs	*4.1*	*74*	*78*
Changes in scope of consolidation	*4.1*	*72*	*(33)*
Other non-recurring items	*4.1*	*(43)*	*(243)*
Other adjusted items (not included in income from operating activities)		**(113)**	**383**
Gains/(losses) on debt restructuring and settlement of derivative instruments	*4.2*	*37*	*43*
Change in fair value of derivatives not qualifying for hedge accounting and ineffective portion of derivatives qualified as fair value hedges	*4.2*	*(102)*	*262*
Taxes on non-recurring items		*(169)*	*(40)*
Net expense relating to the nuclear contribution in Belgium		*125*	*133*
Non-recurring income included in share of net income of associates		*(4)*	*(15)*
NET RECURRING INCOME		**3,024**	**3,339**
Non-controlling interests recurring income		593	866
NET RECURRING INCOME GROUP SHARE		**2,431**	**2,472**

[1] *Comparative data for first-half 2012 have been restated due to the retrospective application of IAS 19 Revised (see Note 1.2.1).*

NOTE 5 GOODWILL, PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

In millions of euros	Goodwill	Intangible assets	Property, plant and equipment
GROSS AMOUNT			
At December 31, 2012	**30,577**	**21,094**	**130,015**
Acquisitions and construction of property, plant and equipment and intangible assets	-	351	3,003
Disposals of property, plant and equipment and intangible assets	-	(69)	(395)
Changes in scope of consolidation	(22)	(27)	(333)
Transfer to Assets classified as held for sale	(56)	(5)	(4,195)
Other changes	-	(16)	124
Translation adjustments	(162)	(43)	(1,753)
At June 30, 2013	**30,337**	**21,285**	**126,466**
ACCUMULATED AMORTIZATION, DEPRECIATION AND IMPAIRMENT			
At December 31, 2012	**(542)**	**(8,073)**	**(43,418)**
Depreciation, amortization and impairment	(252)	(573)	(2,790)
Disposals of property, plant and equipment and intangible assets	-	63	309
Changes in scope of consolidation	-	-	207
Transfer to Assets classified as held for sale	-	5	187
Other changes	-	(13)	(46)
Translation adjustments	16	-	430
At June 30, 2013	**(779)**	**(8,592)**	**(45,120)**
CARRYING AMOUNT			
At December 31, 2012	30,035	13,020	86,597
At June 30, 2013	**29,558**	**12,693**	**81,346**

Changes in scope of consolidation for the first half of 2013 are due mainly to the disposal of the Red Hills power plant (negative €186 million impact) in the United States.

Energia Sustentavel Do Brasil (Jirau) and Astoria Energy, Phase I, were classified as held for sale (see Note 2.2 "Assets held for sale"), and the carrying amount of the corresponding property, plant and equipment was transferred to "Assets classified as held for sale" in the statement of financial position at June 30, 2013.

Impairment losses recognized against goodwill and against property, plant and equipment and intangible assets amounted to €252 million and €204 million, respectively. The €252 million impairment loss on goodwill relates to the goodwill of the Energy - Southern Europe CGU, which was written down in full. The other impairment losses mainly concern gas-fired power plants in Europe for €187 million. These impairment losses are detailed in Note 4.1.2 "Impairment losses".

Translation adjustments recorded on the net amount of property, plant and equipment mainly relate to translation losses on the Brazilian real (€485 million), the Australian dollar (€330 million), the Norwegian krone (€219 million), the pound sterling (€179 million) and the Chilean peso (€161 million), and to translation gains on the US dollar (€114 million).

NOTE 6 FINANCIAL INSTRUMENTS

6.1 Financial assets

The following table presents the Group's different categories of financial assets, broken down into current and non-current items:

In millions of euros	June 30, 2013			Dec. 31, 2012		
	Non-current	Current	Total	Non-current	Current	Total
Available-for-sale securities	3,366	-	3,366	3,398	-	3,398
Loans and receivables at amortized cost	3,620	25,118	28,738	3,541	26,664	30,206
Loans and receivables at amortized cost (excluding trade and other receivables)	*3,620*	*1,413*	*5,033*	*3,541*	*1,630*	*5,171*
Trade and other receivables	*-*	*23,705*	*23,705*	*-*	*25,034*	*25,034*
Other financial assets at fair value	2,676	6,656	9,332	3,108	4,711	7,819
Derivative instruments	*2,676*	*5,802*	*8,478*	*3,108*	*4,280*	*7,387*
Financial assets at fair value through income	*-*	*854*	*854*	*-*	*432*	*432*
Cash and cash equivalents	-	11,187	11,187	-	11,383	11,383
TOTAL	**9,662**	**42,962**	**52,624**	**10,047**	**42,758**	**52,805**

Available-for-sale securities

In millions of euros	
At December 31, 2012	**3,398**
Acquisitions	54
Disposals - carrying amount excluding changes in fair value recorded in "Other comprehensive income"	(41)
Disposals - "Other comprehensive income" derecognized	(20)
Other changes in fair value recorded in equity	(1)
Changes in fair value recorded in income	(9)
Changes in scope of consolidation, foreign currency translation and other changes	(15)
At June 30, 2013	**3,366**

The Group's available-for-sale securities amounted to €3,366 million at June 30, 2013, broken down as €1,266 million of listed securities and €2,100 million of unlisted securities.

6.2 Financial liabilities

Financial liabilities are recognized in:

- «Liabilities at amortized cost» (borrowings and debt, trade and other payables, and other financial liabilities);
- «Financial liabilities at fair value through income» (derivative instruments).

