Presentation of 2004 earnings

March 8, 2005

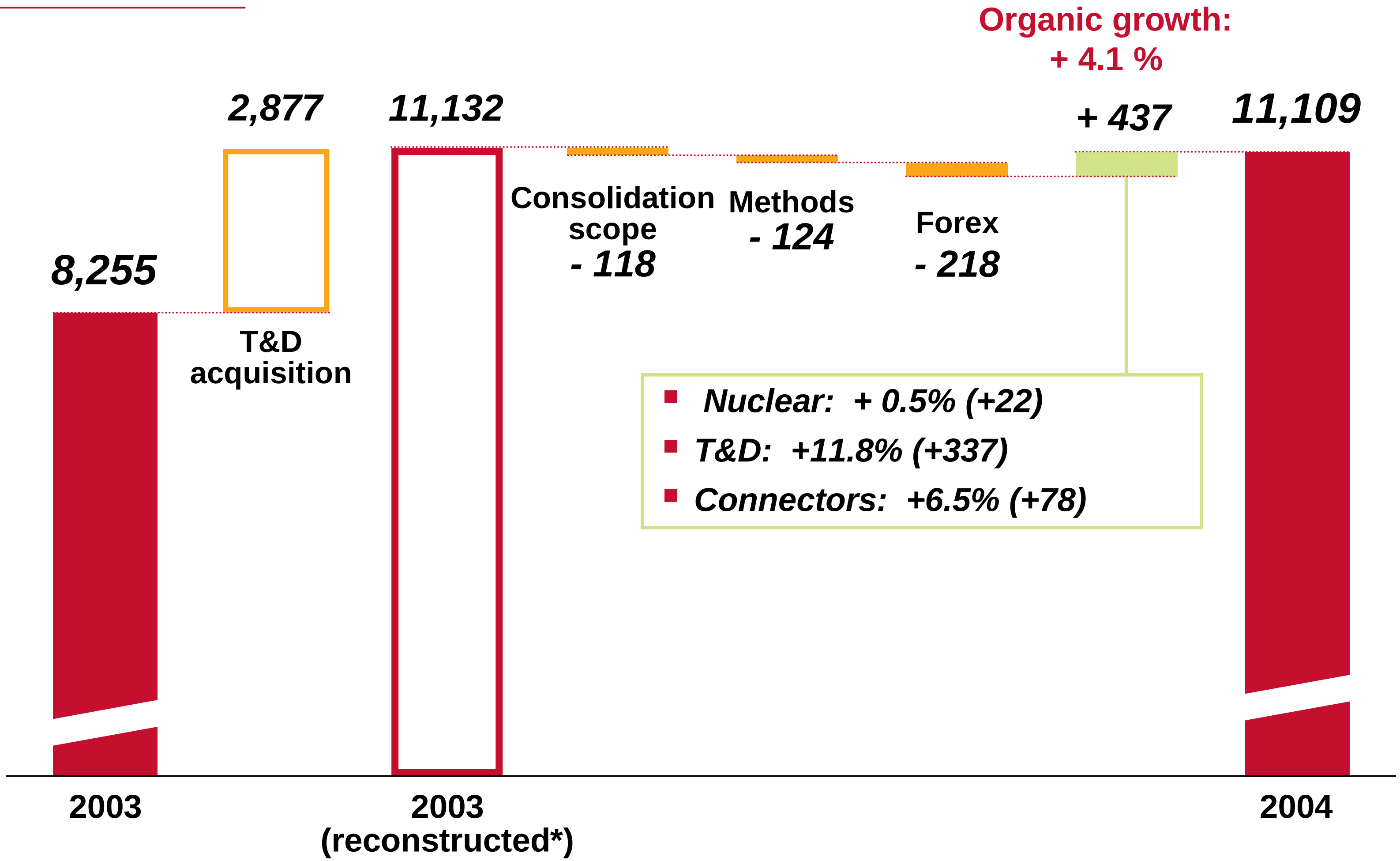
Key data for 2004

In millions of euros (French GAAP)	2002	2003	2003R**	2004	Δ 04/03
Sales revenue	8,265	8,255	11,132	11,109	+ 34.6 %
Op. income before restructuring	525	559	587	687	+ 23 %
Operating income	180	342	370	613	+ 79 %
% of sales	*2.2 %*	*4.1 %*	*3.3 %*	*5.5 %*	*+ 1.4 pt*
Consolidated net income	240	389	306	428	+ 10.0 %
Earnings per share	6.8	11.0	8.6	12.1	+ 10.0 %
Operating cash flow*	618	902	n/a	763	
Net cash position*	731	1,236	n/a	689	

** See definition in appendix 1*
*** Comparable reconstructed data including T&D*
n/a: not available

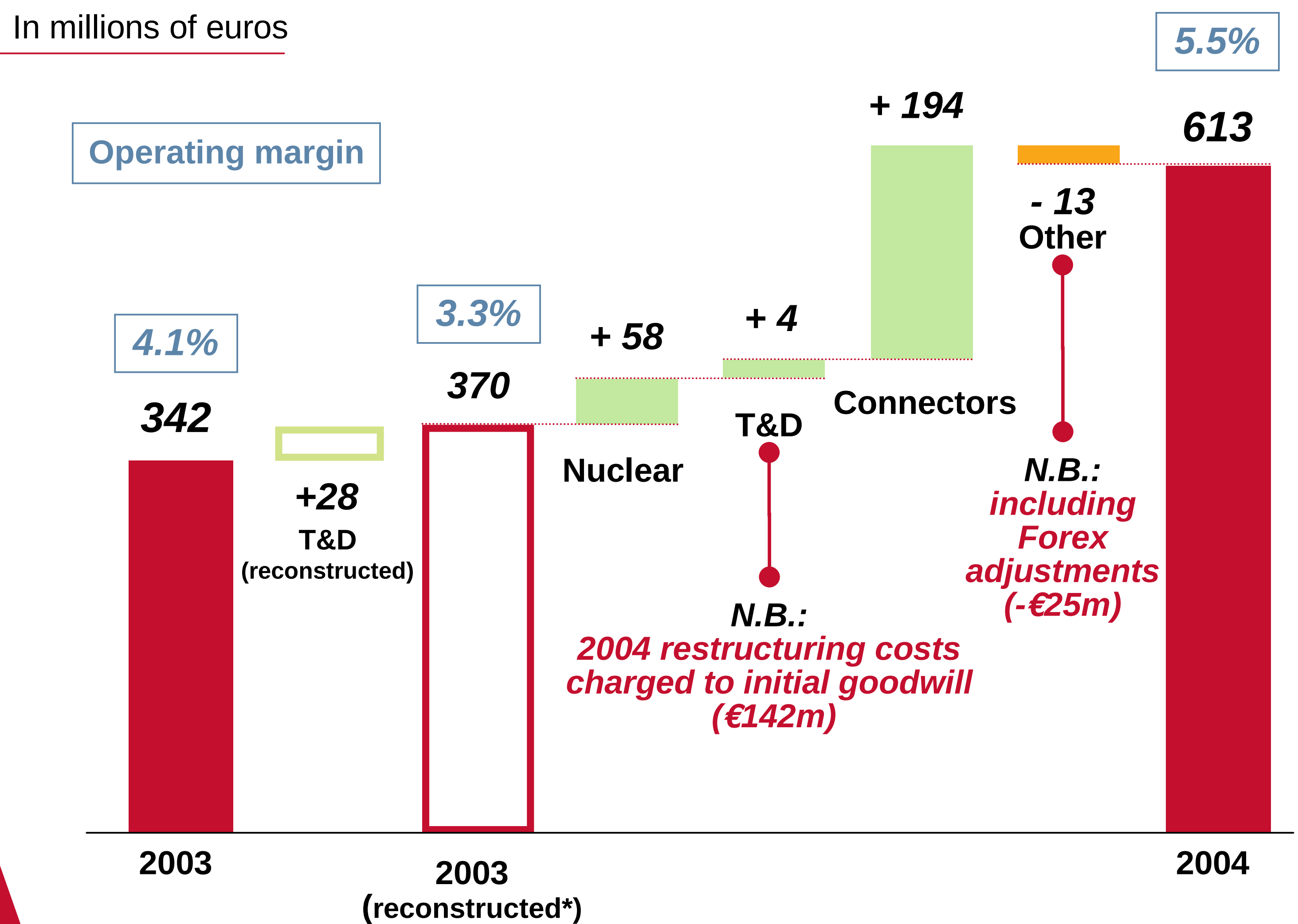
Sales revenue: Stable in Nuclear, recovery in T&D, growth in Connectors

