

Sales 1st Half Year 2006

The **consolidated turnover** of the Electrabel group in the first half year 2006 amounted to €7 084M, an increase of € 935M or 15.2 % compared with the same period last year. The breakdown is as follows:

<i>In € M</i>	On 30.06.2006	On 30.06.2005	Δ € M	Δ%
Electricity sales	4 892	4 058	+ 834	+ 20.6
In the Benelux	3 161	2 874	+ 287	+ 10.0
Outside the Benelux	1 731	1 184	+ 548	+ 46.2
Gas sales	1 449	1 037	+ 412	+ 39.7
In the Benelux	1 374	990	+ 384	+ 38.8
Outside the Benelux	74	47	+ 27	+ 57.6
Services and miscellaneous	744	1 054	- 311	-29.5
TOTAL	7 084	6 150	+ 935	+ 15.2

The gross increase in turnover comes from:

- organic growth with an increase of € + 968M (+16.1 %);
- an increase of €264M in gas prices passed on to end customers;
- net effects of changes in consolidation scope amounting to € - 296M: (the deconsolidation of Electrabel Netten Vlaanderen in 2006 had an effect of € - 388M, and the full consolidation of Alpernergie Italia and Fafe (Portugal) had an effect of € + 89M).

The currency exchange effects are negligible.

Electricity

The organic increase in the “electricity” turnover amounted to € + 747M (or + 18,4 %).

The increase in electricity sales (+ 7.6%) is due mainly to:

- the general rise in market prices observed since second quarter 2005 following the rise in fossil fuel prices;
- the increase in volumes sold outside the Benelux, as shown by the breakdown below:

<i>In TWh</i>	On 30.06.2006	On 30.06.2005	Δ%
Benelux	49,8	50,4	-1,2
Retail	8,8	8,6	+1,6
Business (*)	32,8	32,9	-0,4
Wholesale	8,2	8,8	-7,2
Outside the Benelux	28,3	22,2	+27,6
Retail	1,7	1,8	-8,6
Business (*)	22,6	17,0	+33,1
Wholesale	4	3,4	+19,1
TOTAL	78,0	72,5	+7,6

(*) Including resellers/distributors

In Belgium, the sales volume decreased by 2.3 %. The increase of volumes sold in the Business segments (industry and resellers) is more than compensated by a fall in sales on the wholesale market. The corresponding turnover figure increases by 7.7 %, due to the increase of prices. In the Netherlands, the quantities sold stayed stable.

Outside the Benelux, there was double digit growth in electricity sales (both in value and in volume) on almost all markets. This growth is a result of the combined effects of commercial success, the start-up or restarting of generating facilities (in Italy) and the rise in prices. As a result, the group now makes more than one third of its sales outside its domestic market, the Benelux, both in value and in volume.

Gas

Not counting the higher gas prices passed on to end customers, the organic growth in the “gas” turnover amounted to € 147M or + 11.3 %.

The quantities of gas sold developed as follows:

<i>In TWh</i>	On 30.06.2006	On 30.06.2005	Δ%
Benelux	48,0	41,5	+15,6
Retail	21,2	21,4	-1,1
Business (*)	21,7	18,3	+18,7
Wholesale	5,2	1,9	+176,5
Outside the Benelux	2,0	1,3	+57,8
Retail	0,6	0,5	+11,9
Business (*)	0,5	0,3	+42,7
Wholesale	1,0	0,4	+126,2
TOTAL	50,0	42,8	+16,8

(*) Including resellers/distributors

Besides the increase of the sales on the wholesale market, these increases were mainly due to the colder weather conditions in 2006 than in 2005. This effect is attenuated by the loss of market share in Belgium.

Services and miscellaneous

Reminder: The setting up of the “single operator” Eandis in the first quarter of 2006 led to the group shedding its subsidiary Electrabel Netten Vlaanderen to the new company Eandis, the latter being a fully owned subsidiary of the Flemish mixed intermunicipal distribution companies. As a result, its income is no longer included in the group’s turnover as from 01 January 2006.

The half-year results will be published on the 1st September 2006, after closing of the stock exchange.

Electrabel, a European supplier of all-in, tailor-made energy solutions

Electrabel is one of the front-ranking power companies in Europe and the leader in the Benelux. It is taking advantage of the deregulation of the electricity and gas markets to achieve sustainable growth in Europe while keeping to strict criteria of profitability.

The company develops its range of energy products and services by exploiting the synergies between electricity and natural gas. It offers a tailor-made solution for each customer, characterised by quality and close support, acting through marketing subsidiaries and partnerships with local operators.

The company manages a diversified range of generating facilities totalling more than 29 000 MW, and carries out trading on all the energy markets. In Belgium it operates the electricity and gas networks on behalf of the distribution network operators.

Electrabel is a member of Suez, an international industrial and services group operating in the fields of energy and the environment.

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Dit persbericht is ook beschikbaar in het Nederlands.

Ce communiqué de presse est également disponible en français.

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