The following table presents the Group's different categories of financial liabilities at June 30, 2013, broken down into current and non-current items:

	June 30, 2013			Dec. 31, 2012		
In millions of euros	Non-current	Current	Total	Non-current	Current	Total
Borrowings and debt	39,509	13,240	52,749	45,247	11,962	57,209
Derivative instruments	2,898	5,406	8,304	2,751	4,092	6,844
Trade and other payables	-	16,083	16,083	-	19,481	19,481
Other financial liabilities	284	-	284	343	-	343
TOTAL	**42,692**	**34,729**	**77,420**	**48,341**	**35,536**	**83,877**

6.3 Net debt

6.3.1 Net debt by type

In millions of euros	June 30, 2013 Non-current	June 30, 2013 Current	June 30, 2013 Total	Dec. 31, 2012 Non-current	Dec. 31, 2012 Current	Dec. 31, 2012 Total
Borrowings and debt outstanding	39,279	12,305	51,585	44,381	10,277	54,658
Impact of measurement at amortized cost	(23)	391	368	331	692	1,023
Impact of fair value hedge[1]	253	121	374	535	89	624
Margin calls on derivatives hedging borrowings - liabilities	-	423	423	-	904	904
BORROWINGS AND DEBT	**39,509**	**13,240**	**52,749**	**45,247**	**11,962**	**57,209**
Derivatives hedging borrowings - carried in liabilities[2]	383	38	421	225	54	279
GROSS DEBT	**39,892**	**13,278**	**53,170**	**45,472**	**12,017**	**57,489**
Assets related to financing	(54)	(157)	(211)	(59)	(237)	(295)
ASSETS RELATED TO FINANCING	**(54)**	**(157)**	**(211)**	**(59)**	**(237)**	**(295)**
Financial assets at fair value through income (excluding margin calls)	-	(465)	(465)	-	(255)	(255)
Margin calls on derivatives hedging borrowings - carried in assets	-	(389)	(389)	-	(177)	(177)
Cash and cash equivalents	-	(11,187)	(11,187)	-	(11,383)	(11,383)
Derivatives hedging borrowings - carried in assets[2]	(852)	(71)	(923)	(1,363)	(102)	(1,464)
NET CASH	**(852)**	**(12,112)**	**(12,965)**	**(1,363)**	**(11,916)**	**(13,279)**
NET DEBT	**38,985**	**1,009**	**39,994**	**44,050**	**(136)**	**43,914**
Outstanding borrowings and debt	39,279	12,305	51,585	44,381	10,277	54,658
Assets related to financing	(54)	(157)	(211)	(59)	(237)	(295)
Financial assets at fair value through income (excluding margin calls)	-	(465)	(465)	-	(255)	(255)
Cash and cash equivalents	-	(11,187)	(11,187)	-	(11,383)	(11,383)
NET DEBT EXCLUDING THE IMPACT OF DERIVATIVE INSTRUMENTS, CASH COLLATERAL AND AMORTIZED COST	**39,225**	**496**	**39,721**	**44,323**	**(1,598)**	**42,725**

[1] This item corresponds to the revaluation of the interest rate component of debt in a qualified fair value hedging relationship.

[2] This item represents the fair value of debt-related derivatives part of the Group's net debt definition such as interest rate derivatives qualified as fair value hedges and currency derivatives qualified as hedges or not.

At June 30, 2013, the fair value of gross debt amounts to €56,410 million compared with a carrying amount of €52,749 million.

6.3.2 Main events of the period

6.3.2.1 Impact of changes in the scope of consolidation and in the exchange rates on changes in net debt

During the first half of 2013, changes in the scope of consolidation and exchange rates led to a €4,362 million decrease in net debt, reflecting:

- the disposals carried out as part of the "portfolio optimization" program (see Note 2.1 "Disposals carried out during the first half of 2013") which reduced net debt by €1,538 million;
- the classification of Jirau and Astoria Energy, Phase I, within "Assets held for sale" (see Note 2.2 "Assets held for sale") which resulted in a €2,352 million decrease in net debt at June 30, 2013;
- changes in exchange rates during the first half of the year which resulted in a €472 million decrease in net debt (including €190 million in relation to the Brazilian real).

6.3.2.2 Financing transactions

The Group carried out the following financing transactions during the first half of 2013:

- GDF SUEZ redeemed the remaining €968 million of the €1,250 million bond issue paying interest of 4.75% which matured on February 19, 2013. The Group bought back €125 million worth of these bonds in 2010 and €157 million in 2011;
- in the first half of the year, GDF SUEZ carried out €485 million in private placements including: a €100 million 20-year bond issue on March 25 paying interest of 3.38% and a €200 million 7-year bond issue on April 16 paying 3-month Euribor + 58 bps;
- SUEZ Environnement carried out two bond issues: a €100 million 20-year bond issue on March 25 paying interest of 3.30% and a €100 million 7-year bond issue on April 5 paying interest of 1.75%;
- on June 7, SOLFEA issued €165 million in a three-year bond paying interest of 1.5%.

Swaps were set up on some of these borrowings in line with the interest rate management policy defined in Note 16 "Risks arising from financial instruments" to the consolidated financial statements for the year ended December 31, 2012.

In addition, as part of its debt restructuring, the Group bought back 42% of First Hydro (BEI – United Kingdom) bonds, which had a carrying amount of €241 million at December 31, 2012, for a price of 234 million pound sterling (€274 million).