In millions of euros



** Unaudited reconstructed accounting data (see appendix 1)*

Operating income

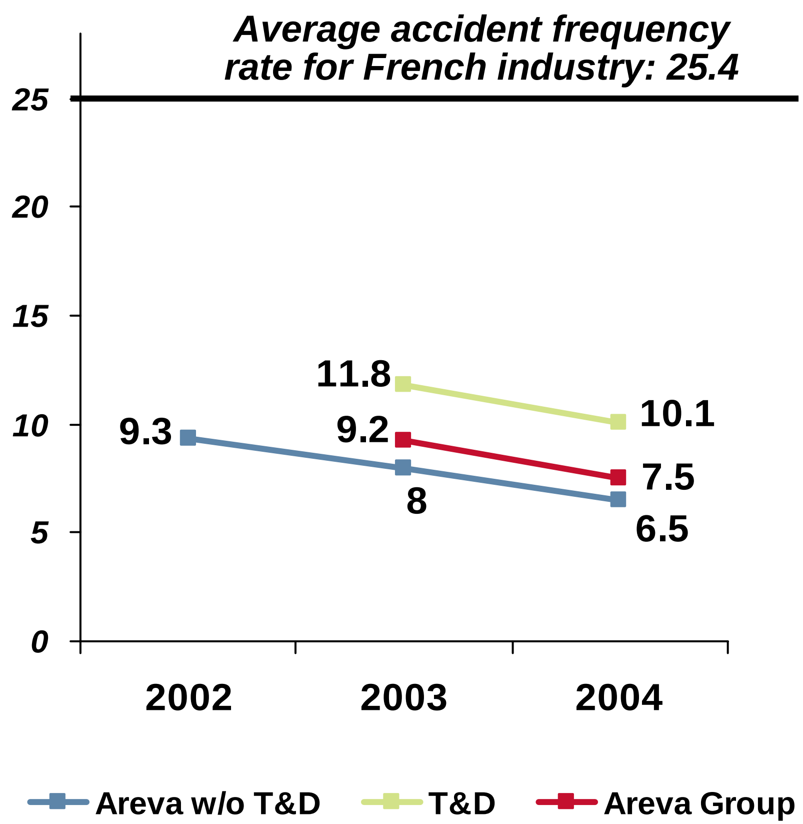


* Unaudited reconstructed accounting data

AREVA Way performance indicators

Industrial safety

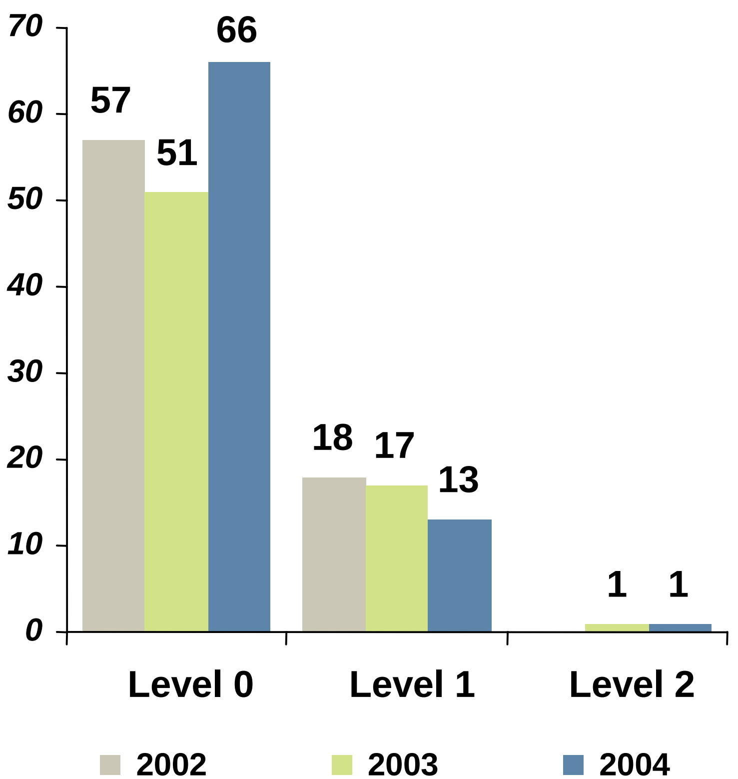
Accident frequency rate w/ and w/o T&D



Number of accidents per million worked hours

Nuclear safety

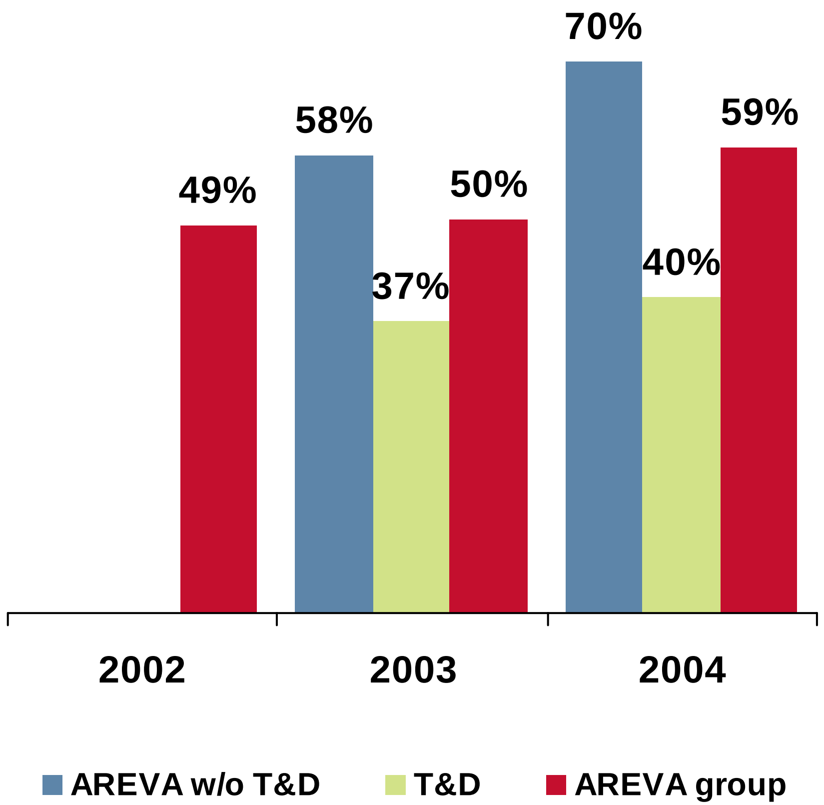
Number of reported nuclear incidents in facilities, by level



AREVA Way performance indicators

ISO 14001 certification

Percent of certified SEA sites with and without T&D



**Objective:
Certify all sites
with significant
environmental aspects**

Energy is our core business

Contribute to the generation and supply of electricity that is ever cleaner, safer and economical

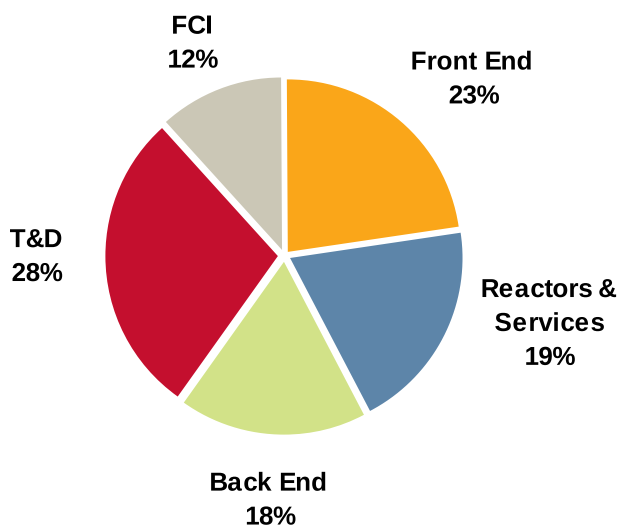
- Strengthen our worldwide leadership in the nuclear power cycle
- Raise T&D’s financial performance to the level of the best and reposition it in growth areas
- Strengthen our presence in the three big markets of Europe, North America and Asia
- Maintain a solid financial structure

