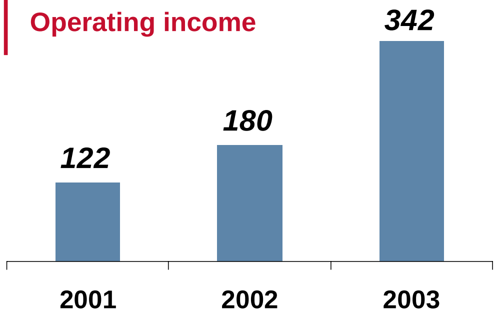
2003 Financial Results

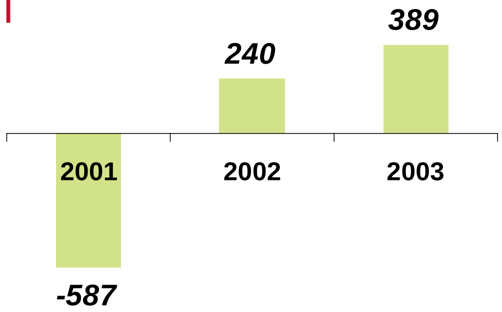
Wednesday, March 17, 2004

Highlights of 2003

Operating income



Consolidated net income



Olkiluoto 3, Finland

- **Consolidated net income: +62%**
- **Group operating income: +90%**
  - **Consolidated operating income from the Energy sector: 7.7% of sales**
  - **Connectors: Operating income back in the black: +€21m *(before restructuring expenses)***
- **AREVA chosen to build Finland's 5th nuclear power reactor by 2009**
- **Agreement signed with URENCO to acquire centrifugation technology**
  subject to a bilateral governmental agreement and approval of anti-trust authorities
- **Buyout of T&D finalized January 9, 2004**

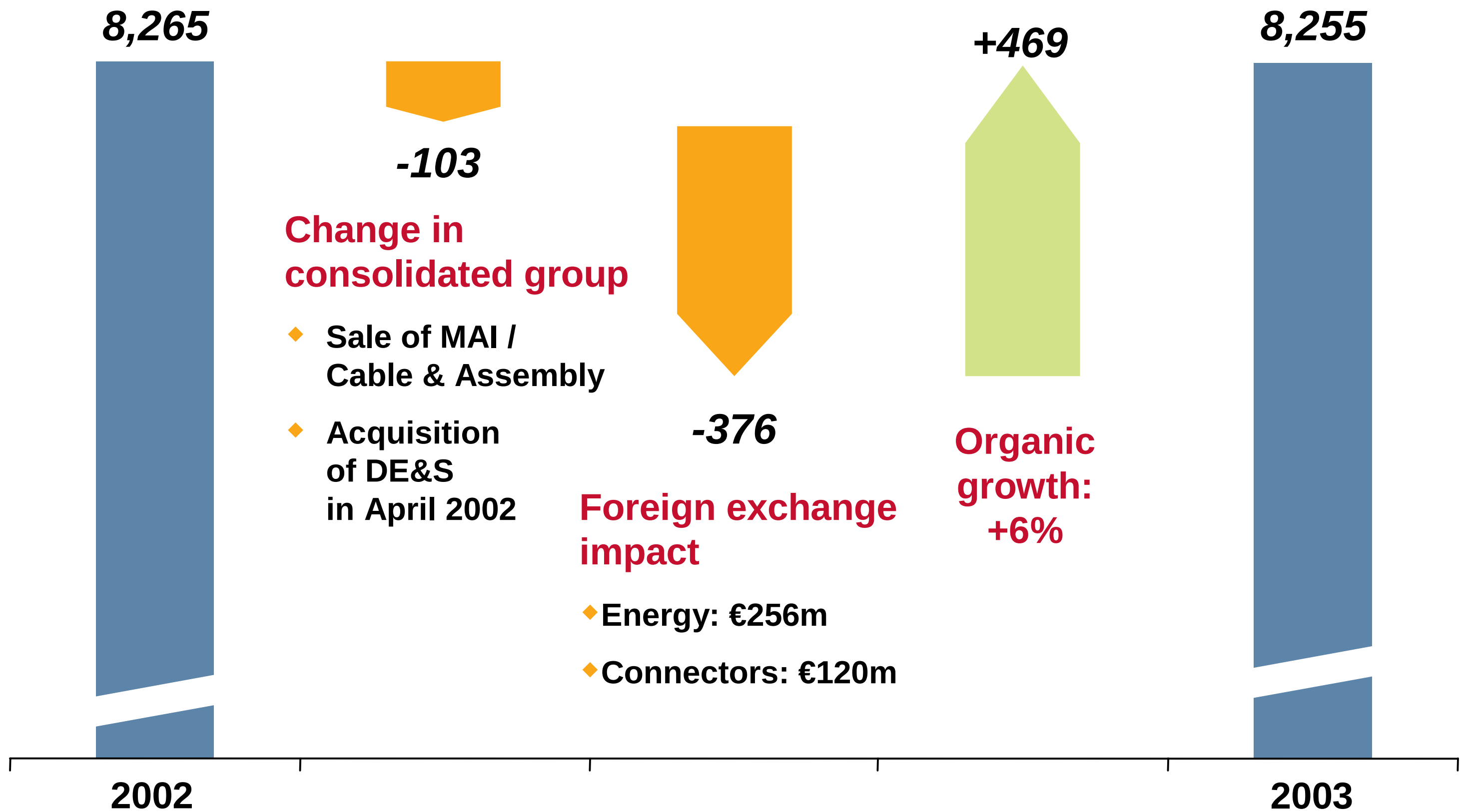
Key 2003 figures: operating income up 90%, net income up 62%

in millions of euros	2001	2002	2003	Δ 03/02
Sales	**8,902**	**8,265**	**8,255**	***-0.1%*** ***+6% LFL****
Operating income	**122**	**180**	**342**	**+90%**
Consolidated net income	**(587)**	**240**	**389**	**+62%**
Earnings per share	**(18.65)**	**6.77**	**10.97**	**+62%**
Operating cash flow*	**ND**	**618**	**902**	**+47%**
Net cash position*	**ND**	**731**	**1,236**	**+69%**

* see definition, attachment 1
** like-for-like

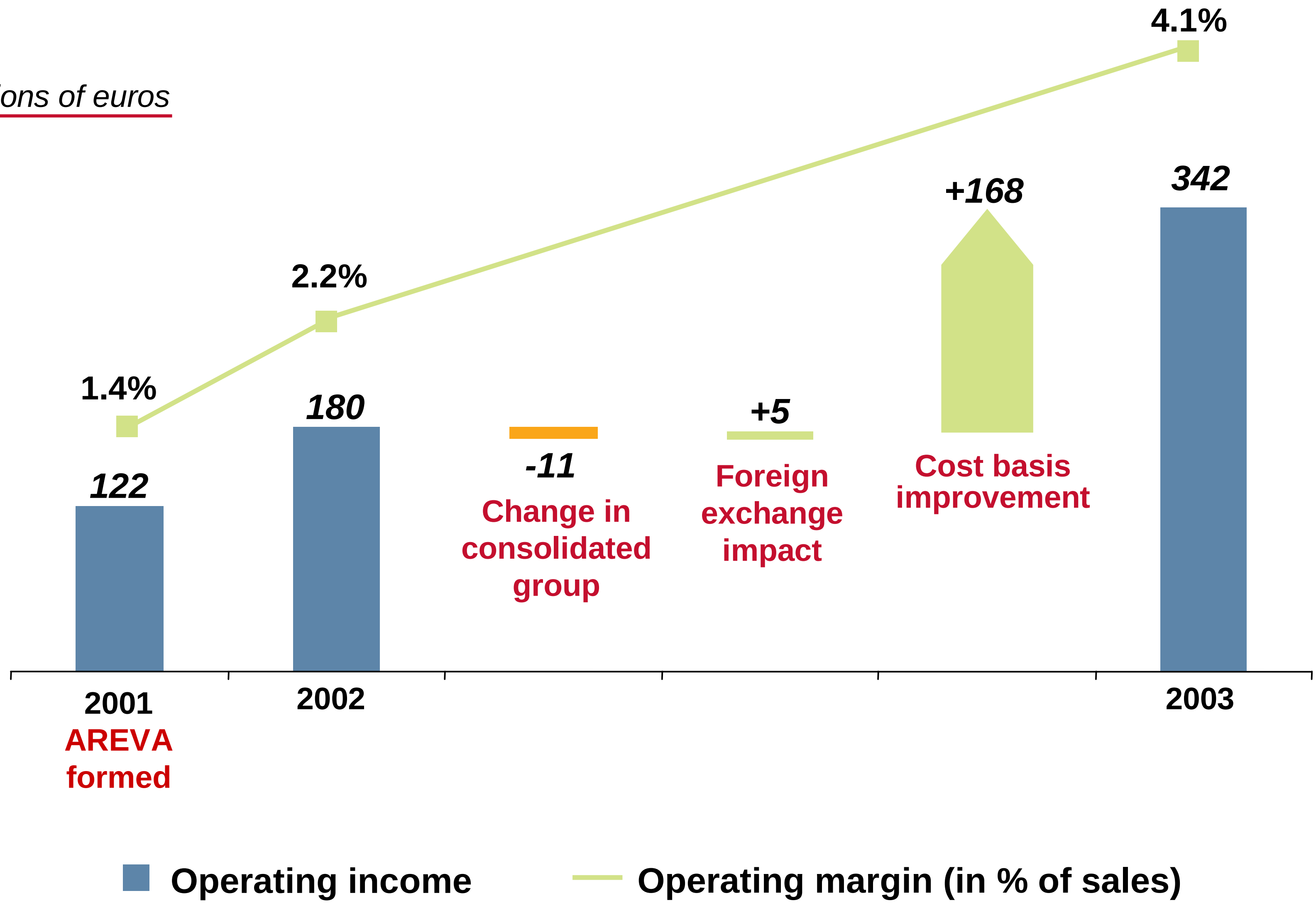
Change in group sales: exceptional Energy sales give 6% organic growth

in millions of euros



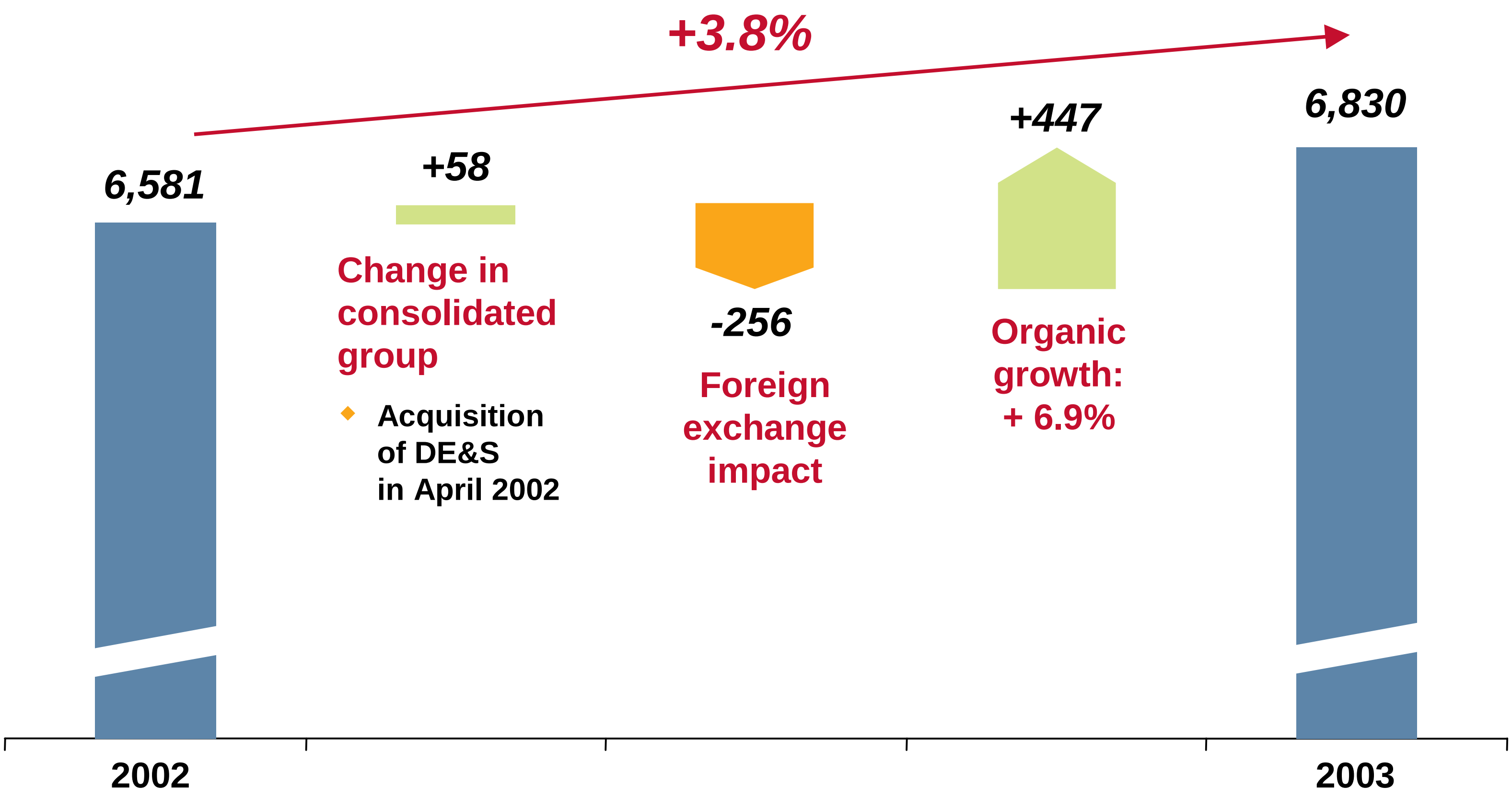
Operating income: three consecutive years of growth