6.4 Derivative instruments

6.4.1 Derivative financial assets

	June 30, 2013			Dec. 31, 2012		
In millions of euros	Non-current	Current	Total	Non-current	Current	Total
Derivatives hedging borrowings	852	71	923	1,363	102	1,464
Derivatives hedging commodities	1,047	5,713	6,760	737	4,155	4,893
Derivatives hedging other items	777	18	795	1,008	23	1,030
TOTAL	**2,676**	**5,802**	**8,478**	**3,108**	**4,280**	**7,387**

6.4.2 Derivative financial liabilities

	June 30, 2013			Dec. 31, 2012		
In millions of euros	Non-current	Current	Total	Non-current	Current	Total
Derivatives hedging borrowings	383	38	421	225	54	279
Derivatives hedging commodities	1,167	5,305	6,472	724	3,960	4,684
Derivatives hedging other items	1,349	63	1,412	1,803	78	1,881
TOTAL	**2,898**	**5,406**	**8,304**	**2,751**	**4,092**	**6,844**

6.5 Fair value of financial instruments by level in the fair value hierarchy

6.5.1 Financial assets

The table below shows the allocation of financial instruments carried in assets to the different levels in the fair value hierarchy:

	June 30, 2013				Dec. 31, 2012			
In millions of euros	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Available-for-sale securities	3,366	1,266	-	2,100	3,398	1,309	-	2,089
Loans and receivables at amortized cost used in designated fair value hedges	490	-	490	-	416	-	416	-
Loans and receivables at amortized cost (excluding trade and other receivables)	*490*	-	*490*	-	*416*	-	*416*	-
Derivative instruments	8,478	76	8,322	80	7,387	108	7,192	88
Derivatives hedging borrowings	*923*	-	*923*	-	*1,464*	-	*1,464*	-
Derivatives hedging commodities - relating to portfolio management activities	*2,901*	*76*	*2,750*	*75*	*2,282*	*101*	*2,105*	*77*
Derivatives hedging commodities - relating to trading activities	*3,859*	-	*3,854*	*5*	*2,610*	*7*	*2,592*	*11*
Derivatives hedging other items	*795*	-	*795*	-	*1,030*	-	*1,030*	-
Financial assets at fair value through income (excluding margin calls)	465	52	413	-	255	125	129	-
Financial assets qualifying as at fair value through income	*465*	*52*	*413*	-	*255*	*125*	*129*	-
Financial assets designated as at fair value through income	-	-	-	-	-	-	-	-
TOTAL	**12,800**	**1,394**	**9,225**	**2,180**	**11,456**	**1,542**	**7,738**	**2,177**

A definition of these three levels is presented in Note 1.4.11.3 “Derivatives and hedge accounting” to the consolidated financial statements for the year ended December 31, 2012.

Available-for-sale securities

Listed securities – measured at their market price at the end of the reporting date – are included in level 1.

Unlisted securities – measured using valuation models based primarily on recent market transactions, the present value of dividends/cash flows or net asset value – are included in level 3.

.

At June 30, 2013, changes in level 3 available-for-sale securities can be analyzed as follows:

In millions of euros	**Available-for-sale securities**
At December 31, 2012	**2,089**
Acquisitions	49
Disposals - carrying amount excluding changes in fair value recorded in "Other comprehensive income"	(3)
Disposals - "Other comprehensive income" derecognized	(20)
Other changes in fair value recorded in equity	8
Changes in fair value recorded in income	(9)
Changes in scope of consolidation, foreign currency translation and other changes	(14)
At June 30, 2013	**2,100**
Gains/(losses) recorded in income relating to instruments held at the end of the period	34

A 10% gain or loss in the market price of unlisted shares would generate a gain or loss (before tax) of around €210 million on the Group’s comprehensive income.

Loans and receivables at amortized cost (excluding trade and other receivables)

Loans and receivables at amortized cost (excluding trade and other receivables) in a designated fair value hedging relationship are presented in level 2 in the above table. Only the interest rate component of these items is remeasured, with fair value determined by reference to observable data.

Derivative instruments

Derivative instruments included in level 1 are mainly futures traded on organized markets with clearing houses. They are measured at fair value based on their quoted price.

The measurement at fair value of derivative instruments included in level 3 is based on non-observable inputs and internal assumptions, usually because the maturity of the instruments exceeds the observable period of the underlying forward price, or because certain inputs such as the volatility of the underlying were not observable at the measurement date.

The measurement at fair value of other derivative instruments is based on commonly-used models in the commodities trading environment, and includes directly and indirectly observable inputs. These instruments are included in level 2 of the fair value hierarchy.

Financial assets qualifying or designated as at fair value through income

Financial assets qualifying as at fair value through income for which the Group has regular net asset value data are included in level 1. If net asset values are not available on a regular basis, these instruments are included in level 2.

Financial assets designated as at fair value through income are included in level 2.

6.5.2 Financial liabilities

The table below shows allocation of financial instruments carried in liabilities to the different levels in the fair value hierarchy:

	June 30, 2013				Dec. 31, 2012			
In millions of euros	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Borrowings used in designated fair value hedges	7,747	-	7,747	-	11,027	-	11,027	-
Derivative instruments	8,304	50	8,099	154	6,844	67	6,600	176
Derivatives hedging borrowings	*421*	-	*421*	-	*279*	-	*279*	-
Derivatives hedging commodities - relating to portfolio management activities	*3,120*	*47*	*2,972*	*100*	*2,271*	*48*	*2,115*	*108*
Derivatives hedging commodities - relating to trading activities	*3,352*	*3*	*3,343*	*5*	*2,412*	*19*	*2,385*	*8*
Derivatives hedging other items	*1,412*	-	*1,363*	*49*	*1,881*	-	*1,821*	*60*
TOTAL	**16,051**	**50**	**15,846**	**154**	**17,870**	**67**	**17,627**	**176**

Borrowings and debt

This caption includes bonds in a designated fair value hedging relationship which are presented in level 2 in the above table. Only the interest rate component of the bonds is remeasured, with fair value determined by reference to observable data.