Review of operations

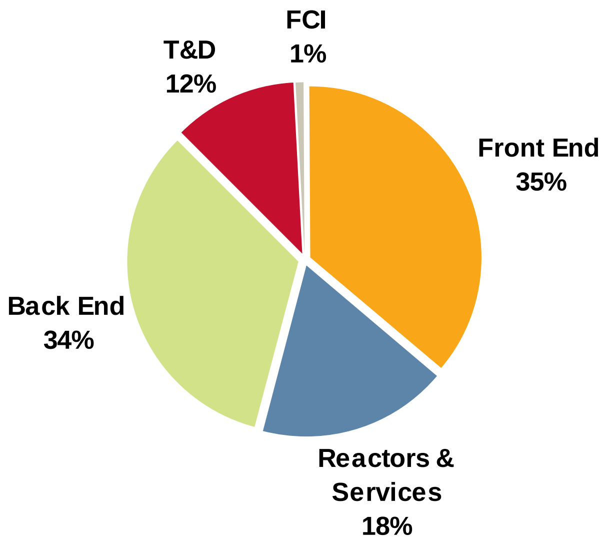
Anne Lauvergeon

Business by division in 2004

2004 sales by division: €11,109m



Backlog by division: €19,820m

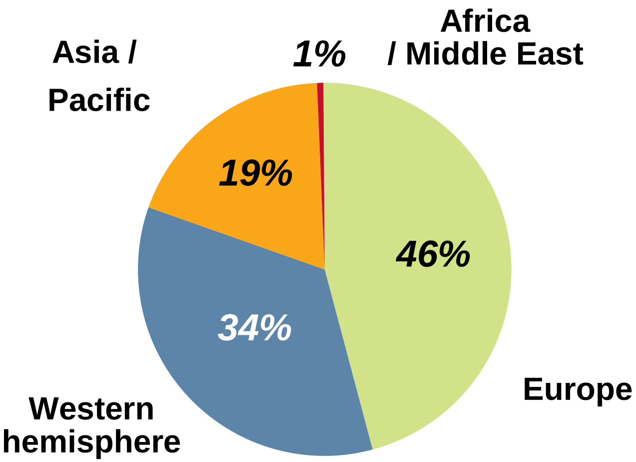


Energy provided 88% of sales revenue and good visibility in the backlog of orders

Energy market: context and challenges

- **Electricity demand: strong, sustained growth**
- **Nuclear power**
  - 16% of the world's electricity with generation up by 2.4% per year (1989-2004)
  - Uranium price recovers
  - Bush Administration favors nuclear power development
  - Reactor life extensions
  - CO_2 quotas in place in Europe

Nuclear power generation by region in 2004



- **T&D**
  - Market growth in 2004: + 6.0% (source: AREVA estimate)
  - Growth factors: development of emerging countries, market openness and grid interconnection demand, replacement of aging networks
  - Barriers: financing of major grid projects, competitive pressure

Front End division: mixed results in sales revenue

In millions of euros	2003	2004	Δ LFL*	Δ
Order backlog	n/a	7,158	-	-
Sales revenue	2,683	2,524	- 4.3%	- 5.9%

**like-for-like consolidation scope and exchange rates*
n/a: not available

- **Mining (+ 6.2%*)**
  - **Growth in sales linked to very limited favorable price effect and to rise in trading business**
  - **The backlog through 2008 consists mainly of firm price orders at pre-2003 price levels**
- **Enrichment (- 2.8%*)**
  - **Slight decrease in volumes after record 2003 levels**
- **Fuel (- 9.9%*)**
  - **Temporary decrease in number of UO_2 reloads supplied in Europe and in MOX volumes**

Front End division: stable performance

In millions of euros	2003	2004	Δ
EBITDA*	**417**	**466**	**+ 11.8%**
% of sales revenue	*15.5%*	*18.5%*	*+ 3.0 pts*
Operating income	**316**	**314**	**- 0.6%**
% of sales revenue	*11.8%*	*12.4%*	*+ 0.6 pt*
Operating cash flow	**341**	**112**	**- 67.2%**

- **High level of operating income maintained**
  - **Price effect remains limited on natural uranium sales, but gold recovers and trading volumes grow**
- **Operating cash flow falls back after exceptional 2003 level**
  - **Inventories grow in Mining (after 2003 reductions) and Enrichment**
  - **Start of a more intensive capital investment cycle in Mining (Katco, Cigar Lake, McArthur) and in Fuel (Romans site)**

** EBITDA excluding cash flow from decommissioning (see appendix 1)*

Front End division: Outlook

- **Mining: development of uranium resources**
  - **Production launched at Katco and Cigar Lake: 4,000 MTU / year – ramp-up 2006-2010**
  - **Extension of HEU contract through 2013: 2,700 MTU / year**
- **Enrichment: closing of ETC acquisition and continued work on the GB II project (subject to the necessary agreements)**
- **Fuel:**
  - **Development of new PWR and BWR products**
  - **Investment in production site improvements in Europe and the United States**

Capital expenditures: €1.8 billion over 2005-2009

Reactors & Services division: Startup of the "OL3" project

In millions of euros	2003	2004	Δ LFL*	Δ
Order backlog	n/a	3,506		
Sales revenue	2,124	2,146	+ 4.8%	+ 1.0

** like-for-like consolidation scope and exchange rates*

n/a: not available

- **Backlog is up with the OL3 contract in Finland**
- **Sales revenue is up**
  - **Reactors (+ 10.6%*): startup of the OL3 contract**
  - **Equipment (+ 12.7%*): work on orders relating to power plant life extensions in the United States**
  - **Services (- 3.1%*): reduction in the number of outage management services to U.S. utilities after sustained activity in 2003**

Reactors & Services division: Improved profitability

In millions of euros	2003	2004	Δ
EBITDA	**87**	**133**	**+ 52.8%**
% of sales revenue	*4.0%*	*6.2%*	*+ 2.2 pt*
Operating income	**52**	**90**	**+ 73.0%**
% of sales revenue	*2.5%*	*4.2%*	*+ 1.7 pt*
Operating cash flow	**147**	**88**	**- 39.3%**

- **Improved operating income**
  - **Margins up in Equipment. Negative impact anticipated from €/$ exchange rates**
  - **Performance recovers in Services following difficulties in 2003 with the contract in the Ukraine**
  - **Fewer performance bonuses from power plants recently connected to the grid (Civeaux, Ling Ao, Angra 2)**
- **Operating cash flow decreases**
  - **Increased working capital requirement linked to start of OL3 project**

** EBITDA excluding flows linked to decommissioning (see appendix 1)*

Reactors & Services division: Outlook

- **Reactors**
  - Construction permit granted for OL3 project in Finland
  - Negotiation of contracts for Ling Ao extensions
  - EPR launched at EDF
  - Decision pending on Chinese tender offer for four third-generation reactors (proposal submitted end of February 2005)
- **Equipment**
  - Competitive pressure linked to weak dollar
- **Services**
  - New "Alliance", outsourcing services to increase market share
  - Targeted acquisitions in Europe (Spain, elsewhere)

Back End division: Business stability

In millions of euros	2003	2004	Δ LFL*	Δ
Backlog of orders	**n/a**	**6,661**		
Sales revenue	**2,023**	**1,946**	**+ 2.5%**	**- 3.8%**
- including Treatment-Recycling	*1,561*	*1,541*	*+ 6.5%*	*- 1.3%*

** like-for-like consolidation scope and exchange rates*
n/a: not available

- **Backlog equal to four years of sales**
  - **EDF contract for 2001-2007 has been signed**
  - **European (EPZ, RWE, etc.) and Japanese contracts awarded**
- **Sales revenue up slightly**
  - **Production slightly up in Treatment business**
  - **End of JNFL training contract in first half of 2004**
  - **Increased volumes in Recycling business**

Back End division: High cash flow level

In million of euros	2003	2004	Δ
EBITDA	**503**	**394**	**- 21.7%**
% of sales revenue	*24.8%*	*20.2%*	*- 4.6 pts*
Operating income	**155**	**177**	**+ 14.2%**
% of sales revenue	*7.7%*	*9.1%*	*+ 1.4 pts*
Operating cash flow	**509**	**603**	**+18.5%**

- **Operating income**
  - **End of training contract with JNFL**
- **Exceptionally high operating cash flow**
  - **Exceptional improvement in WCR in 2004 with receipt of large customer prepayments: + €298m vs. + €75m in 2003**