in millions of euros



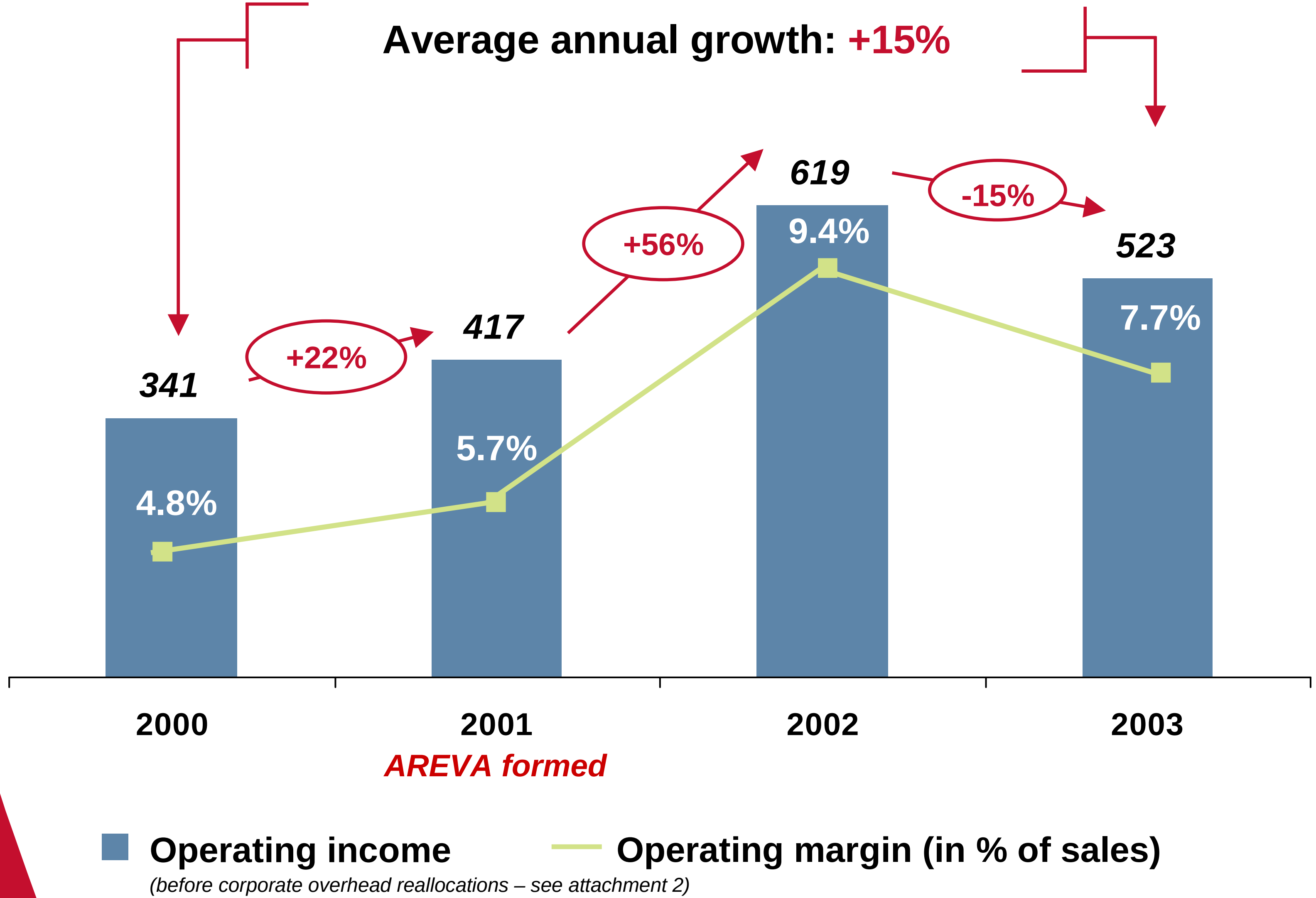
Energy: 6.9% organic sales growth

in millions of euros



Energy: Consolidated operating income

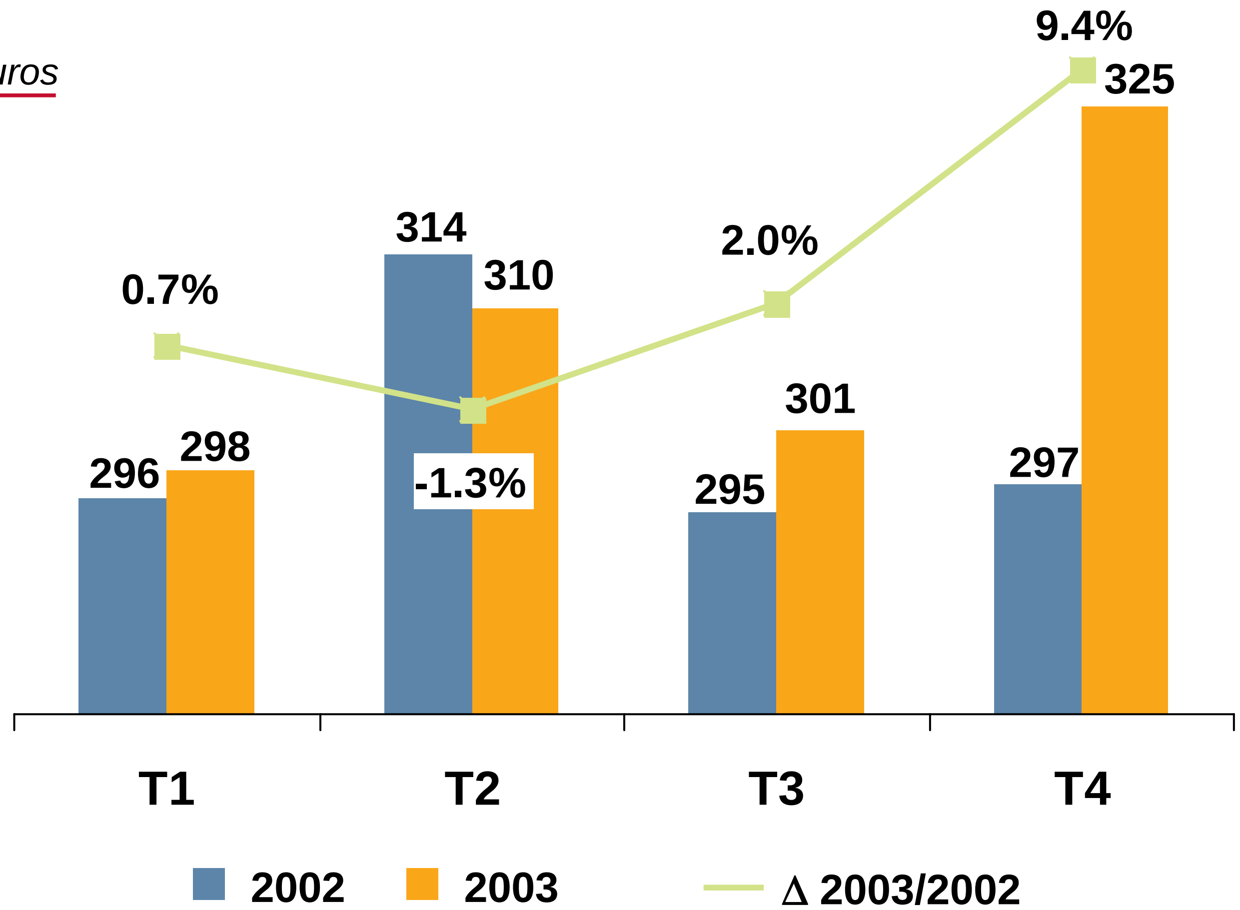
in millions of euros



Connectors: business upturn in Q4 2003

Change in sales like-for-like

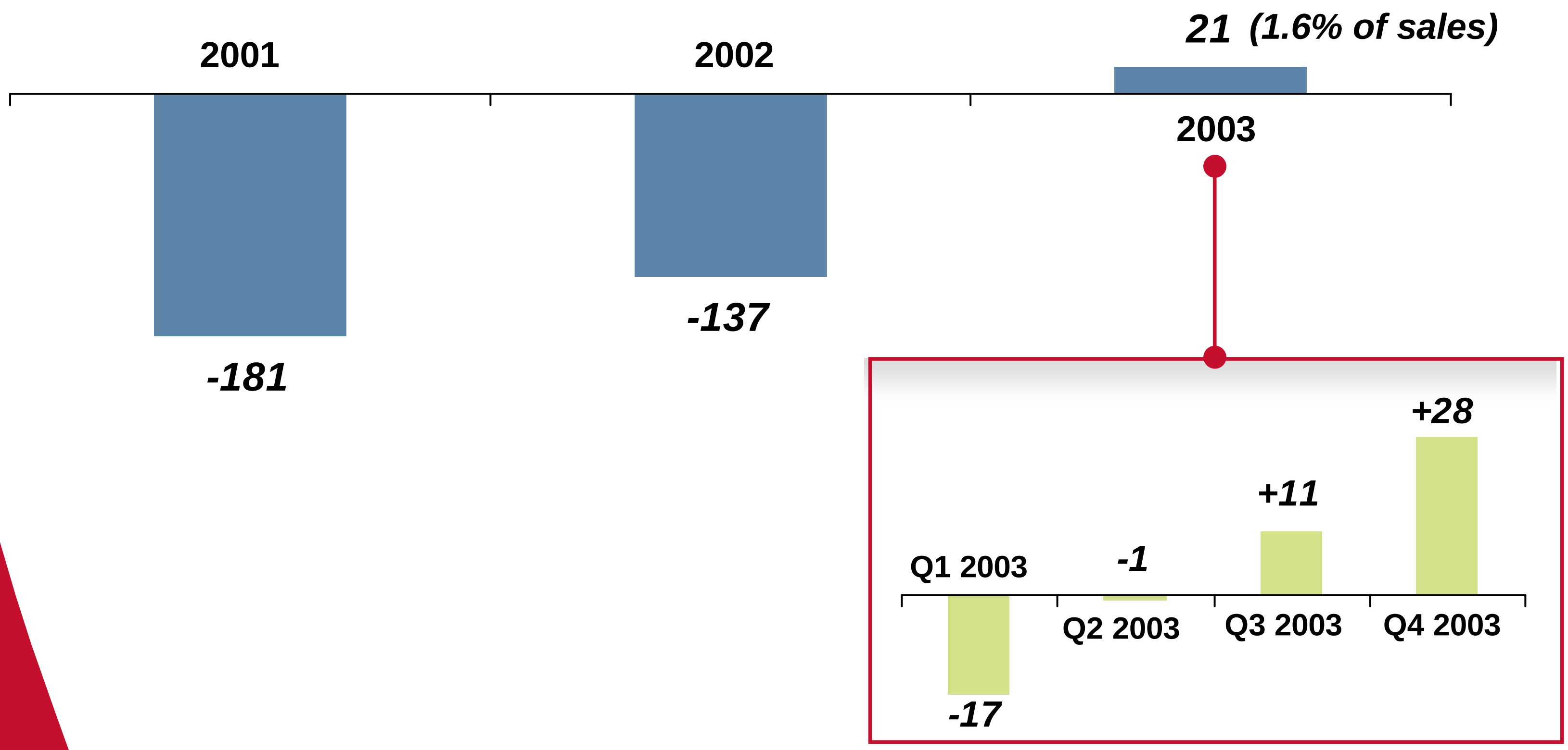
in millions of euros



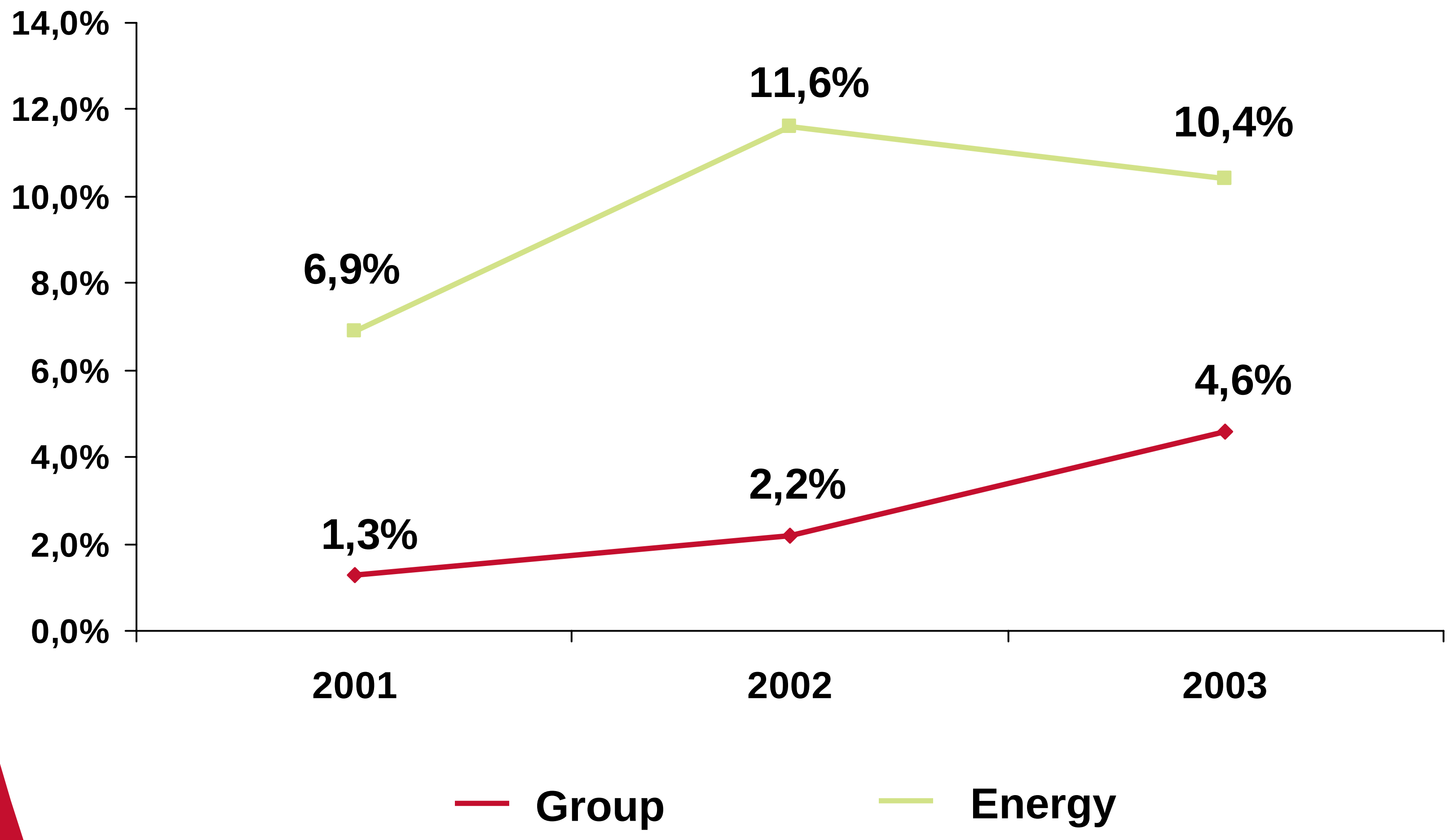
Connectors: operational break-even for the year before restructuring

Change in Operating income

in millions of euros



ROACE* up in 2003



* see definition, attachment 1

Dividend: The Executive Board will recommend that the General Assembly maintain the dividend at the 2002 level

in euros / share	2001	2002	2003
Dividend payment	**6.20**	**6.20**	**6.20**
EPS	***(18.65)***	***6.77***	***10.97***

2003 Financial Highlights
Gérald Arbola

Consolidated income statement

in millions of euros	2002	2003
Sales	8,265	8,255
Operating income	180	342
% Sales	*2.2%*	*4.1%*
Net financial income	**587**	**334**
Exceptional items	**289**	**135**
Share in net income of equity affiliates	**83**	**20**
Income tax	**(220)**	**(184)**
Goodwill amortization	**(593)**	**(174)**
Minority interests	**(86)**	**(84)**
Consolidated net income	**240**	**389**

Net financial income

in millions of euros	2002	2003
Decommissioning:	**(34)**	**(24)**
Financial income on decommissioning portfolio	***(4)***	***15***
Effect of inflation on end-of-life-cycle provision	***(30)***	***(39)***
Investment income	**97**	**99**
Interest expense	**(87)**	**(55)**
Foreign exchange gain (loss)	**1**	**(10)**
Gain from sales of securities	**689**	**288**
Dividends received	**57**	**32**
Write-down of securities	**(47)**	**39**
Other income (loss)	**(89)**	**(35)**
Net financial income	**587**	**334**

Exceptional items

in millions of euros	2002	2003
Exceptional items	**289**	**135**
including MAI sale	-	*65*
including Assystem capital gain		*47*
including sale of real estate	*293*	

Change in operating cash flow

in millions of euros	2002	2003	Δ
EBITDA	**1,150**	**937**	**-213**
% of sales	*13.9%*	*11.3%*	*-2.6 pts*
Change in working capital requirement	**(73)**	**289**	**+362**
Net operating Capex	**(483)**	**(336)**	**+147**
Operating cash flow	**618**	**902**	**+284**

Change in operating cash flow by sector

in millions of euros	Energy	Connectors	Other	Group
EBITDA*	**970**	**24**	**(57)**	**937**
% of Sales	*14.2%*	*1.8%*	*ns*	
Change in WCR	**247**	**11**	**31**	**289**
Net Operating Capex	**(268)**	**(62)**	**(6)**	**(336)**
+/- gains / sales	**9**	**3**	**-**	**12**
Operating cash flow*	**958**	**(24)**	**(32)**	**902**

€67m in positive operating cash flow before restructuring expenses

* See definition in Attachment 1
NB: The above figures reflect corporate overhead reallocations (see Attachment 2)

Change in net cash position

in millions of euros	2002	2003	Δ
EBITDA *	**1,150**	**937**	**-213**
% of Sales	*13.9%*	*11.3%*	*-2.6 pts*