Derivative instruments

The classification of derivative financial instruments in the fair value hierarchy is detailed in Note 6.5.1 “Financial assets”.

NOTE 7 RISKS ARISING FROM FINANCIAL INSTRUMENTS

GDF SUEZ mainly uses derivative instruments to manage its exposure to market risks. Financial risk management procedures are set out in section 2 "Risk factors" of the Reference Document for the year ended December 31, 2012.

7.1 Market risks

7.1.1 Commodity risk

7.1.1.1 Portfolio management activities

The sensitivities of the commodity derivatives portfolio used in portfolio management at June 30, 2013 are detailed in the table below. They are not representative of future changes in consolidated earnings and equity, insofar as they do not include the sensitivities relating to purchase and sale contracts for the underlying commodities.

Sensitivity analysis [1]

		June 30, 2013	
In millions of euros	Changes in price	Pre-tax impact on income	Pre-tax impact on equity
Oil-based products	+US$10/boe	148	20
Natural gas	+€3/MWh	(63)	(112)
Electricity	+€5/MWh	(259)	(146)
Coal	+US$10/ton	61	52
Greenhouse gas emission rights	+€2/ton	155	1
EUR/USD	+10%	(270)	(35)
EUR/GBP	+10%	6	(9)
GBP/USD	+10%	5	-

[1] *Sensitivities shown above apply solely to commodity derivatives used for hedging purposes in portfolio management activities.*

As options contracts are not frequently used, the sensitivity analysis is symmetrical for price increases and decreases.

7.1.1.2 Trading activities

The use of Value at Risk (VaR) to quantify market risk arising from trading activities provides a transversal measure of risk taking all markets and products into account. VaR represents the maximum potential loss on a portfolio of assets over a specified holding period based on a given confidence interval. It is not an indication of expected results but is back-tested on a regular basis.

The Group uses a one-day holding period and a 99% confidence interval to calculate VaR, as well as stress tests, in accordance with banking regulatory requirements.

The VaR shown below corresponds to the aggregated VaR of the Group's trading entities.

Value at Risk used

In millions of euros	June 30, 2013	2013 average[1]	2013 maximum[2]	2013 minimum[2]
Trading activities	3	3	6	2

[1] *Average daily VaR.*

[2] *Maximum and minimum daily VaR observed in 2013.*

7.1.2 Currency risk

Sensitivity was analyzed based on the Group's net debt position (including the impact of interest rate and foreign currency derivatives) and financial instruments qualified as net investment hedges at the reporting date.

For currency risk, sensitivity corresponds to a 10% rise or fall in exchange rates compared to closing rates.

Impact on income after currency hedges

Changes in exchange rates against the euro only affect income via gains and losses on liabilities denominated in a currency other than the functional currency of companies carrying the liabilities on their statements of financial position, and when the liabilities in question do not qualify as net investment hedges. The impact of a uniform increase (or decrease) of 10% in foreign currencies against the euro would ultimately be a gain (or loss) of €31 million.

Impact on equity

For financial instruments (debt and derivatives) qualified as net investment hedges, a uniform adverse change of 10% in currencies against the euro would have a positive impact of €537 million on equity. This impact is offset by the change in the net investment hedged.

7.1.3 Interest rate risk

Sensitivity was analyzed based on the Group's net debt (including the impact of interest rate and foreign currency derivatives linked to net debt) at the reporting date.

For interest rate risk, sensitivity corresponds to a 1% rise or fall in the yield curve compared with period-end interest rates.

Impact on income after hedging

A uniform rise of 1% in short-term interest rates (across all currencies) on the nominal amount of floating-rate net debt and on the floating-rate leg of derivatives, would increase net interest expense by €99 million. A fall of 1% in short-term interest rates would reduce net interest expense by €1 million. The asymmetrical impacts are attributable to the low short-term interest rates (less than 1%) applicable to certain financial assets and liabilities.

A uniform rise of 1% in interest rates (across all currencies) on derivative instruments not qualifying for hedge accounting would result in a gain of €152 million attributable to changes in the fair value of derivatives in the income statement. However, a fall of 1% interest rates would generate a loss of €274 million. The asymmetrical impacts are attributable to the interest rate options portfolio.

Impact on equity

A uniform rise of 1% in interest rates (across all currencies) would have a positive impact of €380 million on equity, attributable to changes in the interest rate impact of the fair value of derivative instruments designated as cash flow and net investment hedges recognized in the statement of financial position. However, a fall of 1% in interest rates would generate a loss of €483 million.

7.2 Counterparty risk

The Group is exposed to counterparty risk from customers, suppliers, intermediaries and banks on its operating and financing activities, when such parties are unable to honor their contractual obligations.

7.2.1 Operating activities

Past-due trade and other receivables are analyzed below:

Trade and other receivables

	Past due assets not impaired at the reporting date				Impaired assets	Assets neither impaired nor past due	
In millions of euros	0-6 months	6-12 months	Beyond 1 year	Total	Total	Total	Total
At June 30, 2013	1,161	261	402	1,823	1,538	21,426	24,788

The Group does not consider that it is exposed to any material concentration of risk in respect of receivables.

In the case of commodity derivatives, counterparty risk arises from the positive fair value. Counterparty risk is taken into account when calculating the fair value of these derivative instruments.

Counterparty risk

In millions of euros	June 30, 2013 Investment Grade[3]	Total
Gross exposure[1]	6,057	6,760
Net exposure[2]	1,387	1,533
% of credit exposure to "Investment Grade" counterparties	*90.5%*	

[1] Corresponds to the maximum exposure, i.e. the value of the derivatives shown under balance sheet assets (positive fair value).
[2] After taking into account the liability positions with the same counterparties (negative fair value), collateral, netting agreements and other credit enhancement techniques.
[3] "Investment Grade" comprises transactions with counterparties that are rated at least BBB- by Standard & Poor's, Baa3 by Moody's, or equivalent by Dun & Bradstreet. "Investment Grade" is also determined based on an internal rating tool covering the main counterparties that is currently being rolled out within the Group.