** EBITDA excluding flows linked to decommissioning (see appendix 1)*

Back End division: Outlook

- EDF Treatment-Recycling contract
  - Firm terms through 2007
  - EDF expands negotiations on the Back End to include the Front End of the cycle
- Relationship with JNFL continues with startup support for Rokkasho Mura
- Increased activity in the United States in Back End technologies
  - Continuing leadership position in storage solutions
  - Expanded activity in “Mox for Peace”, Yucca Mountain, Advanced Fuel Cycle Initiative (AFCI)

T&D division: Business recovery

In millions of euros	2003	2004	Δ LFL*	Δ
Backlog of orders	**n/a**	**2,322**		
Sales revenue	**2,877**	**3,186**	**+ 11.8%**	**+ 10.7%**

** Like-for-like: at constant consolidation scope and exchange rates*
n/a: not available

Backlog of orders

- **Orders in-take grow by 12.9%**
- **Major contracts signed by Systems business in the Middle East**

Sales revenue

- **Strong growth in volume (+ 12%), negative price effect (- 2.5%)**
- **Growth is in Products (+8%) and Systems (+ 28%) businesses**
- **Growth areas: Middle East (+ 65%) and Asia (+ 28%)**
- **Modest growth in Europe (+ 1.4%)**

T&D division: Weak operating income

In millions of euros	2003 est. reconstructed**	2003 comp. reconstructed	2004	Δ04/03 comp.
EBITDA* before restructuring	-	-	77	-
% of sales revenue	-	-	*2.4%*	-
Operating income before restruct.	137	28	31	+14%
% of sales revenue	*4.8%*	*1.0%*	*1.0%*	-
Restructuring expenses	*(151)*	***	-	*n/s*
Operating income	(14)	28	31	n/s
Operating cash flow	*9*	*9*	*(12)*	- 21

- **Operating income before restructuring is stable in relation to comparable reconstructed income for 2003**
- **Restructuring expenses for 2004 (€142m) were charged directly to goodwill**
- **Operating cash flow, which includes €59m in cash disbursements for restructuring expenses, is slightly negative**

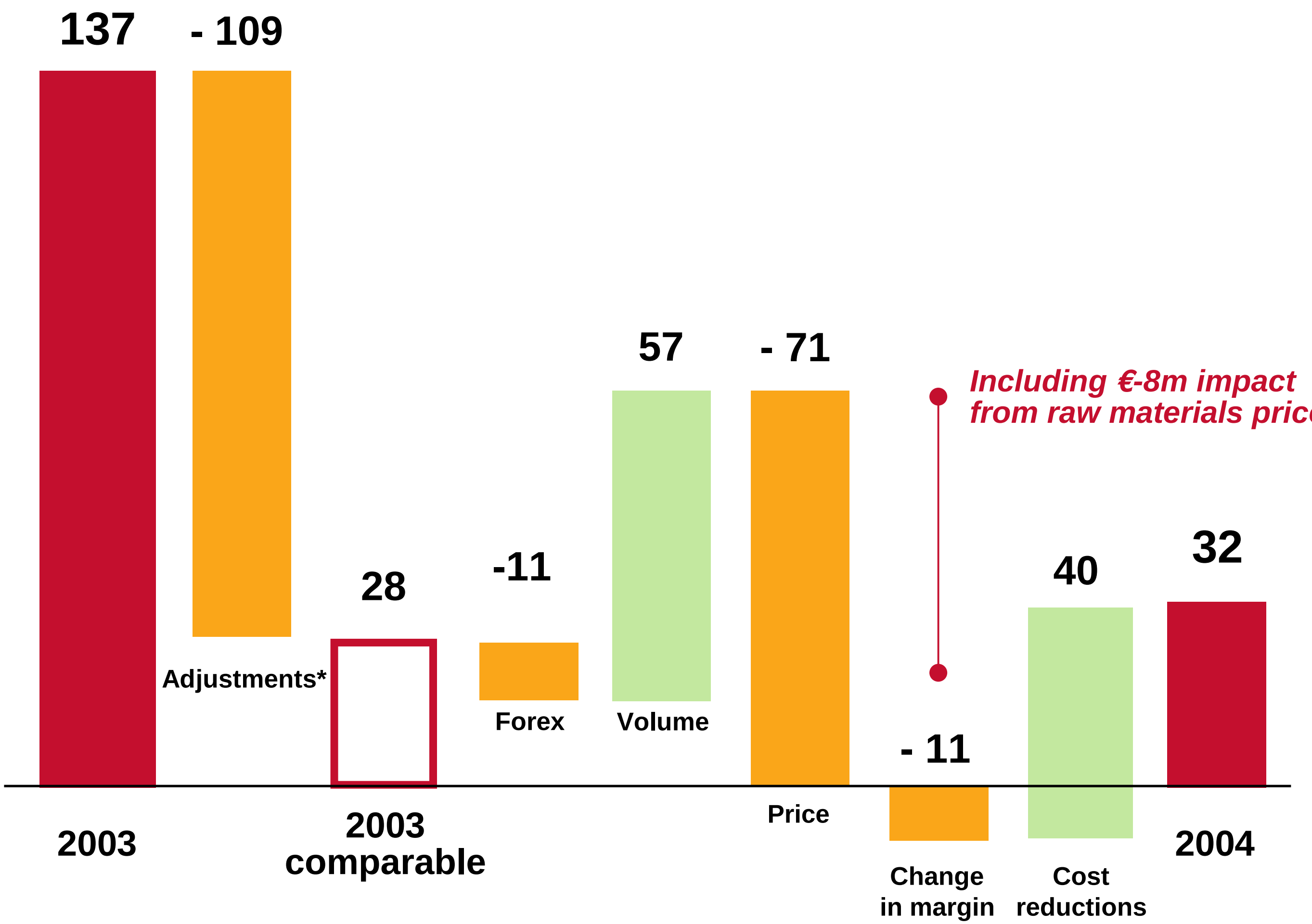
* *See appendix 1*

** *Unaudited estimated reconstructed financial statements at the time of the acquisition*

*** *Excluding the impact of restructuring costs in the amount of €137m in 2003 and €142m in 2004*

T&D division: on a comparable basis, operating income before restructuring is stable

Operating income before restructuring (in millions of euros)



* 2003 adjustments: recaptured provisions and purchase accounting entries

Objective for 2007

Raise T&D profitability
to a level comparable with that of our competitors

IMPROVEMENT ACTION PLAN

Improve profitability of operations

Reposition the division in growth areas

Three-year improvement action plan launched in mid-2004

- Not enough plants in growth areas
  - Strengthen marketing
  - Production restructuring

High restructuring expenses in 2005

- Costs too high
  - Global purchasing policy
  - Improve processes to reduce costs
- Product / customer portfolio too diverse
  - Optimize portfolio and refocus operations

Three-year objective: more than €400m in cost reduction in year 3

T&D division: 2004 achievements

- **Increase in orders in-take**
- **The improvement action plan has begun**
  - **Sale of non-strategic operations: Australia / New Zealand finalized in early 2005**
  - **Division's growth in China greater than market growth**
  - **New Purchasing organization**
  - **Restructuring plans announced for Europe**
- **The erosion of earnings before restructuring has been halted**

Connectors division: performance improvement

In millions of euros	2003	2004	Δ LFL*	Δ
Backlog of orders	**n/a**	**173**		
Sales revenue	**1,338**	**1,289**	**+ 6.5%**	**- 3.6%**

** like-for-like: at constant consolidation scope and exchange rates*
n/a: not available

- **Communications Data Consumer (CDC) has improved (+ 3.5%*)**
  - **New products launched**
  - **Growth in Data and Consumer markets**
- **Growth in Automotive (+ 5.3%*)**
  - **Increased business with new accounts**
  - **Distribution network rolled out in Europe and the United States**
- **Record year in Microconnections generated by large increase in sales volumes**
- **Recovery for Electrical Power Interconnect (EPI) in the Western Hemisphere**

** like-for-like: at constant consolidation scope and exchange rates*

Connectors division: Return to profitability confirmed

In millions of euros	2003	2004	Δ
EBITDA*	**25**	**113**	**x4.5**
% of sales revenue	*1.8%*	*8.8%*	*+ 7.0 pts*
Operating income	**- 114**	**80**	**n.s**
% of sales revenue	*- 8.5%*	*6.2%*	*+ 14.7 pts*
Operating cash flow	**- 24**	**54**	**n.s**

- **Operating income: 6.2% of sales**
  - **Cost base reduction: full effect of action plan deployment**
  - **Volume effect offset by dropping prices and the cost of materials**
  - **Significantly lower restructuring expenses**
  - **One-time events: infringement suit action (+ €12m)**
- **Operating cash flow up**
  - **EBITDA growth, despite cash spent on continued high restructuring expenses**
  - **WCR under control**
  - **Capex at 5% of sales**