Change in working capital requirement	**(73)**	**289**	**+362**
Net operating Capex	**(483)**	**(336)**	**+147**
Operating cash flow	**618**	**902**	**+284**
Net financial investments	**(213)**	**+7**	**+220**
Dividends paid	**(262)**	**(297)**	**-35**
Net reclassifications (Assystem, mutual funds)	**0**	**(496)**	**-496**
Other (income tax, non-op. WCR, etc.)	**930**	**389**	**-541**
Change in net debt	**1,073**	**505**	**-568**
Net cash position	**731**	**1,236**	**+505**
+ Unrealized after-tax gains	*320*	*151*	

* See definition in Attachment 1

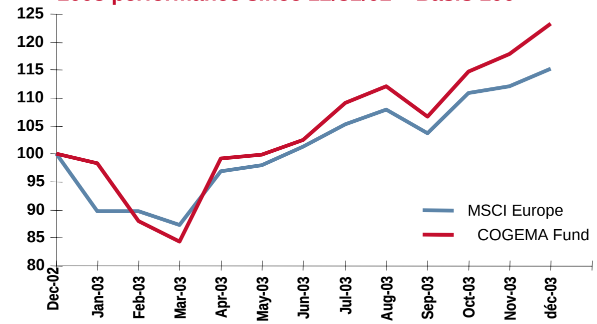
Decommissioning: Status as of 12/31/03

in millions of euros

ASSETS	2002	2003
Long-term financial portfolio		
Book value	*2,127*	*2,234*
After-tax market value	*1,889*	*2,221*
Decommissioning assets	**9,223**	**9,109**
AREVA share (unamortized balance)	*1,194*	*1,118*
Third party share	*8,029*	*7,991*

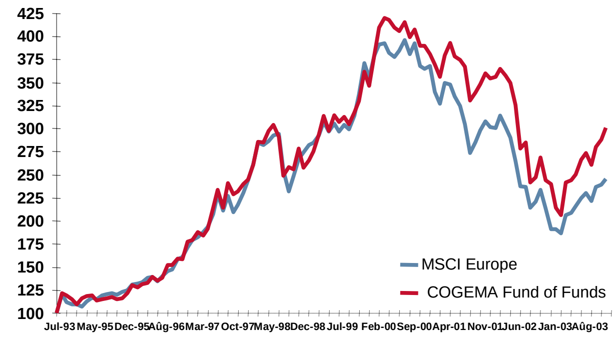
Fund performance in 2003: +23%

2003 performance since 12/31/02 – Basis 100



Average annualized fund performance for 1993-2003: +11.1%

Performance since inception (7/23/93) – Basis 100



LIABILITIES	2002	2003
Decommissioning provision	**12,283**	**12,316**
AREVA share	*4,254*	*4,325**
Third party share	*8,029*	*7,991*

Net IRR required over the period 2004-2040 to cover decommissioning expenses: 3.6% (as of end-2003)

** See Attachments 6 and 7*

Decommissioning: Negotiations in progress

- **LA HAGUE: Global negotiations for EDF/COGEMA and CEA/COGEMA**
  - Legal and financial terms for the transfer to COGEMA of outstanding EDF financial obligations for La Hague
  - EDF / CEA financial participation in waste retrieval and packaging at the La Hague site
  - Economic terms for future spent fuel reprocessing contract with EDF for the 2008-2020 period

- **MARCOULE: Negotiation process for CEA, COGEMA and EDF**
  - Definition of organization and management terms and conditions for Marcoule decommissioning
  - Legal and financial terms for the transfer to CEA of outstanding COGEMA financial obligations for Marcoule

- **Major progress in negotiations as of end-December 2003**
- **2003 financial statements: previous evaluation methods maintained**
- **No significant impact identified at this stage**

Balance sheet

in millions of euros

ASSETS	2002	2003	LIABILITIES	2002	2003
Fixed assets	**20,149**	**19,094**	**Shareholders' equity**	**4,020**	**4,113**
Goodwill	*1,537*	*1,265*	**PSD***	**215**	**215**
Tangible/intangible assets	*5,157*	*3,929*	**Minority interests**	**988**	**959**
Decommissioning assets	*9,223*	*9,109*	**Decom. provision**	**12,283**	**12,316**
Earmarked financial assets	*2,127*	*2,234*			
Equity in net assets of affiliates	*1,652*	*1,492*	**Other provisions**	**2,770**	**1,676**
Other long-term investments	*453*	*1,065*			
WCR	**(604)**	**(1 051)**			
Net cash position	**731**	**1,236**			
Total	**20,276**	**19,279**	**Total**	**20,276**	**19,279**