7.2.2 Financing activities

7.2.2.1 Counterparty risk arising from loans and receivables at amortized cost (excluding trade and other receivables)

The balance of outstanding past-due loans and receivables at amortized cost (excluding trade and other receivables) is analyzed below:

Loans and receivables at amortized cost (excluding trade and other receivables)

	Past due assets not impaired at the reporting date						
In millions of euros	0-6 months	6-12 months	Beyond 1 year	Total	Impaired assets Total	Assets neither impaired nor past due Total	Total
At June 30, 2013	9	1	43	54	378	4,920	**5,352**

After taking into account the impact of amortized cost, changes in fair value and impairment losses, the carrying amount of outstanding loans and receivables carried at amortized cost (excluding trade and other receivables) totaled €5,033 million at June 30, 2013.

7.2.2.2 Counterparty risk arising from investing activities and the use of derivative financial instruments

The Group is exposed to counterparty risk arising from investments of surplus cash and from the use of derivative financial instruments.

In the case of derivatives, counterparty risk arises on derivatives with a positive fair value.

Counterparty risk is taken into account when calculating the fair value of these derivative instruments.

At June 30, 2013, total outstanding exposed to credit risk amounted to €11,945 million.

	June 30, 2013			
In millions of euros	Total	Investment Grade[2]	Unrated[3]	Non Investment Grade[3]
Exposure[1]	11,945	91.0%	8.0%	1.0%

[1] After collateralization agreements.

[2] Counterparties that are rated at least BBB- by Standard & Poor's or Baa3 by Moody's.

[3] The bulk of exposure to unrated or non-investment grade counterparties arises within consolidated companies comprising non-controlling interests, or within Group companies operating in emerging countries, where cash cannot be pooled and is therefore invested locally.

At June 30, 2013, no single counterparty represented more than 21% of cash investments.

7.3 Liquidity risk

In the context of its operating activities, the Group is exposed to a risk of having insufficient liquidity to meet its contractual obligations. As well as the risks inherent in managing working capital, margin calls are required in certain market activities.

At June 30, 2013, bank loans accounted for 26% of outstanding borrowings and debt (excluding overdrafts and the impact of derivatives and amortized cost), while the remaining debt was raised on capital markets (including €30,735 million in bonds, or 61% of gross debt).

Outstanding short-term commercial paper issues represented 13% of gross debt, or €6,512 million at June 30, 2013.

Available cash, comprising cash and cash equivalents, financial assets qualifying or designated as at fair value through income, less overdrafts and current accounts carried in liabilities, totaled €10,423 million at June 30, 2013.

The Group also has access to confirmed credit lines. These facilities are appropriate for the scale of its operations and for the timing of contractual debt repayments. Confirmed credit facilities had been granted for a total of €17,026 million at June 30, 2013, of which €15,515 million was available and undrawn. 79% of total credit lines and 76% of undrawn facilities are centralized.

7.3.1 Undiscounted contractual payments relating to financial activities

At June 30, 2013, undiscounted contractual payments on net debt (excluding the impact of derivatives, amortized cost and margin calls) break down as follows by maturity:

In millions of euros	**Total**	**2013**	**2014**	**2015**	**2016**	**2017**	**Beyond 5 years**
Bond issues	30,735	29	2,769	2,119	2,793	3,270	19,756
Commercial paper	6,512	6,192	320	-	-	-	-
Drawdowns on credit facilities	1,511	160	130	63	478	30	650
Liabilities under finance leases	1,048	110	161	133	134	130	380
Other bank borrowings	9,530	1,327	1,230	876	793	1,287	4,017
Other borrowings	1,018	113	67	69	58	163	549
Bank overdrafts and current accounts	1,230	1,230	-	-	-	-	-
OUTSTANDING BORROWINGS AND DEBT	**51,585**	**9,161**	**4,677**	**3,260**	**4,255**	**4,879**	**25,352**
Assets related to financing	(211)	(155)	-	(1)	(2)	(1)	(53)
Financial assets qualifying or designated as at fair value through income	(465)	(465)	-	-	-	-	-
Cash and cash equivalents	(11,187)	(11,187)	-	-	-	-	-
NET DEBT EXCLUDING THE IMPACT OF DERIVATIVE INSTRUMENTS, CASH COLLATERAL AND AMORTIZED COST	**39,721**	**(2,646)**	**4,677**	**3,260**	**4,253**	**4,879**	**25,299**

At June 30, 2013, undiscounted contractual interest payments on outstanding borrowings and debt break down as follows by maturity:

In millions of euros	**Total**	**2013**	**2014**	**2015**	**2016**	**2017**	**Beyond 5 years**
Undiscounted contractual interest flows on outstanding borrowings and debt	17,133	655	1,721	1,575	1,461	1,350	10,372

At June 30, 2013, undiscounted contractual payments on outstanding derivatives (excluding commodity instruments) recognized in assets and liabilities break down as follows by maturity (net amounts):

In millions of euros	Total	2013	2014	2015	2016	2017	Beyond 5 years
Derivatives (excluding commodity instruments)	(430)	31	(172)	(105)	(68)	(12)	(103)

The maturities of the Group's undrawn credit facility programs are analyzed in the table below:

In millions of euros	Total	2013	2014	2015	2016	2017	Beyond 5 years
Confirmed undrawn credit facility programs	15,515	1,006	2,408	4,989	2,183	122	4,808

At June 30, 2013, no single counterparty represented more than 7% of the Group's confirmed undrawn credit lines.