** See appendix 1*

Connectors division: Outlook

- **Pursue recovery despite sluggish CDC market in early 2005**
- **Be in the top three worldwide in the CDC, Automotive and Microconnections markets**
- **Expand business with leading customers**
- **Increase technological differentiation**
  - **R&D expenditures: 6% of sales**
  - **Objective: new products to account for one-third of sales in 2007**

2004 financial performance

Gérald Arbola

Consolidated income statement

In millions of euros	2003	2003 Reconstructed*	2004	Δ 03/04
Sales revenue	**8,255**	**11,132**	**11,109**	**+ 34.6%****
Operating income	**342**	**370**	**613**	**+ 79%**
% of sales	*4.1%*	*3.3%*	*5.5%*	*+ 1.4 pt*
Net financial income	**334**	**299**	**117**	
Exceptional items	**135**	**135**	**46**	
Share in net income of eq. affiliates	**20**	**20**	**131**	
Income taxes	**(184)**	**(224)**	**(209)**	
Goodwill	**(174)**	**(209)**	**(152)**	
Minority interests	**(84)**	**(85)**	**(118)**	
Consolidated net income	**389**	**306**	**428**	**+ 10.0%**
% of sales revenue	*4.7%*	*2.7%*	*3.9%*	

* *Unaudited reconstructed data including T&D*

** *Like-for-like: + 4.1%*

Net financial income

In millions of euros	2003	2004
Decommissioning:	**(24)**	**67**
Net financial income from earmarked portfolio	***15***	***90***
Inflation effect on end-of-life-cycle provision	***(39)***	***(25)***
Investment income	**99**	**52**
Interest expense	**(55)**	**(30)**
Foreign exchange gain (loss)	**(10)**	**0**
Gain on sales of securities	**288**	**41**
Dividends received	**32**	**30**
Write-down of securities	**39**	**7**
Other income (loss)	**(35)**	**(48)**
Net financial income	**334**	**117**

Decrease due to fewer sales of securities

Exceptional items

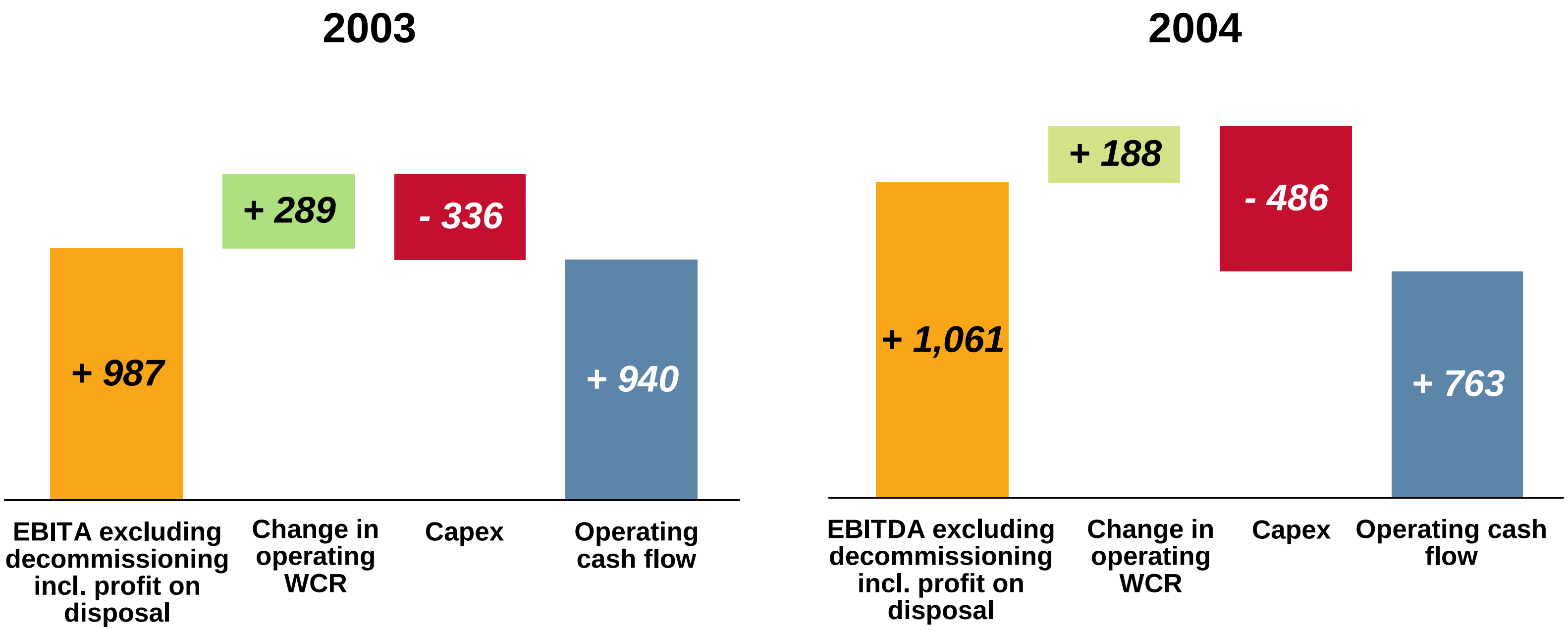
In millions of euros	2003	2004
Exceptional items	**135**	**46**
including MAI disposal	*65*	
including Assystem gain	*47*	
including real estate disposal	-	*45*

Share in net income of equity affiliates

In millions of euros	2003	2004
STMicroelectronics	**34**	**74**
Eramet group	**(14)**	**45**
Other	**-**	**12**
Total	**20**	**131**

Operating cash flow

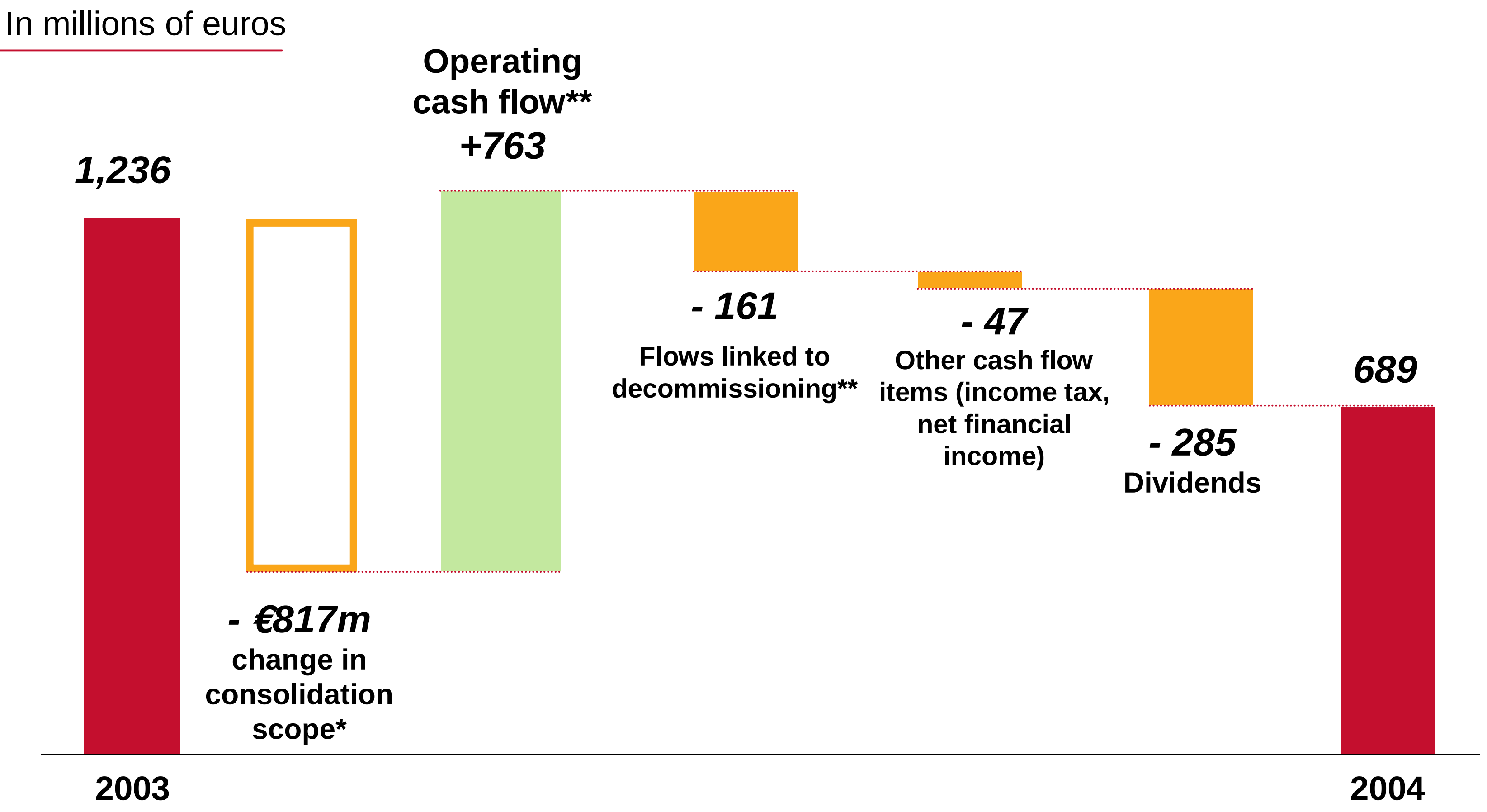
Change in operating cash flow (in millions of euros)