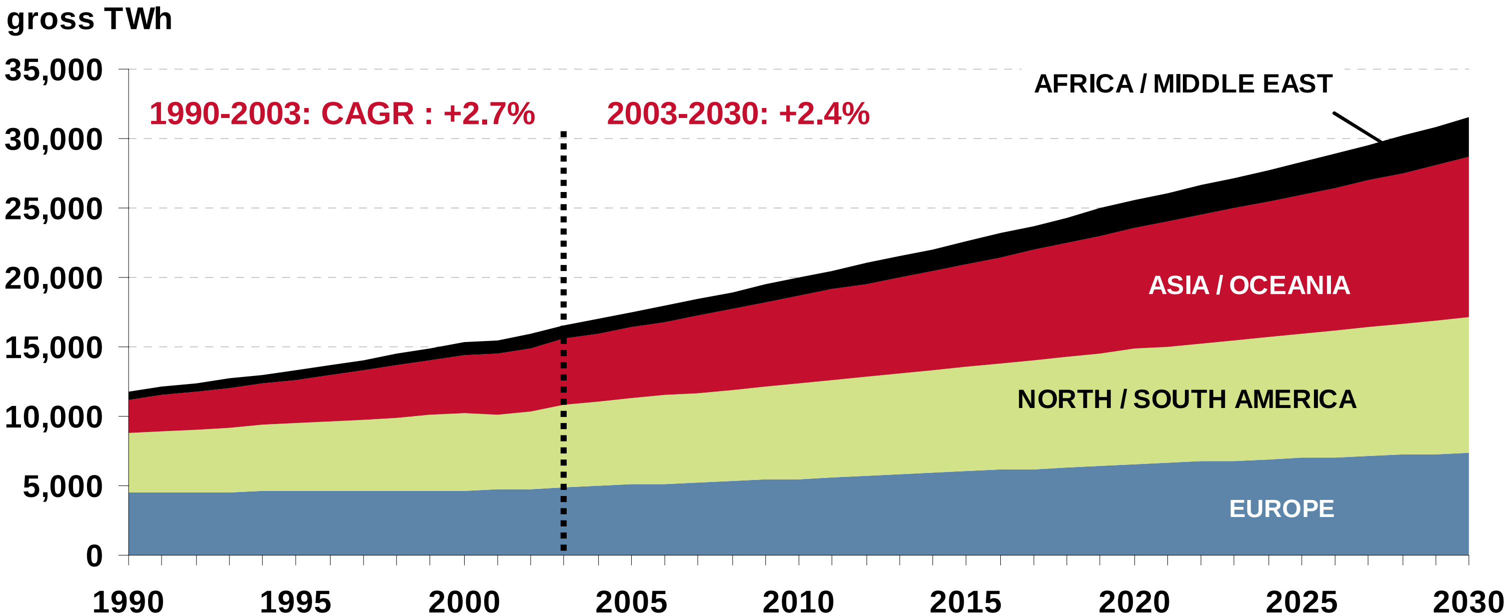
- **Net cash of €1,236m before payment of T&D purchase price to Alstom**
- **Off balance sheet commitments: €1,522m end-Dec. 2003, not including approx. €2B for the Finnish contract**

**Perpetual subordinated debt*

Business Review
Anne Lauvergeon

Worldwide demand for electricity to double by 2030

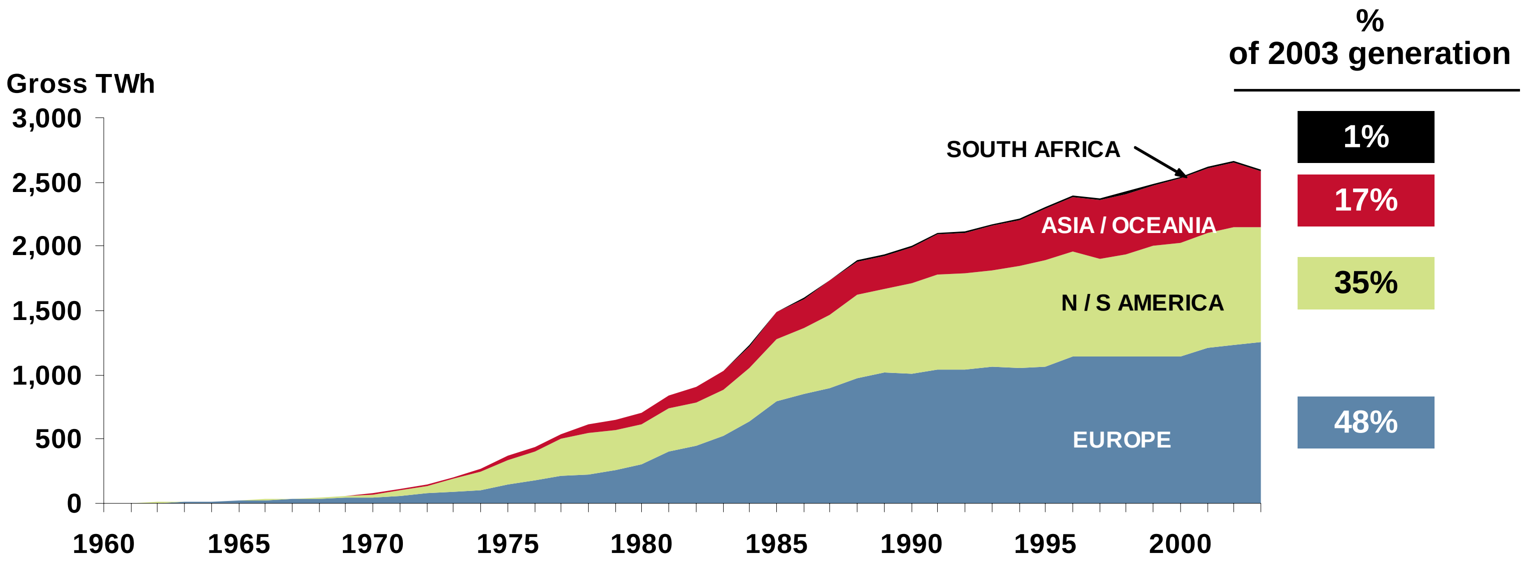
Worldwide electric power generation (in TWh)



Sources: IEA-World Energy Outlook (2002), IEA/OECD (2003), AREVA-DS/DEEP estimates (2004)

Nuclear power generation in 2003

Worldwide nuclear power generation (in TWh)



	Δ 89/03	1989–2003 CAGR
Production	+38%	+2.1%
Capacity	+16%	+1.2%

16%
of the world's energy in 2003 (16,244 TWh)

Sources: IEA/OCDE (1990), Nucleonics Week (1995-2004)

European Union & CIS: Situation in 2003

Europe / CIS

- **Performance indicators:**
  - **Number of reactors: 208 (180 GWe)**
  - **2003 power generation: 1,254 TWh (+1.9% vs. 2002)**
  - **Plant utilization rate: 77.3% (vs. 76.6% in 2002)**

- **FRANCE: energy debate and draft framework legislation**
- **GERMANY: nuclear power up 0.2% despite shutdown of Stade reactor (640 MW)**
- **ITALY: utilities given green light to invest in nuclear power outside country**
- **FINLAND: AREVA awarded contract for country's 5th reactor**
- **SWITZERLAND: 67% of the Swiss oppose withdrawal from nuclear power**
- **BELGIUM: repeal of nuclear withdrawal law expected**
- **RUSSIA: 2020 energy plan calls for substantial increase in nuclear power generating stations**

North America: Situation in 2003

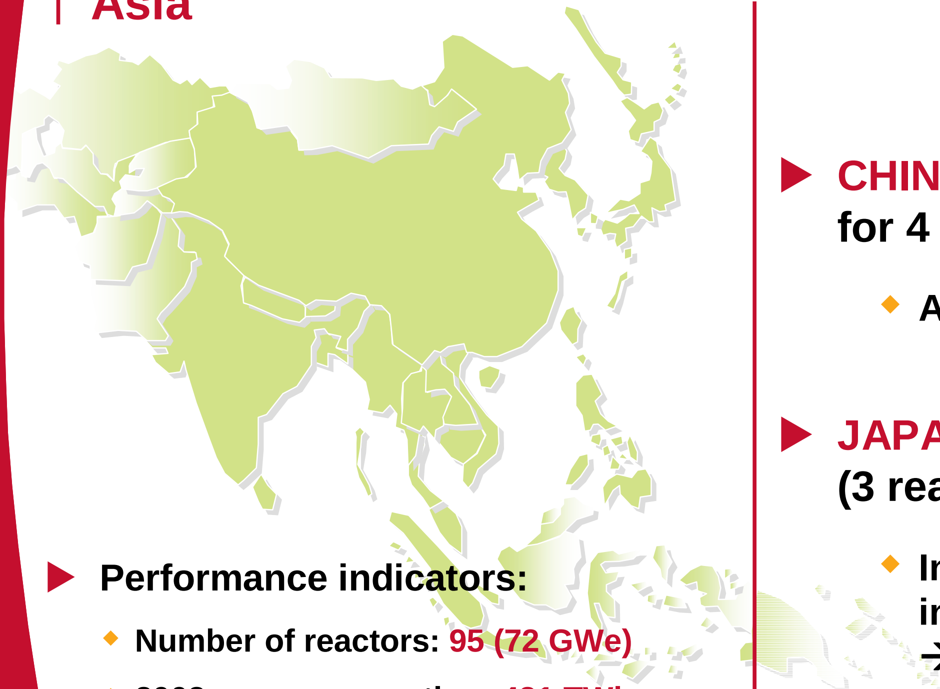
North America

- **Performance indicators:**
  - **Number of reactors: 125 (120 GWe)**
  - **2003 power generation: 873 TWh (-1.7% vs. 2002)**
  - **Plant utilization rate: 84% (vs. 86% in 2002)**

- **U.S. utilities continued to prolong reactor licenses from 40 to 60 years: 22% of U.S. reactors have new operating licenses and 16% are pending**
- **Three utilities launched site selection studies for new reactors (Nuclear Power 2010)**
- **DOE US continued its program to recycle surplus nuclear weapons into MOX fuel**
- **YUCCA MOUNTAIN: site selection approved in 2002, license application to be submitted in 2004**
- **CANADA: restart of some reactors in 2003, revamping of 8 reactors in progress and plans to build 2 new reactors**

Asia: Situation in 2003

Asia



- **Performance indicators:**
  - **Number of reactors: 95 (72 GWe)**
  - **2003 power generation: 431 TWh (-15% vs. 2002, +6% outside Japan)**
  - **Plant utilization rate: 73.3% (vs. 82% in 2002)**
  - **18 reactors under construction and 25 on order**

- **CHINA: invitation to bid announced in 2004 for 4 new units**
  - **Ambitious nuclear power program**

- **JAPAN: reactor construction continued (3 reactors under construction, 4 in design)**
  - **In 2003: reactors shut down because anomalies in auxiliary equipment not reported**
    → reduction of 86.4 TWh (-27.6%)
  - **Phased restart**

- **SOUTH KOREA: 18 operating reactors in 2003 and government plans call for 10 more within 2015**

Front End division: key figures

in millions of euros	2002*	2003	Δ
Sales	**2,562**	**2,683**	***+4.7%*** ***+10.3% LFL****
Operating income	**319**	**316**	**-0.9%**
% of Sales	**12.4%**	**11.8%**	**-0.6 pts**

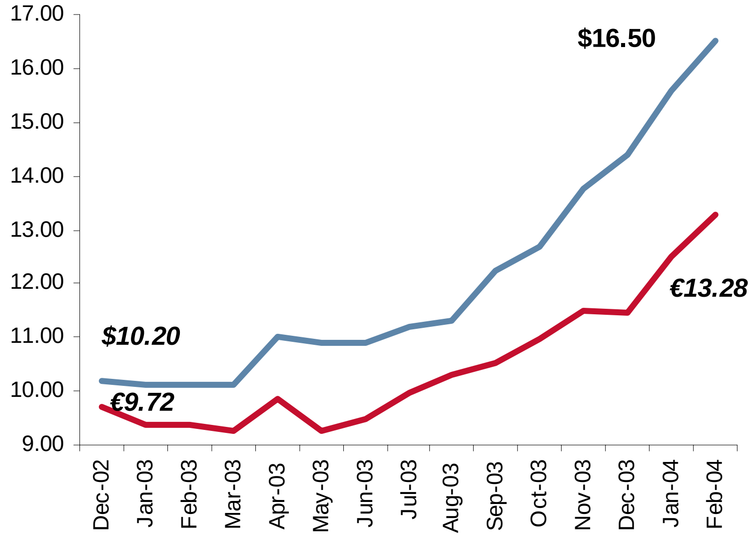
- **Sales: export sales of enrichment services up sharply (+27%) – major deliveries of MOX fuel made in 2003**
- **McArthur mine flooding brought under control in three months in April 2003**
- **Stable operating income: rise in enrichment sales compensated fall in fuel sales, which had a record year in 2002**