7.3.2 Undiscounted contractual payments relating to operating activities

The table below provides an analysis of undiscounted fair values due and receivable in respect of commodity derivatives recorded in assets and liabilities at the reporting date.

Liquidity risk

In millions of euros	Total	2013	2014	2015	2016	2017	Beyond 5 years
Derivative instruments carried in liabilities							
relating to portfolio management activities	*(3,135)*	*(1,459)*	*(1,075)*	*(388)*	*(136)*	*(26)*	*(51)*
relating to trading activities	*(3,351)*	*(21)*	*(3,330)*	*-*	*-*	*-*	*-*
Derivative instruments carried in assets							
relating to portfolio management activities	*2,928*	*1,434*	*973*	*357*	*110*	*29*	*25*
relating to trading activities	*3,859*	*22*	*3,837*	*-*	*-*	*-*	*-*
TOTAL AT JUNE 30, 2013	**301**	**(24)**	**405**	**(32)**	**(25)**	**3**	**(26)**

NOTE 8 LEGAL AND ANTI-TRUST PROCEEDINGS

The Group is party to a number of legal and anti-trust proceedings with third parties or with legal and/or administrative authorities (including tax authorities) in the normal course of its business.

This Note describes the key developments in the proceedings presented in Note 27 to the consolidated financial statements for the year ended December 31, 2012, as well as new proceedings which have arisen in the first half of 2013.

Provisions recorded in respect of these proceedings totaled €809 million at June 30, 2013 (€927 million at December 31, 2012).

8.1 Legal and arbitration proceedings

8.1.1 Squeeze-out bid for Electrabel shares

Following the appeal brought by Deminor and others on May 22, 2009, the Court of Cassation overturned the ruling of the Brussels Court of Appeal on June 27, 2011. In a subpoena dated December 28, 2012, Deminor and others launched proceedings against GDF SUEZ before the Brussels Court of Appeal, sitting in a different formation, in order for the Court to rule on their claim for additional consideration. The initial hearing took place on February 19, 2013. The period for filing submissions will end on December 15, 2013 and the case is expected to be heard in 2014.

8.1.2 Total Energie Gaz

On January 29, 2013, the arbitration court accepted jurisdiction to decide on all requests made by TEGAZ and ruled that five of the eight interpretation requests submitted by TEGAZ were founded. GDF SUEZ appealed this decision on February 28, 2013 and filed its grounds of appeal on May 27, 2013.

In the arbitration proceedings, TEGAZ filed a brief on April 15, 2013, to which GDF SUEZ replied on June 24, 2013. The arbitration court has set November 7 and 8, 2013 as the dates for the hearing.

8.1.3 La Compagnie du Vent

On May 16, 2013, SOPER initiated additional proceedings before the Paris Commercial Court (*Tribunal de Commerce*) requesting that GDF SUEZ be forbidden from exercising the share subscription warrants under the terms and conditions set out in the partners' agreement, claiming that GDF SUEZ would have prevented La Compagnie du Vent from reaching the performance targets to be met to exercise these warrants.

Regarding the put option on the 5% interest in La Compagnie du Vent held by SOPER, the price of the shares was set by an expert following the contractually agreed procedure. The shares were transferred on February 18, 2013. On April 26, 2013, SOPER brought another action before the Paris Commercial Court seeking the cancellation of the expert's report and the appointment of a new expert to set the price of the shares.

8.1.4 Freeze of regulated natural gas prices in France as of October 1, 2011

The *Conseil d'État* (France's highest administrative court), ruling on the merits, canceled the decrees of June 27, 2011, July 18, 2012 and September 26, 2012, via three decisions dated January 30, 2013 on the grounds that they did not set the increase in regulated natural gas prices at the level necessary to cover GDF SUEZ's average full costs. The *Conseil d'État* also instructed the French State to take new decrees to correct this legal error which it did through three decrees dated April 15, 2013. The financial consequences of this decision by the *Conseil d'État* and the new pricing decrees have been recognized in the financial statements for the six months ended June 30, 2013. The positive impact on 2013 EBITDA amounted to around €150 million.

In view of the decision of January 30, 2013 canceling the decree of September 26, 2012 following the claim filed by the French association of energy retail operators (*Association nationale des opérateurs détaillants en énergie* – ANODE), the *Conseil d'État* held that there was no need to adjudicate on the appeal of GDF SUEZ which was considered to be devoid of purpose.

8.1.5 Objection to the CREG's approval of Elia's injection tariffs

Electrabel launched proceedings before the Brussels Court of Appeal to overturn the decision of December 2011 of the Belgian Gas and Electricity Regulation Commission (*Commission de Régulation de l'Electricité et du Gaz* – CREG). On February 6, 2013, the Brussels Court of Appeal overturned the CREG's decision of December 22, 2011 in its entirety (*ex tunc* and with *erga omnes* effect).

Consequently, and in the absence of regulated prices, Elia submitted another tariff proposal (covering the period between 2012 and 2015) which was approved by the CREG on May 16, 2013. However, proceedings to overturn this decision by the CREG were again launched before the Brussels Court of Appeal on June 14, 2013, this time by the Federation of Belgian Industrial Energy Consumers (Febeliec).

On May 24, 2013, the CREG appealed the decision handed down by the Brussels Court of Appeal on February 6, 2013 before the Court of Cassation.