- **Positive change in working capital requirement (WCR) due to exceptional prepayments on contracts in the Back End division**
- **Increased Capex, mainly in the Front End division**
- **Return to positive cash flow in Connectors (+ €54m), but negative contribution from T&D (- €12m)**

** See definition in appendix 1*

Net cash position: high level of operating cash flow, T&D acquisition



* Of wich acquisition of T&D minus cash acquired for €913m

** See appendix 1

Decommissioning: 2004 highlights

- **Umbrella agreement with the CEA**
  - **CEA assumes decommissioning for Marcoule**
  - **The corresponding provisions (€3,945m) and the third party share (€3,500m) are removed from the AREVA balance sheet**
  - **AREVA pays €427m to the CEA corresponding to full and final payment for its share**

A major simplification of the AREVA balance sheet

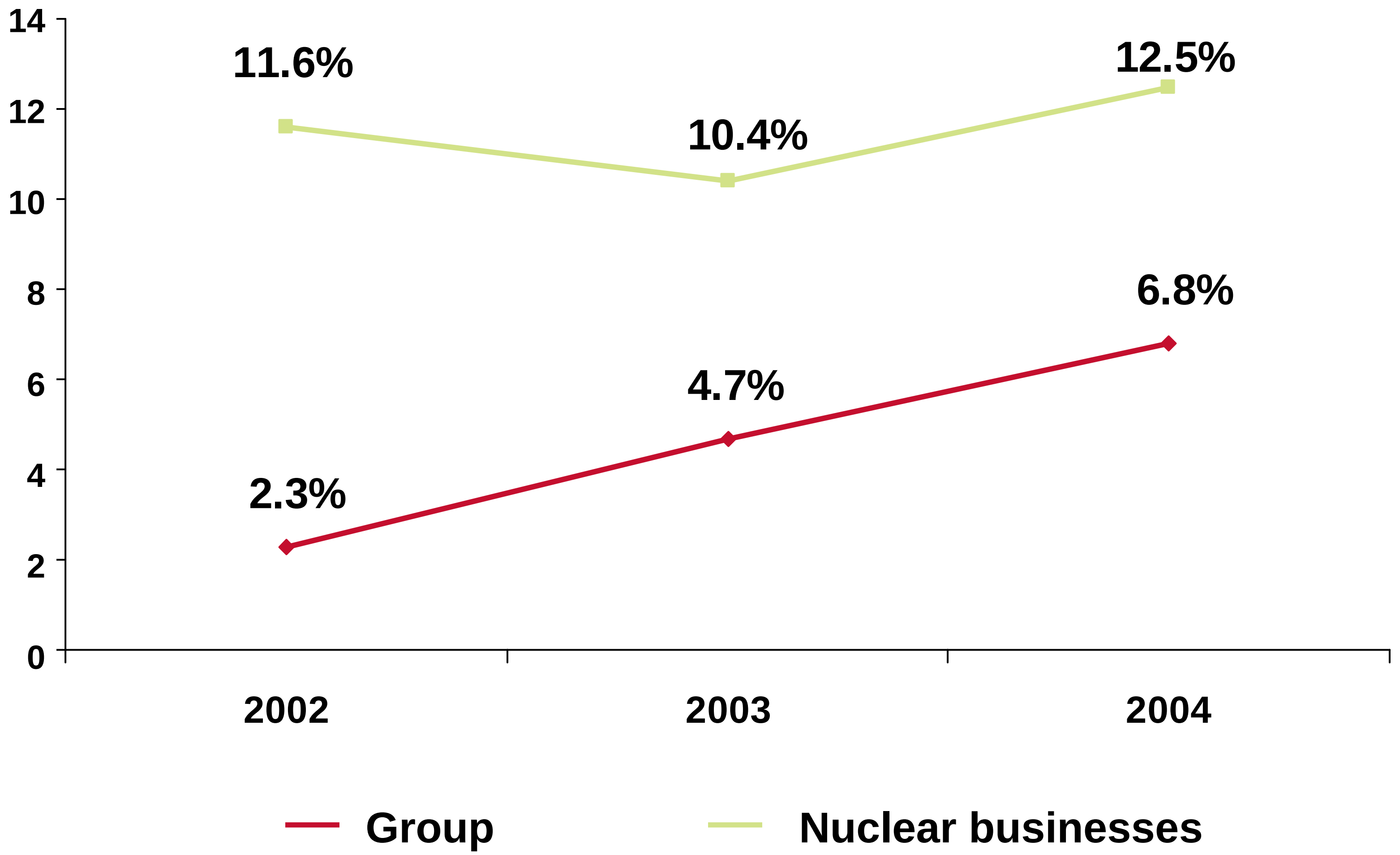
- **Similar negotiations with EDF concerning the La Hague site**
  - **Negotiations recently expanded to include contract conditions in the Front End**

Simplified balance sheet

In millions of euros	2002 Reported	2003 Reported	2003 Acquisition of T&D	2003 Reconstructed	2004 Actual
Net goodwill	1,537	1,265	640	1,905	1,718
Intangible assets	510	482	119	601	608
Tangible assets	4,647	3,447	372	3,819	3,701
Decommissioning assets	9,223	9,109		9,109	5,372
Portfolio earmarked to finance decommissioning	2,127	2,234		2,234	2,281
Equity in net assets of affiliates	1,652	1,492		1,492	1,240
Long-term notes and investments	453	1,065	56	1,121	862
Fixed assets	**20,149**	**19,094**	**1,187**	**20,281**	**15,782**
Working capital requirement	(603)	(1,053)	367	(686)	(969)
Net cash position (*)	731	1 237	(913)	324	689
Total Assets	**20,277**	**19,278**	**641**	**19,919**	**15,502**
Shareholders' equity	4,020	4,113	0	4,113	4,241
Perpetual subordinated debt	216	215	0	215	0
Minority interests in equity of consolidated affiliates	988	958	15	973	776
Provisions for decommissioning	12,283	12,316	0	12,316	8,258
Provisions	2,770	1,676	626	2,302	2,227
Total Liabilities & Shareholders' Equity	**20,277**	**19,278**	**641**	**19,919**	**15,502**

(*): Net cash position = Cash and cash equivalents +Marketable securities maturing in +/- 3 months, plus current account assets, minus debt including interest-bearing prepayments

Growth of ROACE*



* See definition in appendix 1

Implementation of IFRS standards

- **A limited number of items are impacted**
  - **Discounting of decommissioning assets and liabilities, retirement obligations, goodwill**
- **Initial implementation has a positive impact**
  - **Shareholders' equity increased by €323m at December 31, 2004**
- **Main recurring effects, as recorded in 2004, will have a favorable impact on AREVA's net income before minority interests**
  - **Non-amortization of goodwill (around + €135m)**
  - **Two opposing effects on end-of-life-cycle obligations, similar in amount**
    - **Operating income: reduced asset amortization expense (approx. €70m)**
    - **Valuation based on Net Present Value = future financial expense (approx. €70m)**
  - **Retirement obligations calculated based on NPV = reclassification of expense from "Operating expense" to "Financial expense" (about €60m)**
- **Taking into account both recurring and one-time impacts**
  - **Operating income for 2004 rises from € 613 under French standards to €640m under IFRS**
  - **Consolidated net income for 2004 rises from €428m under French standards to €451m under IFRS**

Telephone conference to discuss IFRS: March 22, 2005 at 3:00 p.m.