* 2002 was adjusted to reflect corporate overhead reallocations (see Attachment 2)
** Like-for-like

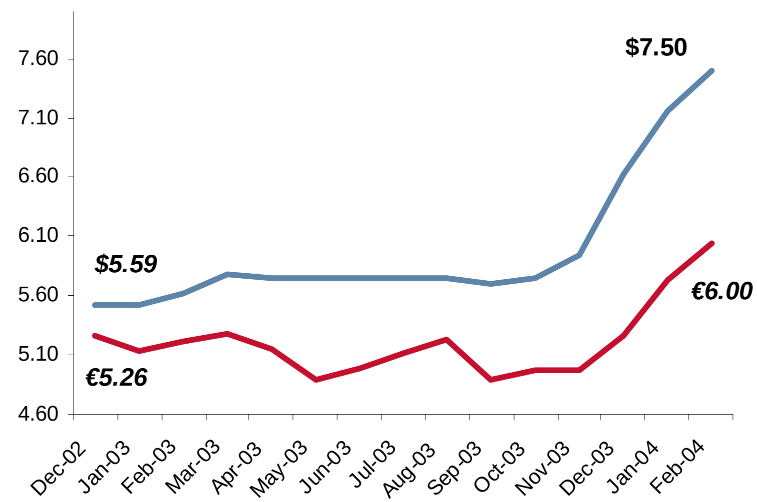
Front End division: Outlook

- **Division backlog at end-2003: 3 years of 2003 sales**
- **Mining / Conversion**
  - **End of inventory sales – alternative sources of supply depleted**
  - **Price recovery: U3O8 spot price Dec 02 → Feb 04: +60% in $, i.e. +35% in €***
  - **Impact anticipated in 2005**
  - **AREVA reserves* end-December 2003: 224 000 MT, i.e. almost 25 years of sales**

U3O8 spot price per TradeTech
Monthly average since December 2002



World spot price for UF6 per TradeTech
Monthly average since December 2002

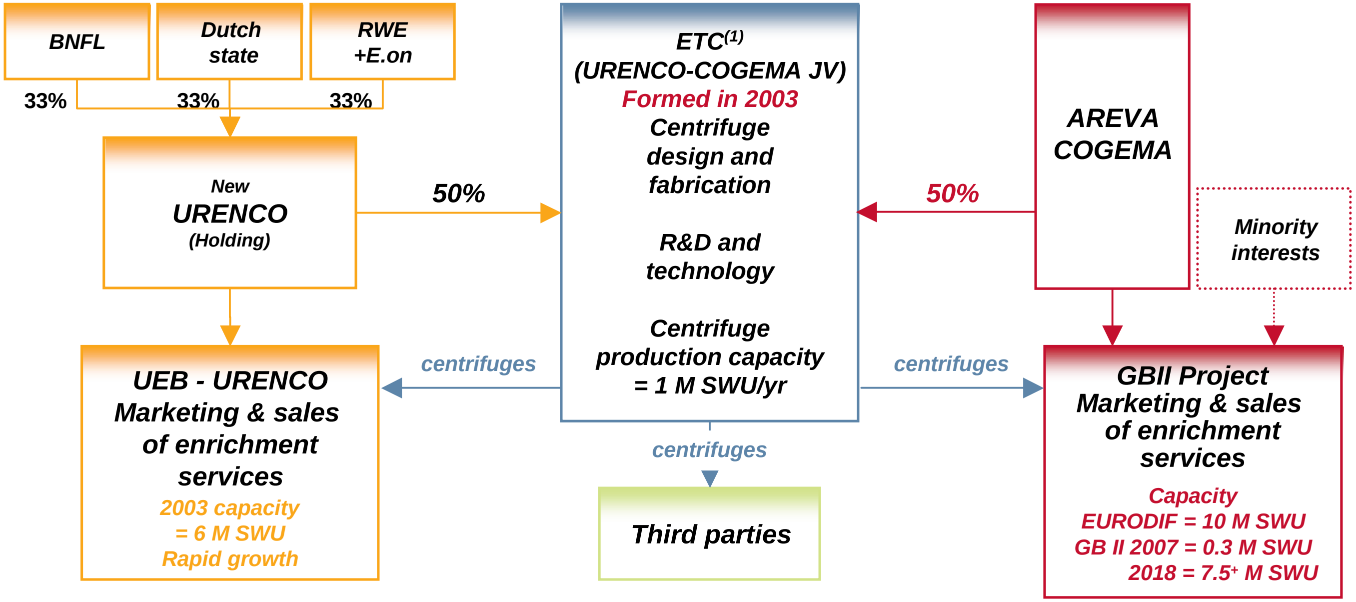


* Proven reserves

AREVA has agreed to acquire 50% of ETC, the leader in centrifugation technology

Enrichment

- Business up sharply in 2003: 10,6 million SWU sold (+11% vs. 2002)
- Balanced supply and demand for 2004-2006 period
- Access to centrifugation technology, subject to certain limits: creation of ETC
- Project time-line: G. Besse-I expected to shut down in 2012, G. Besse-II to ramp up from 2007 to 2015
- AREVA and URENCO will continue to compete in the enrichment market

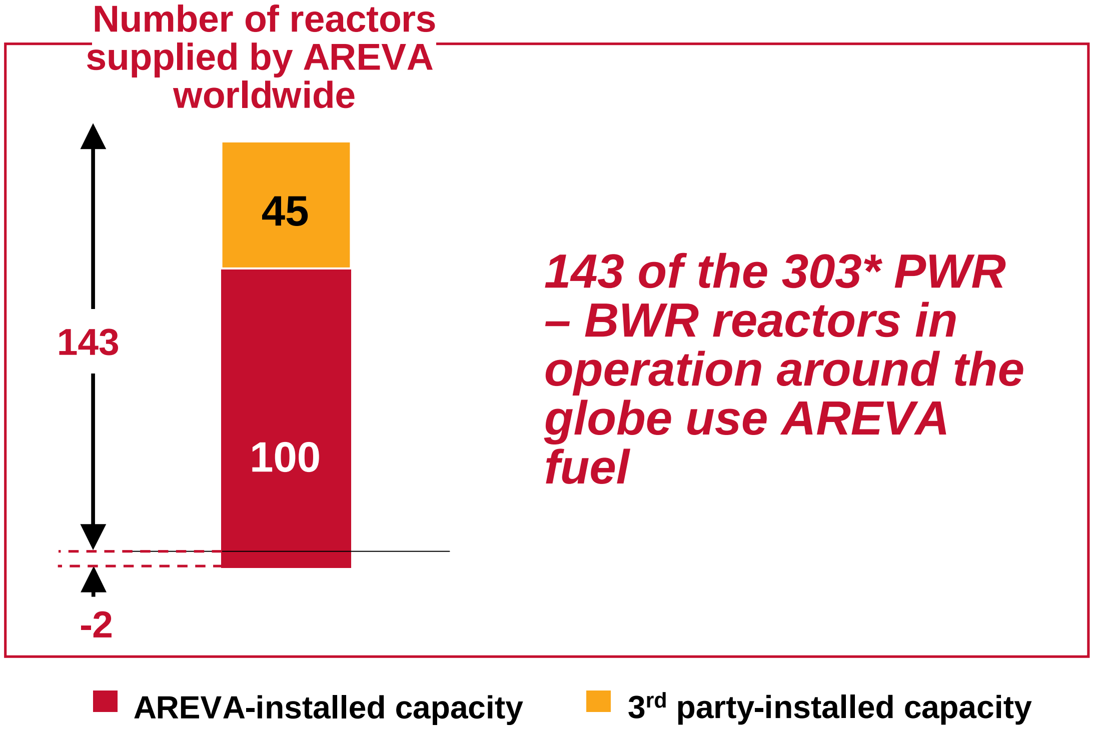


(1) Enrichment Technology Company

Front End division: Outlook

Fuel

- Provision of service packages to respond to trend in utility outsourcing: “Global Fuel Services” with RWE, E.On, etc.
- Reorganization of US production assets
- Group-wide programs to increase production efficiency
- AREVA is one of only two suppliers of BWR + PWR fuel



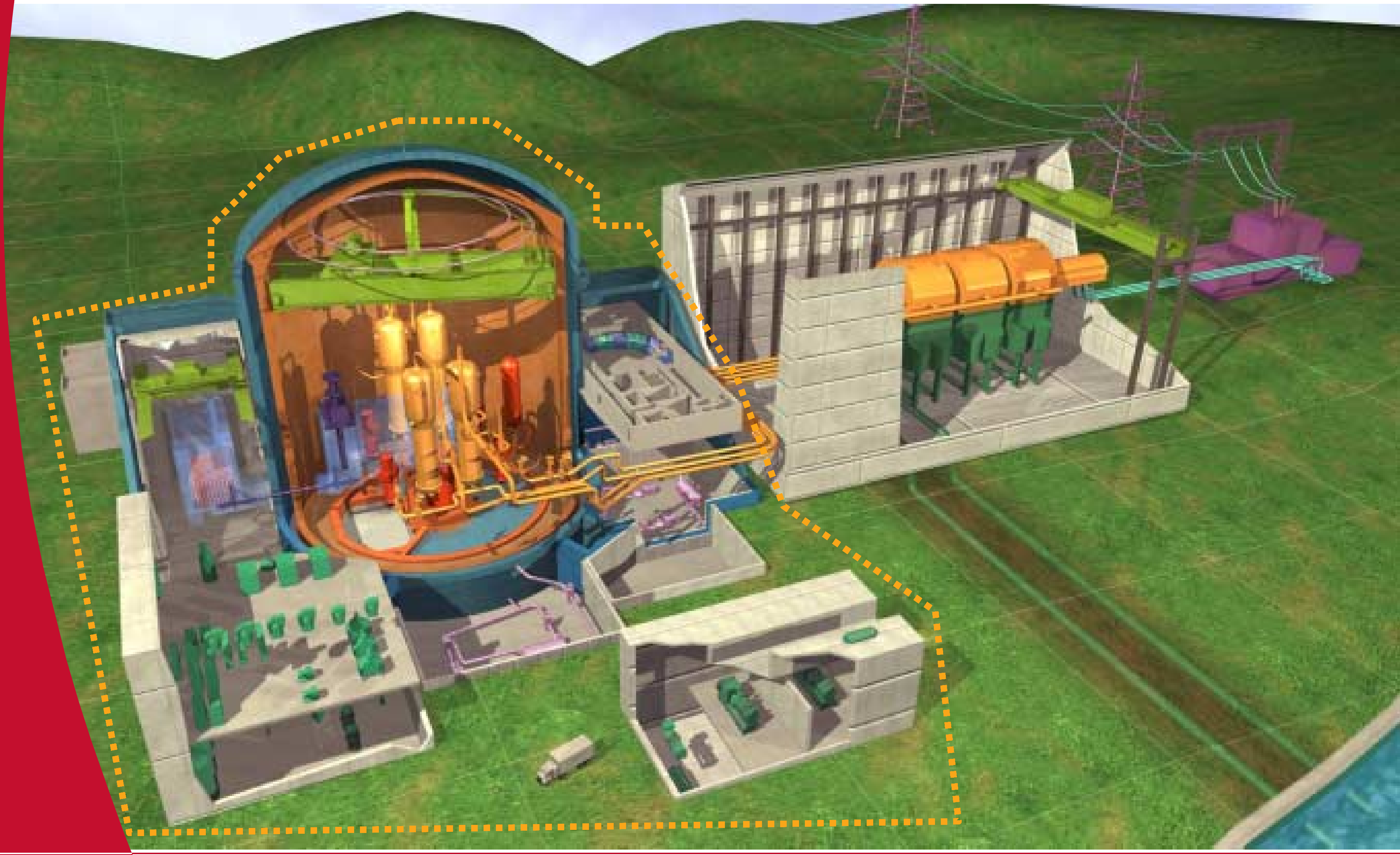
Reactors & Services division: key figures

in millions of euros	2002*	2003	Δ
Sales	**1,932**	**2,124**	***+9.9%*** ***+13.2% LFL****
Operating income	**64**	**52**	**-18.7%**
% of Sales	***3.3%***	***2.4%***	***-0.9 pts***