8.1.6 Société des Eaux du Nord

In a decision handed down on February 20, 2013, the administrative court ruled in favor of the claim filed by Société des Eaux du Nord (SEN), a subsidiary of Lyonnaise des Eaux France, and canceled the unilateral addenda to the contract, including the payment order of €115 million issued against SEN. The Lille Métropole metropolitan district (*Lille Métropole Communauté Urbaine* – LMCU) appealed this decision before the Douai Court of Appeal on April 24, 2013.

A settlement agreement was entered into between the parties on June 21, 2013. The legality of the agreement, which was approved by the LMCU Community Council, is being verified prior to its entry into force. This agreement settles the dispute between the parties with the exception of a possible cash surplus payable by SEN. The parties have agreed to refer the matter to an expert who will be appointed by the Administrative Court of Lille.

8.1.7 Degrémont (Melbourne)

Another addendum was signed on March 1, 2013 in order to allow the parties to continue their discussions. As of the date of this report, the parties had signed a settlement agreement, putting an end to their dispute, with the exception of claims which they intend to pursue against the State of Victoria. This agreement is subject to the granting of approvals by the State of Victoria and lending institutions. The conditions precedent must be met by August 15, 2013, unless this deadline is extended.

An initial claim relating to compensation for the 71 days not worked due to bad weather was served on the State of Victoria on January 30, 2013.

A second claim relating to the consequences of changes in labor regulations following the offer made by AquaSure was served on the State of Victoria on April 4, 2013.

A third claim relating to the payment of water produced prior to acceptance of the plant was also served on the State of Victoria on June 12, 2013.

8.1.8 Fos Cavaou – Construction

Fosmax LNG, 72.4%-owned by Elengy and 27.6%-owned by Total, filed a statement of claim on October 19, 2012. STS (a consortium consisting of SOFREGAZ, TECNIMONT SpA and SAIPEM SA) filed its statement of defense and counterclaims on January 28, 2013. Fosmax LNG filed its observations in reply on May 22, 2013.

8.1.9 Objection of Belgian Nuclear contributions

On June 11, 2013, Electrabel filed an appeal with the Belgian Constitutional Court seeking the partial annulment of the law of December 27, 2012 amending the law of April 11, 2003 governing the provisions for dismantling nuclear power plants and the management of irradiated fissile materials, and in particular, the articles establishing a € 600 million contribution payable by operators of nuclear plants for 2012.

8.1.10 Claims by the Belgian tax and energy authorities

In connection with the appeal filed in December 2009 by SUEZ-Tractebel against the Belgian tax authorities' Special Tax Inspectorate's claims concerning past investments in Kazakhstan, the Brussels Court of First Instance ruled in favor of SUEZ-Tractebel in May 2013.

In relation to the dispute between the Group and the Belgian tax authorities' Special Tax Inspectorate concerning financial income generated in Luxembourg by the Luxembourg-based cash management branches of Electrabel and SUEZ-Tractebel, a judgment on the merits ruled in favor of Electrabel and SUEZ-Tractebel in April 2013.

In relation to the claims made by the Belgian energy authorities regarding the tax on unused facilities, Electrabel did not file a return for the 2012 fiscal year and did not pay the tax claimed by the tax authorities as the only site likely to be subject to such a tax no longer held an operating license for producing electricity. Electrabel will appeal this tax for 2012 before the Brussels Court of First Instance.

8.1.11 Claim by the Brazilian tax authorities

On June 11, 2013, the administrative court with jurisdiction for tax matters in Brazil upheld the decision taken in February 2012 by the Administrative Court of Florianopolis to cancel the tax assessment notices disputed by Tractebel Energia in relation to a tax incentive providing consideration for assets under construction. Tractebel Energia considered that the tax authorities wrongly refused to grant it deductions in relation to this tax incentive for the fiscal years 2005 to 2007 (revised amount at June 30, 2013 of 382 million Brazilian real, i.e., €134 million).

8.2 Competition and concentration

8.2.1 Long-term Power Purchase Agreements in Hungary

Regarding the action for annulment of the decision of the European Commission of June 4, 2008, the hearing before the General Court of the European Union took place on May 15, 2013.

8.2.2 Inquiry into the Belgian electricity wholesale market

The proceedings are ongoing and Electrabel is preparing its submissions in reply as part of the adversary procedure.

On April 24, 2013, Electrabel brought an appeal before the Brussels Court of Appeal against the decision of the Belgian Competition Council (*Conseil de la concurrence*) setting the deadline by which the company must file its written submissions.

8.2.3 Inquiry into the water distribution and treatment sector in France

On April 23, 2013, the European Commission decided to close the proceedings.

NOTE 9 RELATED PARTY TRANSACTIONS

Transactions with related parties during the period did not have a material impact on the Group's financial position at June 30, 2013 or on the results for the six months then ended.

NOTE 10 SUBSEQUENT EVENTS

10.1 Termination of the SUEZ Environnement shareholders' agreement

Following the announcements made on December 5, 2012 and January 22, 2013 (see Note 2.2 "Announcement of the non-renewal of the SUEZ Environnement Company Shareholder Agreement" and Note 28.3 "Confirmation of the non renewal of the SUEZ Environnement Company Shareholder Agreement" to the consolidated financial statements for the year ended December 31, 2012), the SUEZ Environnement Company shareholders' agreement expired on July 22, 2013 for all the parties involved.

As a result of the termination of the shareholders' agreement, GDF SUEZ no longer controls SUEZ Environnement Company. From July 22, 2013, the 35.8% interest held by the Group in SUEZ Environnement Company will be accounted for under the equity method in its consolidated financial statements.