Decommissioning: International Financial Reporting Standards

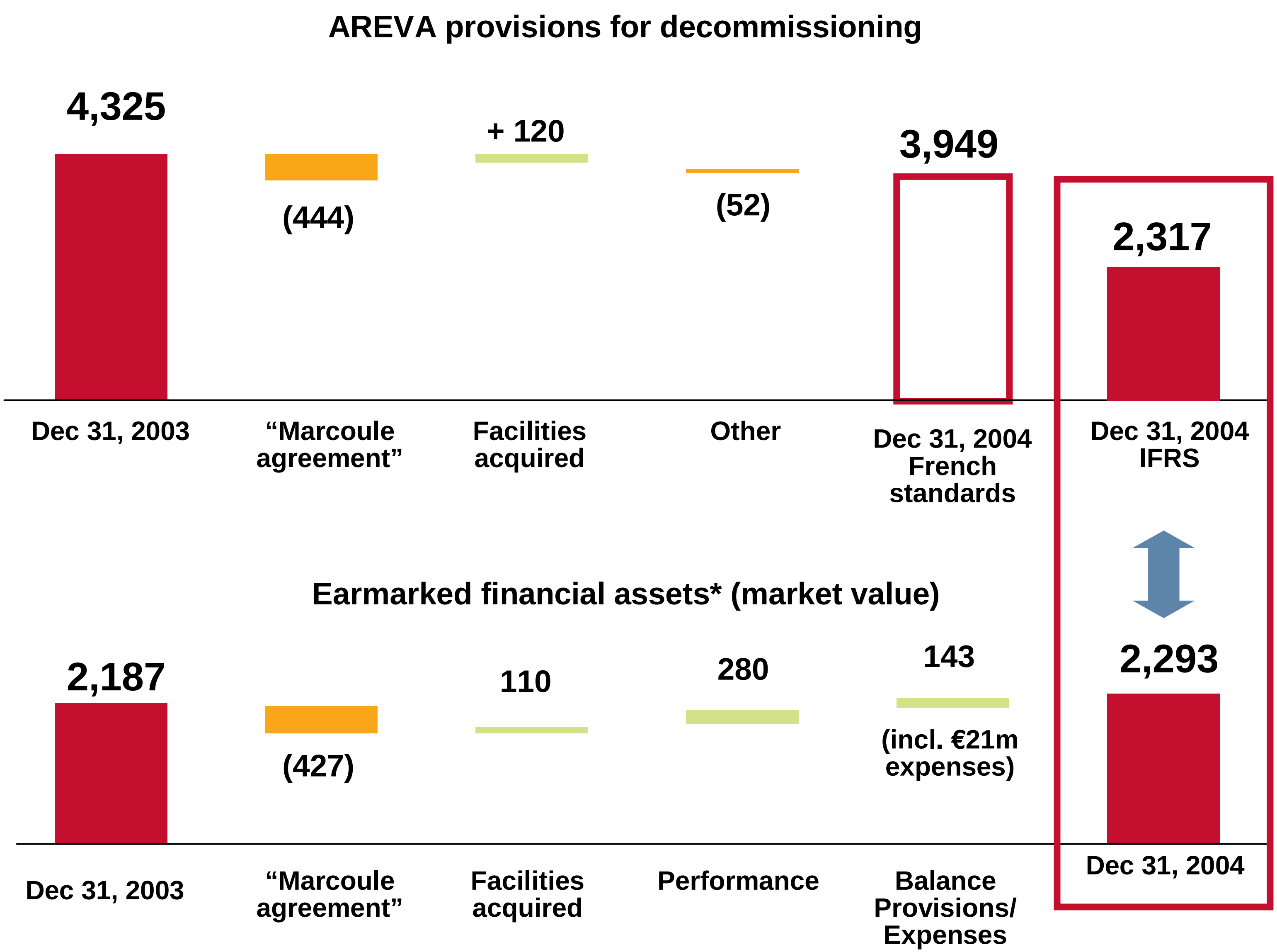
The decommissioning provisions are now reported in net present value based on the schedule of projected expenses

- **Net present value is based on:**
  - **The assumption that La Hague / Melox will operate through 2025 rather than 2015 as previously stated***
  - **A conservative discount rate (0%) for deep disposal expenses**
- **In net present value, decommissioning provisions amount to €4,332m, including €2,317m chargeable to AREVA**

IFRS allow a direct comparison between the current value of decommissioning liabilities and the amount of financial assets earmarked to cover them

** See appendix 10*

Decommissioning: earmarked financial assets are sufficient to cover AREVA's share of decommissioning



* Including unrealized gains and losses in the amount of €(105)m

Conclusions and Outlook

Anne Lauvergeon

Outlook

- **AREVA has a solid financial outlook**
  - **Our nuclear operations give us a recurring base for cash flow and operating income**
  - **The nuclear power divisions could well capitalize on a nuclear revival going forward**
  - **The three-year action plan launched in 2004 should enable the T&D division to improve its bottom line significantly**
  - **The recovery will continue in connectors**
- **The group will increase its capital expenditures and intends to maintain a solid financial structure**

2005 outlook

- **Group**
  - **Growth in sales revenue**
  - **Lower operating income and lower net income due to charges in relation with T&D improvement action plan**
- **Nuclear power: high level of operating income will continue and capex will grow**
- **T&D: slight growth in operating income before restructuring**
- **Connectors: stable revenue and operating income**

Presentation of 2004 earnings

March 8, 2005

Appendices

Appendix 1: Definition of indicators used by AREVA (1/2)

- EBITDA: EBITDA means operating income plus net change in depreciation, amortization and provisions (excluding depreciation and provisions concerning working capital items)
- EBITDA excluding decommissioning: Effective 2004, AREVA's EBITDA is adjusted to exclude the cost of decommissioning for nuclear facilities (dismantling, waste retrieval and disposal) incurred during the year. In 2004, this item also excluded payments made or to be made to third parties to fund facility dismantling
- Cash flow from decommissioning: This item describes all fund flows concerning decommissioning and/or the assets earmarked to fund these obligations. This item is equal to the sum of the following items:
  - Income from portfolio of assets earmarked to fund decommissioning
  - Income from disposals of assets earmarked to fund decommissioning
  - Less: acquisition of assets earmarked to fund decommissioning
  - Less: decommissioning expenses incurred during the year
  - Payments received to fund decommissioning operations
  - Less: payments made to fund decommissioning operations
- Operating cash flow: Represents the cash flow generated by operating activities. It is equal to the sum of the following items:
  - EBITDA, excluding decommissioning
  - Plus losses / less gains on disposals of tangible and intangible assets included in operating income,
  - Plus any reduction / less any increase in working capital requirement during the year (excluding impact of reclassifications, foreign exchange conversion differences, and changes in the consolidated group)
  - Less value of tangible and intangible asset acquisitions, net of changes in accounts payable to asset suppliers
  - Plus disposals of tangible and intangible assets included in operating income net of changes in accounts receivable on disposals of assets
  - Plus prepayments received during the year from customers to finance fixed assets

Appendix 1:
Definition of indicators used by AREVA (2/2)

- **Net cash position: this item includes marketable securities (at net book value) and cash, net of debt, including interest-bearing prepayments received from customers**
- **Operating working capital requirement (Operating WCR): Operating WCR represents all working capital items and debt directly related to operations. It includes the following items:**
  - **Inventories and in-process**
  - **Trade accounts receivable and related accounts**
  - **Prepayments made**
  - **Other operating receivables, accrued income, prepaid expenses**
  - **Less: Trade accounts payable, prepayments received (excluding interest-bearing prepayment), other operating liabilities, accrued expenses, unearned income**
  - **N.B.: It does not include non-operating receivables and liabilities such as corporate tax debt, receivables on asset disposals or debt on asset acquisitions**
- **ROACE (return on average capital employed): Represents after-tax return on capital used by the company for its operating activities. ROACE is equal to [Net operating income over Average capital employed]**
  - **Net operating income is equal to operating income less the corresponding pro-forma income tax calculated according to the tax rate applicable to each year**
  - **Average capital employed is equal to the average of capital employed between the beginning and the end of the year. Capital employed is the sum of the following items:**
    - **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 invested in fixed assets**