- **Sales performance**
  - **Equipment: increased US sales offset downturn in Europe**
  - **Services: US sales up sharply with numerous scheduled outages and component replacements**
- **Operating income affected by difficulties with a service contract in Ukraine**
- **No impact from the TVO contract (Finland) in 2003**

* 2002 was adjusted for corporate overhead reallocations (see Attachment 2)
** Like-for-like

Scope of “Olkiluoto 3” power plant project



Olkiluoto 3: Features of contract

- **Total project cost announced by customer TVO: €3B**
- **AREVA – Siemens team**
  - **AREVA provides overall project coordination**
  - **Siemens (25%): conventional island (including construction), i.e. generating unit, auxiliary systems**
  - **AREVA (75%): nuclear island (including construction)**
    - **Nuclear island: nuclear steam supply system, operating control system for nuclear and conventional islands, etc.**
    - **Supply of first reactor core (separate contract)**
- **Contract effective date: 1/1/2004, with connection to the grid planned for May 2009**

Reactors & Services division: Outlook

- Backlog at end-2003: 1 year of 2003 sales
- Reactors
  - Decision expected on EPR in France
  - Major challenge in China
- Equipment & Services
  - Growth in performance-based "Alliancing" contracts
    → help customers lower KWh costs
  - Integration of worldwide equipment & services capacities
  - Increased trend in customer outsourcing
  - Contract selectivity necessary

Back End division: key figures

in millions of euros	2002*	2003	Δ
Revenue	**2,088**	**2,023**	***-3.1%*** ***-2.8% LFL****
Operating income	**236**	**155**	**-34.3%**
% of Sales	*11.3%*	*7.7%*	***-3.6 pts***

- **Reprocessing-Recycling down slightly**
- **Operating income affected by transition year in Recycling**
  - **Shutdown of Cadarache recycling plant and transfer of production to Melox**
  - **Japanese MOX production suspended in 2002**

* 2002 was adjusted for corporate overhead reallocations (see Attachment 2)
** Like-for-like

Back End division: Outlook

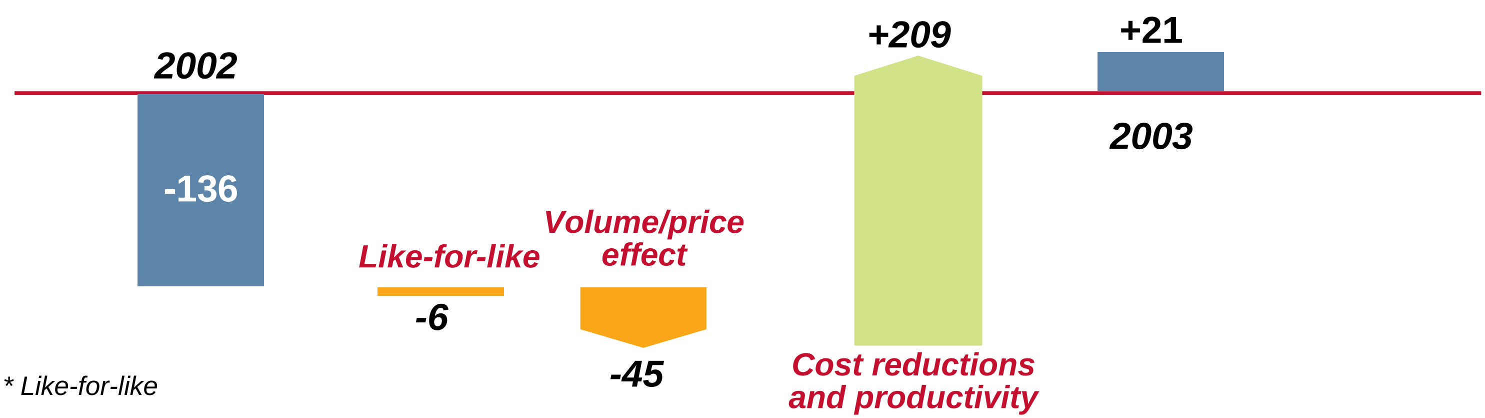
- Backlog end-2003: 3.6 years of 2003 sales
- Good operating performance at La Hague and Melox plants in 2003
- Recycling: License approved to increase capacity to 145 MTHM* (vs. 101 MTHM)
- Netherlands: Startup of spent fuel and vitrified waste storage facility
- Plant baseloads to be supplemented
  - Negotiations in progress with EDF for commercial agreement 2008-2020
  - Japan: 2006 resumption of MOX programs announced
  - United States: MOX test assemblies for US reactors (€24M) and engineering contracts for Yucca Mountain
- Wide range of solutions offered for spent fuel management

* Metric tons of heavy metal

Connectors division: key figures

in millions of euros	2002	2003	Δ
Sales	**1,560**	**1,338**	***-14.2%*** ***+2.3% LFL****
Operating income before restructuring	**-136**	**+21**	**n.s.**
% of Sales	***-8.7 %***	***1.6%***	***n.s.***
Operating income	**-406**	**-114**	**n.s.**

- **Sales up 2.3% thanks to good 4th quarter 2003**
- **Operating income before restructuring improved despite lack of real recovery in telecom market in 2003**



* Like-for-like

Connectors division: Outlook

1. **Break-even lowered: overheads reduced by €215m in 2002 and 2003**
2. **Reorganization of local production assets: 64 sites → 36 sites**
3. **Refocusing of business portfolio**
   - **Markets where FCI has leadership position: Communications and Automotive**
   - **Trim unprofitable product lines**
   - **Sale of businesses: Military Aerospace Industry (April 2003), Cable & Assembly (September 2003)**

FCI operating income back in the black in 2004

Connectors division: Outlook

Communication Data Consumer

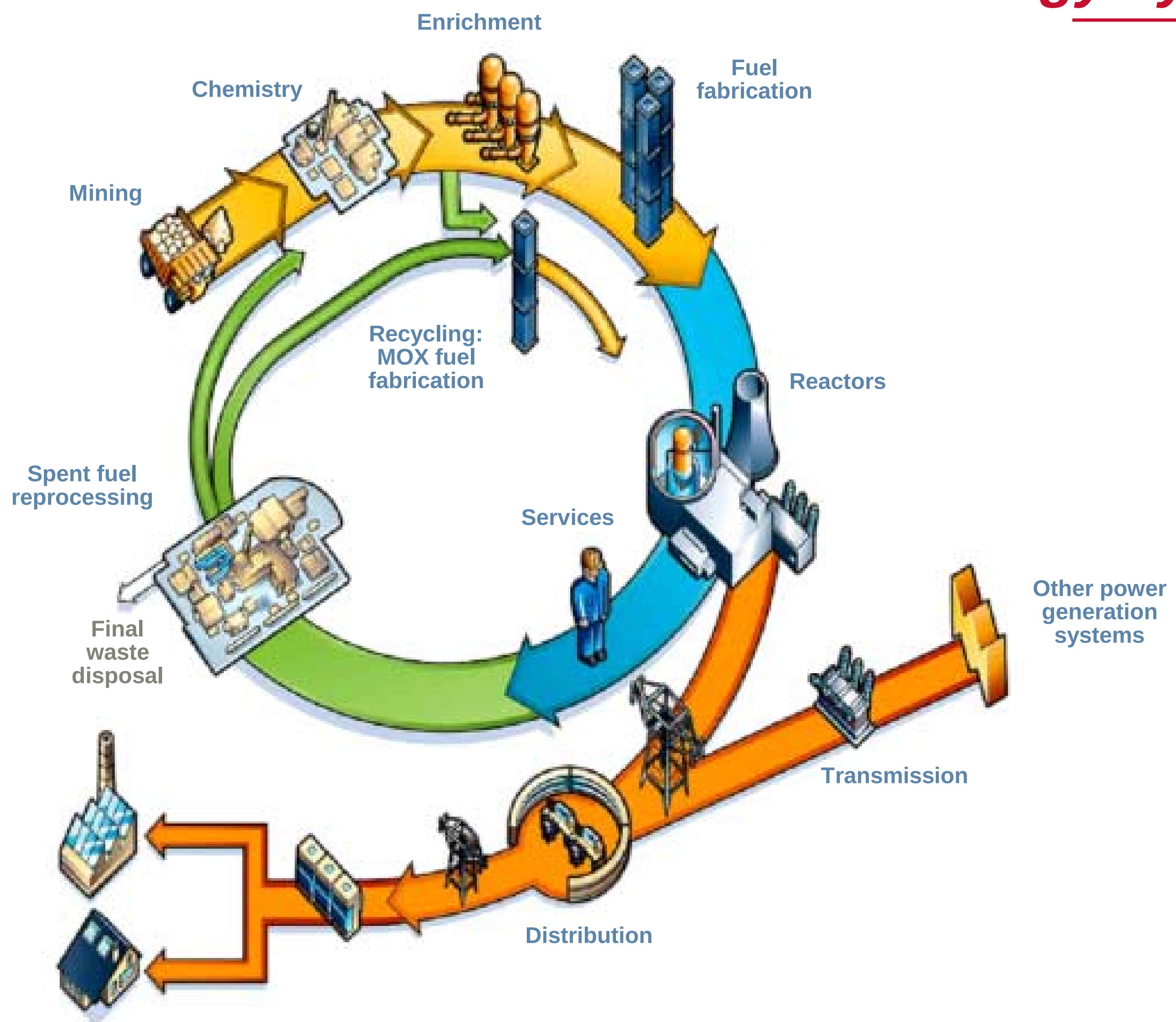
- Growth of 2.6% like-for-like in 2003 (+10.7% in Q4 03)
- Intensive R&D spending to prepare for renewal in telecom investments (ADSL, UMTS, etc.)
- Well-positioned in mobile phone and digital product markets
- Growth: 30% of 2006 sales from new products

Automotive

- Growth of 6.7% like-for-like in 2003
- Leadership position in safety-related connectors (Airbag) and onboard electronics (multimedia, etc.)
- Reinforce market share growth at PSA and Daimler/Chrysler
- Launch of 82 new product development programs (flex connectors, miniaturization)

T&D Integration
Anne Lauvergeon

With T&D, AREVA is positioned throughout the entire energy cycle



The T&D advantage

- T&D is among the top three players in the market worldwide
- T&D is a growing market
- Very large T&D installed equipment base
- No CO_2
- Special customer access and long-term relationships
- Technology benefits/synergies

T&D is an accumulation of acquisitions and mergers…

Alsthom

- **1928**
- **1986** – *Sprecher and Schuh (Swiss)*
- **1988** – *Merger with GEC (UK)*
- **1996** – *Acquisition of AEG (German)*
- **1998** – *Acquisition of Cegelec – T&D (France)*