In accordance with IAS 27 – Consolidated and Separate Financial Statements, the retained interest in SUEZ Environnement Company was recognized at fair value at the date control was lost. Based on SUEZ Environnement Company's share price of €10.26 on July 22, 2013, the associate's carrying amount was €1,868 million and the fair value revaluation gain amounted to €482 million (based on the accounting position at June 30, 2013). The revaluation gain and the corresponding loss from reclassifying recyclable items of SUEZ Environnement Company's statement of comprehensive income to income will be presented under "Changes in scope of consolidation" in the consolidated income statement for the year ending December 31, 2013.

A pro forma information is provided in the Management Report in order to describe the impacts on the GDF SUEZ Group's consolidated financial statements. SUEZ Environnement's contribution to the Group's key financial indicators at June 30, 2013 is presented in Note 3 "Segment information".

10.2 Financing activities

10.2.1 Buyback of irredeemable and non-voting securities

On June 20, 2013, GDF SUEZ launched an offer to buy back listed irredeemable and non-voting securities (*titres participatifs*) issued in 1985 by GDF SUEZ (formerly Gaz de France). Prior to the transaction, the carrying amount of these instruments recognized in borrowings and debt amounted to €557 million.

The unit price proposed for the offer was €800 (including accrued interest), i.e., 104.952% of the par value.

As a result of the offer, which closed on July 16, 2013, 56.6% of the 562,402 outstanding securities were bought back for a total of €255 million. The repurchased securities have been canceled. The buybacks carried out prior to June 30, 2013 were not material.

10.2.2 Hybrid issue of perpetual subordinated notes in euros and pounds sterling and buyback of bond issues

On July 3, 2013, GDF SUEZ issued deeply-subordinated perpetual notes enabling the Group to raise the equivalent of €1.7 billion in three tranches with an average coupon of 4.4%:

- a €600 million tranche with a coupon of 3.875% callable as from July 2018;
- a €750 million tranche with a coupon of 4.750% callable as from July 2021;
- a £300 million tranche with a coupon of 4.625% callable as from January 2019.

In accordance with the provisions of IAS 32 – *Financial Instruments – Disclosure and Presentation,* and in view of their characteristics, these instruments will be recognized in equity in the Group's consolidated financial statements.

Furthermore, on July 15, 2013, the Group bought back bonds with an aggregate par value of €1,300 million, including:

- €101 million in Electrabel bonds with a coupon of 4.75% and maturing on April 10, 2015;
- €159 million in Belgelec Finance bonds with a coupon of 5.125% and maturing on June 24, 2015;
- €295 million in GDF SUEZ SA bonds with a coupon of 5.625% and maturing on January 18, 2016;
- €289 million in GDF SUEZ SA bonds with a coupon of 6.875% and maturing on January 24, 2019;
- €456 million in GDF SUEZ SA bonds with a coupon of 3.125% and maturing on January 21, 2020.

4

Statement by the Persons Responsible for the 2013 First-Half Financial Report

We hereby declare that to the best of our knowledge, the condensed interim consolidated financial statements for six months ended June 30, 2013 have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of operations of the Company and its subsidiaries, and that the interim management report provides a fair view of the significant events of first-half 2013, their impact on the interim financial statements, the main related party transactions and the main risks and uncertainties to which the Group is exposed for the second half of 2013.

Courbevoie, July 31, 2013

Jean-François Cirelli	**Gérard Mestrallet**
Vice-Chairman, President	Chairman and Chief Executive Officer

5

Statutory Auditors' Review Report on the first half-year financial information

This is a free translation into English of the statutory auditors' review report on the half-year consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information presented in the Group's interim management report. This report should be read in conjunction with and construed in accordance with French law and professional standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your shareholder's general meetings, and in accordance with the requirements of article L.451-1-2 III of the French monetary and financial code ("*Code monétaire et financier*"), we hereby report to you on:

- the review of the accompanying condensed half-year consolidated financial statements of GDF SUEZ, for the period from January 1 to June 30, 2013, and
- the verification of the information contained in the interim management report.

These condensed half-year consolidated financial statements were prepared under the respons bility of GDF SUEZ board of directors in a context of both economic and financial crisis and of high volatility of the markets, which already prevailed at the December 31, 2012 year-end, and whose consequences make it difficult to forecast economic mid-term perspectives. This context is descr bed in notes 1.3 "Use of estimates and judgment" and 4.1.2 "Impairment losses" in the condensed half-year consolidated financial statements. Our role is to express a conclusion on these financial statements based on our review.

1 CONCLUSION ON THE FINANCIAL STATEMENTS

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France. Consequently, the level of assurance we obtain about whether the condensed half-year consolidated financial statements taken as a whole, are free of material misstatements is moderate, and lower than that obtained in an audit.

Based on our review, nothing has come to our attention that causes us to believe that the condensed half-year consolidated financial statements are not prepared in all material respects in accordance with IAS 34 – IFRS as adopted by the European Union applicable to interim financial information.

2 SPECIFIC VERIFICATION

We have also verified the information presented in the interim management report commenting on the condensed half-year consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and its consistency with the condensed half-year consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, July 31, 2013

The statutory auditors

French original signed by

DELOITTE & ASSOCIES	ERNST & YOUNG et Autres	MAZARS
Véronique Laurent	Pascal Macioce	Isabelle Sapet
Pascal Princemin	Charles-Emmanuel Chosson	Thierry Blanchetier

This document was produced by GDF SUEZ Group.
It is available on the gdfsuez.com webside where all Group publications can be viewed and downloaded.

Our values

drive
commitment
daring
cohesion

A public limited company with a share capital of €2,412,824,089
Corporate headquaters: 1, place Samuel de Champlain
92400 Courbevoie - France
Tel.: +33 (0)1 44 22 00 00
NANTERRE Register of commerce: 542 107 651 RCS NANTERRE
VAT FR 13 542 107 651

gdfsuez.com