…that have yet to be fully integrated

Key figures for T&D in 2003

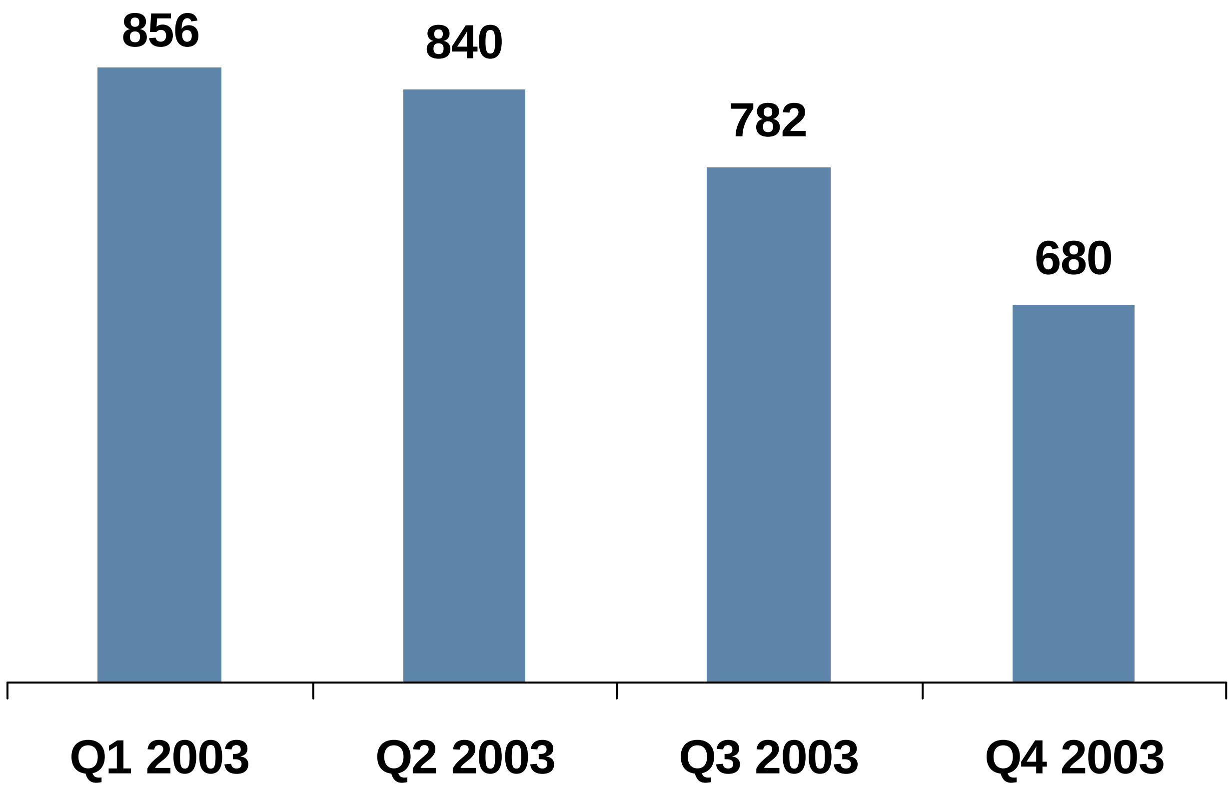
2003	← Old presentation	AREVA presentation →	2003
2,859	**Sales**	**Sales**	**2,859**
178 ***6.2%***	**Operating income (OI)** ***% of Sales***	**-**	**-**
(44)	Pensions & Management fees		
134 ***4.7%***	**Current OI before restruct.** ***% of Sales***	**OI before restruct.** ***% of Sales***	**134** ***4.7%***
		Restructuring	(151)
		Operating income	**(17)**

Unaudited reconstituted data

- **Some activities are being divested and are not included in these figures (Indian operations, etc.)**
- **Some activities will be consolidated after Q1 2004 (Poland, China, ...)**

Orders have significantly decreased by the end of 2003 …

▶ **Order book evolution by quarter (in millions of euros)**



… and T&D should record losses in 2004

A comprehensive strategic review has been initiated

- **Strategic realignment**
  - **Market review (customers)**
  - **Business review (products / projects)**
  - **Reconfigure production assets (sites / capacities)**
- **Operating performance**
  - **Reduce costs**
  - **Optimize procurement**
  - **Enhance production efficiency**
- **Organization**
  - **Appointment of new CEO**
  - **Adjust to changing market (products, systems, services)**
  - **Take advantage of synergies with the group**

Outlook
Anne Lauvergeon

>> AREVA, a solid foundation for long-term growth…

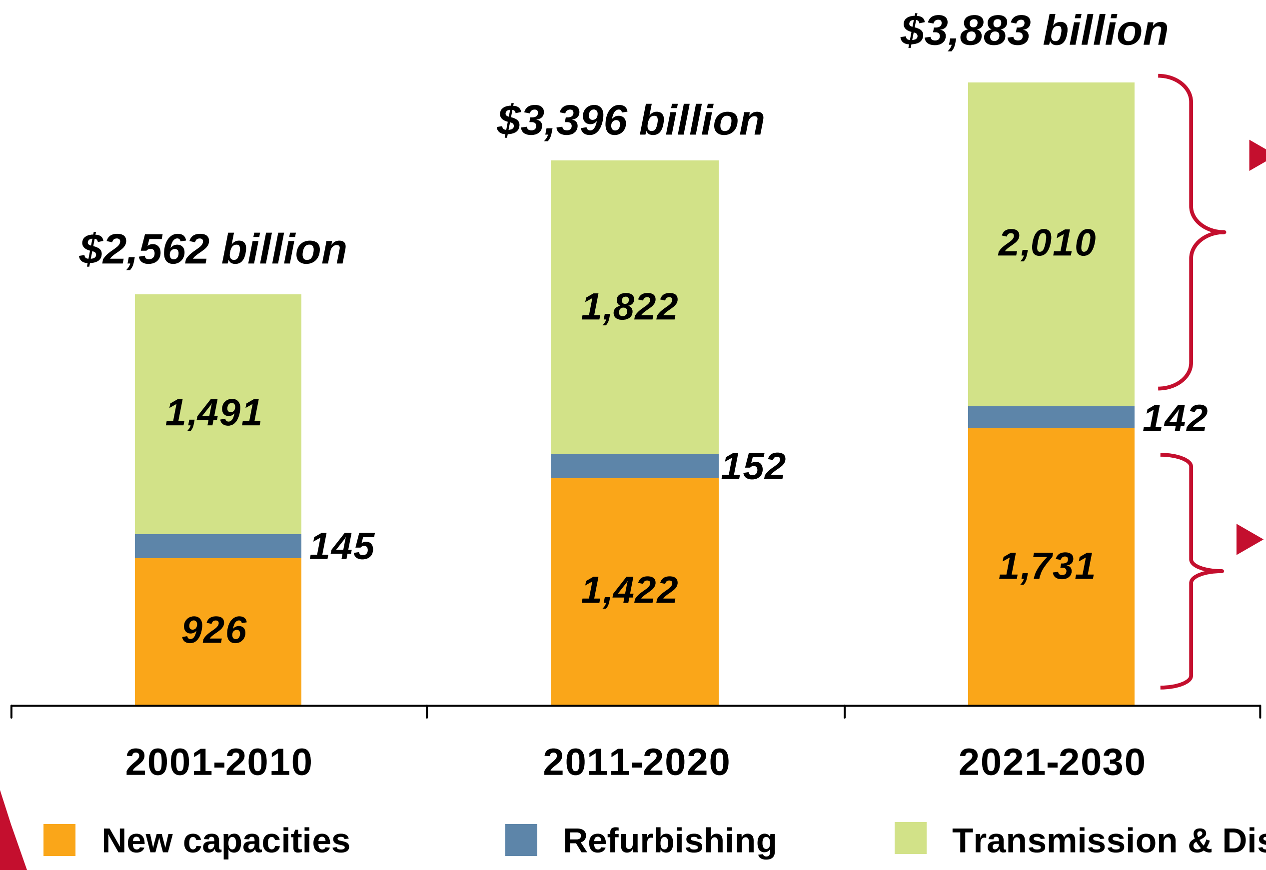
>> …giving confidence in the future

Strategic choices bolstered by several successes

- **Group: earnings and ROACE are up**
- **Nuclear power: Finnish EPR, Urenco / ETC agreement**
- **Connectors: operating stability reestablished while preserving future options**
- **A solid basis for expanding our operations**

AREVA is confident about the future
Generation / Transmission / Distribution

- **Investment in the electric power sector – 2000-2030 Outlook**



- **Power transmission and distribution lines to double from 3.5 to 7.2 million kilometers**
- **Capacities to double from ~3,500 to ~ 7,100 GWe**

Source: International Energy Agency, "World Energy Investment Outlook, 2003 Insights"

AREVA, a solid base for long-term growth

Fundamentally well-established base of activity

AREVA

Energy				
Front End	**Reactors & Services**	**Back End**	**Transmission & Distribution**	**Connectors**
▶ Mining ▶ Chemistry ▶ Enrichment ▶ Fuel	▶ Reactors ▶ Equipment ▶ Services ▶ Nuclear Measurements ▶ Consulting & Information Systems ▶ Mechanical Systems ▶ Technicatome	▶ Reprocessing ▶ Recycling ▶ Engineering ▶ Nuclear Cleanup ▶ Logistics	▶ Electrical Distribution Systems ▶ Transmission Projects ▶ Medium Voltage ▶ High Voltage ▶ Energy Automation & Information ▶ T&D Services	▶ Communications Data Consumer ▶ Automotive ▶ Electrical Power Interconnect ▶ Microconnections

AREVA, a solid base for long-term growth
Sustainable development is the keystone of our industrial strategy (1/2)

- **It is deeply rooted:**
  - **Creating solutions to supply cost-competitive energy without CO_2 is a core sustainable development issue worldwide**
  - **Strong background in risk management, nuclear safety, industrial safety and environmental protection**
- **It is also in our own interest to go further:**
  - **Opportunities for improvement**
  - **Positive differentiation vis-à-vis our competitors**
  - **Greater ability to attract young talent**
  - **Better recognition for our operations**

AREVA, a solid base for long-term growth
Sustainable development is the keystone of our industrial strategy (2/2)

10 Commitments	Deployment
1. Governance and leadership 2. Financial performance 3. Customer satisfaction 4. Commitment to people 5. Dialogue and consensus building 6. Risk prevention and management 7. Respect for the environment 8. Innovation 9. Community involvement 10. Continuous improvement	▶ Creation of the “AREVA Way” self-assessment model ▶ Sustainable development performance indicators integrated into budget and business reporting

AREVA is confident about the future

2004 Outlook

- **Group**
  - **Operating income and ROACE expected to rise again**
  - **Sound financial structure continues**
  - **Develop private shareholding**
- **Energy**
  - **T&D: Integration and overall strategic review**
- **Connectors**
  - **Return to positive operating income with sharp upturn confirmed**

Attachments

Attachment 1: Definitions of indicators used by AREVA (1/2)

- **Decommissioning assets: heading established as of December 31, 2002 in accordance with accounting rules pertaining to end-of-life-cycle operations for nuclear facilities deemed "instantaneously impaired" (dismantling, decontamination, waste retrieval and packaging). The company holding the operating license must set up the necessary provisions to cover all estimated decommissioning costs from the date the facilities first enter service, including the share of costs funded by third parties. Decommissioning assets offsetting these provisions consist of two parts:**
  - the part funded by the company, amortized over the estimated service life of the facilities;
  - the part funded by third parties, which will be converted into a receivable at a later date, when decommissioning operations actually take place, and which is not amortized.
- **EBITDA: operating income plus net amortization, depreciation and provisions (excluding provisions for depreciation of working capital items)**
- **Operating cash flow: amount of cash flow generated by operating activities. It is equal to the sum of the following elements:**
  - EBITDA,
  - plus/minus loss/gain on disposals of tangible and intangible assets included in operating income,
  - plus/minus decrease/increase in operating working capital requirement for the year (excluding effect of reclassifications, foreign currency conversion and changes in the consolidated group),
  - minus acquisitions of tangible and intangible assets, net of changes in accounts payable related to fixed assets,
  - plus disposals of tangible and intangible assets included in operating income, net of changes in receivable accounts related to asset disposals,
  - plus customer prepayments received during the year to finance fixed assets.

Attachment 1: Definitions for indicators used by AREVA (2/2)

- **Net cash position: heading that includes marketable securities (at net book value) and cash, after deduction of debt, including interest-bearing customer prepayments.**

- **Operating working capital requirement (WCR): represents all working capital items and debt directly related to operations. It includes the following items:**
  - Inventories and in-process,
  - Accounts receivable and related accounts,
  - Prepayments made,
  - Other operating receivables, accrued income, prepaid expenses,
  - Less: Accounts payable, Prepayments received (excluding interest-bearing prepayments), Other operating liabilities, accrued expenses, unearned income.
  - NB: Non-operating receivables and liabilities such as corporate tax debt, receivables related to asset disposals and debt on asset acquisitions are not included.

- **ROACE (return on average capital employed): after-tax return on capital used by the company for its operating activities. ROACE is the ratio of:**
  [Net operating income / Average capital employed]
  - Net operating income is operating income less the corresponding pro forma income tax calculated based on the applicable tax rate for each activity
  - Average capital employed is the average of capital employed at the beginning and at the end of the fiscal year. Capital employed is the sum of the following:
    - net tangible and intangible assets,
    - gross goodwill (excluding goodwill for equity affiliates), after deduction of exceptional amortization resulting from depreciation tests,
    - operating working capital requirement,
    - less customer prepayments to finance fixed assets.

Attachment 2: Adjusted 2002 sales and operating income

in millions of euros	Pub. 2002	2002*	2003*	∆ 02*/ 03*
Front End	2,560	2,562	2,683	4.7%
Reactors & Services	1,931	1,932	2,124	10.0%
Back End	2,087	2,088	2,023	-3.1%
Energy Sales	**6,577**	**6,581**	**6,830**	**3.8%**
Connectors Sales	**1,560**	**1,560**	**1,338**	**-14.2%**
Corporate & Other Revenue	**128**	**124**	**87**	**-29.8%**
AREVA Group Sales	**8,265**	**8,265**	**8,255**	**-0.1%**
Front End	333	319	316	-0.8%
Reactors & Services	81	64	52	-18.8%
Back End	235	236	155	-34.4%
Energy operating income	**649**	**619**	**523**	**-15.6%**
Connectors OI	**(406)**	**(406)**	**(114)**	**71.9%**
Corporate & Other OI	**(63)**	**(34)**	**(67)**	**NS**
AREVA Group OI	**180**	**180**	**342**	**90.1%**

* Accounting method change in 2003: Income and expenses previously classified under "Corporate and Other" have been reallocated to the Energy divisions. As a result, only income and expenses relating to AREVA SA overheads and non-strategic activities remain in "Corporate and Other".

Attachment 3: Key figures by division (1/3)

2003

	in million of euros (excluding workforce)	Front End	Reactors & Services	Back End	Energy	Connectors	Holding and other activities and eliminations	Group Total
Financial results	Sales	2,683	2,124	2,023	**6,830**	**1,338**	87	**8,255**
	Operating income	316	52	155	**523**	**(114)**	(67)	**342**
	% of sales	11.8%	2.4%	7.7%	**7.7%**	**(8.5%)**	n.a.	**4.1%**
Cash position	EBITDA	416	86	467	**969**	**25**	(57)	**937**
	% contribution to consolidated sales	15.5%	4.0%	23.1%	**14.2%**	**1.9%**	n.a.	**11.4%**
	Net cash used in investing activities	(126)	(67)	(75)	**(268)**	**(62)**	(6)	**(336)**
	Net gain on disposals of tangible and intangible assets		2	7	**9**	**2**		**11**
	Change in operating WCR	49	123	75	**247**	**11**	31	**289**
	Operating cash flow	340	145	473	**958**	**(24)**	(33)	**902**
Other	Fixed assets	2,662	693	12,289	**15,644**	**729**	2,721	**19,094**
	Working capital requirement	682	101	(1,975)	**(1,192)**	**(60)**	201	**(1,051)**
	Capital employed	2,000	721	282	**3,003**	**1,127**	854	**4,984**
	Workforce	9,719	13,251	10,542	**33,512**	**12,211**	2,288	**48,011**

Attachment 3: Key figures by division (2/3)

2002 (after reallocation of overheads to Energy operations)

	in million of euros (excluding workforce)	Front End	Reactors & Services	Back End	Energy	Connectors	Holding and other activities & eliminations	Group Total
Financial results	Contribution to consolidated sales	2,562	1,932	2,088	**6,581**	**1,560**	124	**8,265**
	Operating income	319	64	236	**619**	**(406)**	(33)	**180**
	% of sales	12.4%	3.3%	11.3%	**9.4%**	**(26.0%)**	n.s.	**2.2%**

Attachment 3: Key figures by division (3/3)

2002 (before reallocation of overheads)

	in million of euros (excluding workforce)	Front End	Reactors & Services	Back End	Energy	Connectors	Holding and other activities & eliminations	Group Total
Financial results	Sales	2,559	1,931	2,086	**6,576**	**1,560**	129	**8,265**
	Operating income	333	81	235	**649**	**(406)**	(63)	**180**
	% of sales	13.0%	4.2%	11.3%	**9.9%**	**(26.0%)**	n.s.	**2.2%**
Cash position	EBITDA	425	87	756	**1 268**	**(26)**	(92)	**1 150**
	% contribution to consolidated sales	16.6%	4.5%	36.2%	**19.3%**	**-1.7%**	n.s.	**13.9%**
	Net cash used in investing activities	(93)	(49)	(228)	**(370)**	**(88)**	(25)	**(483)**
	Net gain on disposals of tangible and intangible assets	(1)	(1)	23	**21**	**2**	-	**23**
	Change in operating WCR	113	34	(280)	**(133)**	**86**	(25)	**(72)**
	Operating cash flow	445	71	271	**787**	**(26)**	(143)	**618**
Other	Fixed assets	2,076	551	12,057	**14,684**	**944**	4,521	**20,149**
	Working capital requirement	600	277	(2 241)	**(1 364)**	**352**	54	**(958)**
	Capital employed	1,955	906	509	**3,370**	**1,611**	1,050	**6,031**
	Workforce	9,536	13,549	10,719	**33,804**	**14,015**	2,328	**50,147**

Attachment 4: Calculation of ROACE

Million of euros	AVG. CAP. EMPL. 2002	AVG. CAP. EMPL. 2003	Net OP. IC. 2002	Net OP. IC. 2003	ROCE 2002	ROCE 2003
Energy	3,796	3,497	440	365	11.6%	10.4%
Componants	1,979	1,369	n/s	n/s	n/s	n/s
Corporate & others	559	520	n/s	n/s	n/s	n/s
Total	6,333	5,386	138	248	2.2%	4.6%

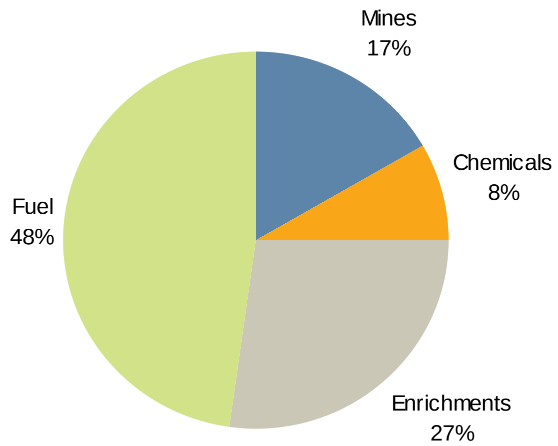
- **ROACE = Net operating income / average capital employed**
- **Net operating income = Operating income less pro forma income tax**
- **Pro forma income tax = income tax calculated using an average rate for all entities except for those to which a special rate applies (such as Eurodif)**

Attachment 4: Calculation of ROACE

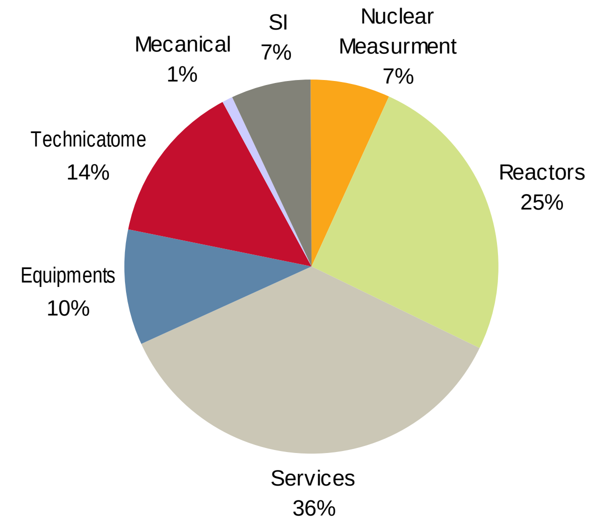
	GROUP	
Million of euros	**2002**	**2003**
OP. IC net	**138**	**248**
Intangible assets	510	482
Goodwill	2,597	2,266
Tangible assets	3,686	3,444
Prepayment on assets	(1,206)	(1,167)
Operatin WC	201	(40)
Capital employed	**5,787**	**4,984**
Average Cap. Employ.	**6,333**	**5,386**
ROACE	**2.2%**	**4.6%**

Attachment 5: 2003 sales by division

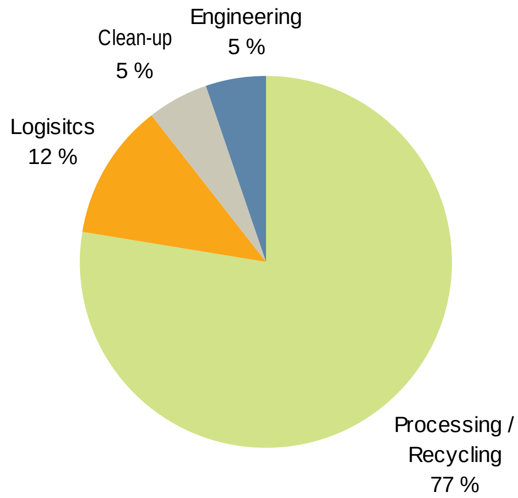
2003 sales for the Front End division



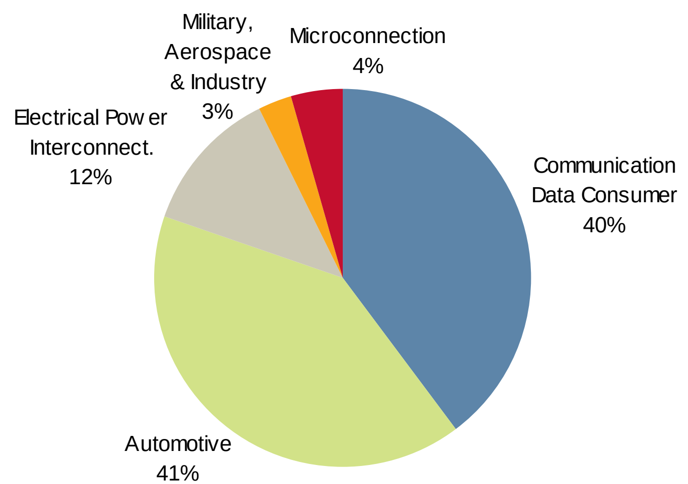
2003 sales for the Reactors & Services division



2003 sales for the Back End division

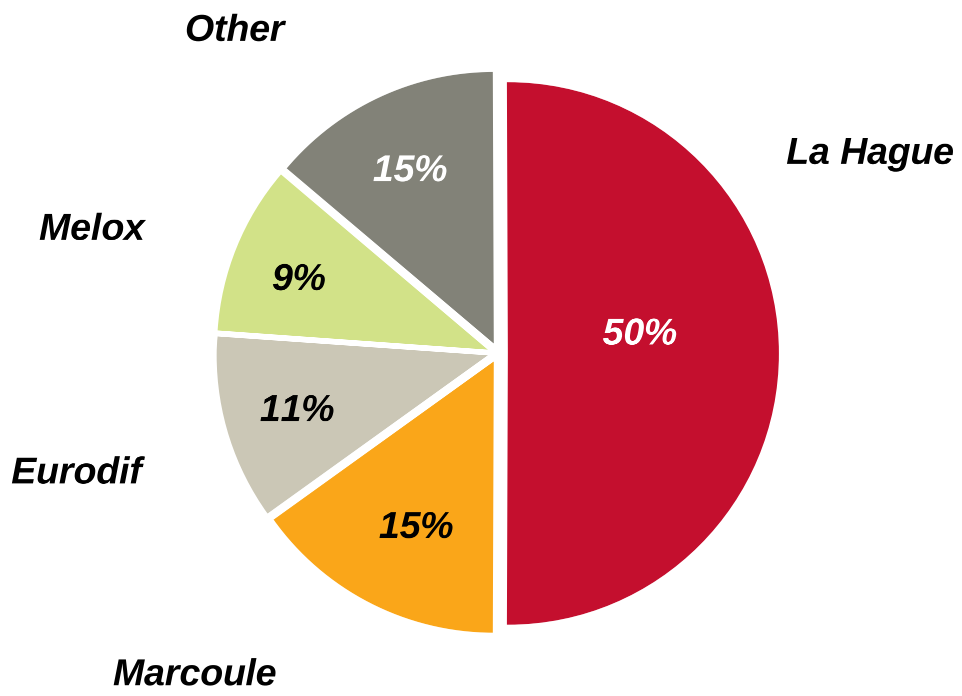


2003 sales for the Connectors division



Attachment 6: Breakdown of decommissioning provision

Breakdown of decommissioning provision by site as of 12/31/03*



* Areva share: €4.325 billion as of 12/31/03

Attachment 7: Decommissioning expenditure scenario, 2003-2040

- **Change decommissioning spendings and dedicated portfolio**