Appendix 2: Growth in sales revenue 2004 /2003 at comparable consolidation scope

Comparison of year ending December 31, 2004 with year ending December 31, 2003

	2004			2003				
	Sales revenue	Impact of change in consolida-tion scope	**Basis for calculating change in sales revenue like-for-like**	Sales revenue	Impact of ex-change rates	Impact of change in consolida-tion scope	Standardization of accounting procedures	**Basis for calculating change in sales revenue like-for-like**
Energy	9,801	-	**9,801**	6,830	169	2,897	(124)	**9,434**
Front End division	2,524	-	**2,524**	2,683	73	29	-	**2,639**
Reactors & Services division	2,146	-	**2,146**	2,124	57	(9)	(11)	**2,047**
Back End division	1,946	-	**1,946**	2,023	11	-	(113)	**1,899**
T&D division	3,186	-	**3,186**	-	28	2,877	-	**2,849**
Connectors	1,289	(13)	**1,276**	1,338	46	(94)	-	**1,198**
Corporate	18	-	**18**	88	4	(57)	-	**27**
Group total	11,109	(13)	**11,096**	8,255	218	2,747	(124)	**10,660**

Appendix 3: Income statement

In millions of euros	2004	2003	2002
Backlog of orders (at Dec. 31)	19,820	n.c	n.c
Sales revenue	11,109	8,255	8,265
Cost of sales	(8,347)	(6,138)	(6,129)
Gross margin	2,762	2,117	2,136
Research and development expenses	(402)	(286)	(332)
Sales, marketing, general and administrative expenses	(1,389)	(939)	(1,008)
Other operating income and expenses	(357)	(551)	(616)
Operating income	613	342	180
Financial income	118	334	587
Gross income before tax and exceptional items	730	676	767
Exceptional items	46	135	289
Income tax	(209)	(184)	(220)
Net income from consolidated businesses	567	627	836
Share in net income of equity affiliates	131	20	83
Net income before goodwill amortization	698	647	919
Goodwill amortization	(152)	(174)	(593)
Net income before minority interests	546	473	326
Minority interests	(118)	(84)	(86)
Consolidated net income	428	389	240
Average number of outstanding shares	35,442 701	35,442 701	35,442 701
Earnings per share (in euros)	12.07	10.97	6.77

Appendix 4: Balance sheet (1/2)

ASSETS

In millions of euros at December 31	2004	2003	2002
FIXED ASSETS			
Net goodwill	1,718	1,265	1,537
Net intangible assets	608	482	510
Decommissioning assets	5,372	9,109	9,223
Net tangible assets	3,701	3,447	4,647
Equity in net assets of affiliates	1,240	1,492	1,652
Long-term notes and investments	3,143	3,299	2,580
TOTAL FIXED ASSETS	**15,782**	**19,094**	**20,149**
WORKING CAPITAL			
Inventories and in-process	2,088	1,619	1,960
Trade accounts receivable and related accounts	3,288	2,234	2,552
Other accounts receivable	1,869	1,208	1,400
Cash and marketable securities	1,632	2,036	3,302
TOTAL WORKING CAPITAL	***8,877***	***7,097***	***9,214***
TOTAL ASSETS	**24,659**	**26,191**	**29,363**

Appendix 4: Balance sheet (2/2)

LIABILITIES AND SHAREHOLDERS' EQUITY

In millions of euros at December 31	2004	2003	2002
Share capital	1,347	1,347	1,347
Consolidated premiums and reserves	2,580	2,414	2,333
Currency translation reserves	(114)	(37)	100
Consolidated net income – Current year	428	389	240
TOTAL SHAREHOLDERS' EQUITY	*4,241*	*4,113*	*4,020*
PERPETUAL SUBORDINATED DEBT		*215*	*215*
MINORITY INTERESTS	*776*	*959*	*988*
Pensions and retirement obligations	853	609	568
Provisions for risk and liabilities	9,632	13,383	14,485
Debt	943	800	2 217
Advances and prepayments	4,326	3,615	4,066
Trade accounts payable and related accounts	1,688	1,009	1,056
Other operating liabilities	2,200	1,488	1,748
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	24,659	26,191	29,363

Appendix 5: Cash flow and net cash position

In millions of euros	2002	2003	2004
EBITDA (excluding decommissioning costs)*		**976**	**1,049**
% of sales revenue		*11,8 %*	*6,9 %*
Change in working capital requirement		**289**	**188**
Gain (loss) on disposals		**12**	**12**
Net operating CAPEX		**(336)**	**(486)**
Subtotal: operating cash flow		**940**	**763**
Decommissioning flows*		**(6)**	**(161)**
Net financial investments		**+ 7**	**(776)**
Dividends paid		**(297)**	**(285)**
Net reclassifications (Assystem, mutual funds)		**(496)**	**-**
Other (income tax, non operating WCR, etc.)		**357**	**(88)**
Change in net debt		**505**	**(547)**
Net cash position		**1,236**	**689**

** See definition in Appendix 1*

Appendix 6: Key data by division (1/2)

2004 excluding amounts linked to end-of-life-cycle obligations

	in million of euros (except employees)	Front End	Reactors and Services	Back End	T&D	Connectors	Holding and other operations & eliminations	Group total
Income	Contribution to consolidated sales	2,524	2,146	1,946	**3,186**	**1,289**	18	**11,109**
	Operating income	314	90	177	**31**	**80**	(79)	**613**
	% of sales revenue	12.4%	4.2%	9.1%	**1.0%**	**6.2%**	n/a	**5.5%**
Cash	EBITDA (excluding decommissioning costs)	466	133	394	**19**	**113**	(77)	**1 049**
	% of contribution to sales	18.5%	6.2%	20.0%	**0.6%**	**10.3%**	n/a	**9.4%**
	Net cash used in Investing activities	(196)	(59)	(98)	**(57)**	**(71)**	(4)	**(486)**
	Net gain (loss) on disposals of tangible and intangible assets	1	4	8	**0**	**0**		**12**
	Change in operating WCR	(159)	11	298	**27**	**12**	(1)	**187**
	Operating cash flow	112	88	603	**(12)**	**54**	(88)	**763**
Other	Fixed assets	2,135	515	9,061	**1,096**	**656**	2,320	**15,783**
	Capital employed	2,184	670	(132)	**1,330**	**1,318**	527	**5,897**
	Employees	10,952	14,066	10,697	**21,816**	**12,160**	378	**70,069**

Appendix 6: Key data by division (2/2)

2003 excluding amounts linked to end-of-life-cycle obligations

	in million of euros (except employees)	Front End	Reactors and Services	Back End	Energy	Connectors	Holding and other operations & eliminations	Group total
Income	Contribution to consolidated 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 revenue	11.8%	2.4%	7.7%	**7.7%**	**(8.5%)**	n/a	**4.1%**
Cash	EBITDA (excluding decommisioninge costs)	418	87	503	**1,008**	**25**	(57)	**976**
	% of contribution to Sales revenue	15.6%	4.1%	24.9%	**14.8%**	**1.9%**	n/a	**11.9%**
	Net cash used in Investing activities	(126)	(67)	(75)	**(268)**	**(62)**	(6)	**(336)**
	Gain (loss) from sales of tangible and intangible assets		2	7	**9**	**2**		**11**
	Variation in operating WCR	49	123	75	**247**	**11**	31	**289**
	Operating cash flow	341	147	509	**997**	**(24)**	(33)	**940**
Other	Fixed assets	2,662	693	12,289	**15,644**	**729**	2,721	**19,094**
	Capital employed*	2,000	721	282	**3,003**	**1,407**	495	**4,905**
	Employees	9,719	13,251	10,542	**33, 512**	**12,211**	2,288	**48,011**

** Adjusted from goodwill not in relation with operations)*

Appendix 6: Key data by division (3/3)

2003 reported

	in millions of euros (except employees)	Front End	Reactors and Services	Back End	Energy	Connectors	Holding and other operations & eliminations	Group total
Income	Contribution to consolidated 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 revenue	11.8%	2.4%	7.7%	**7.7%**	**(8.5%)**	n.a.	**4.1%**
Cash	EBITDA	416	86	467	**969**	**25**	(57)	**937**
	% of 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)**
	Gain (loss) from sales 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**
	Capital employed	2,000	721	282	**3,003**	**1,127**	854	**4,984**
	Employees	9,719	13,251	10,542	**33,512**	**12,211**	2,288	**48,011**

Appendix 7: ROACE calculation

In millions of euros	Average capital employed 2003	Average capital employed 2004	Net operating income 2003	Net operating income 2004	ROACE 2003	ROACE 2004
Nuclear power	3,497	3,176	365	398	10.4%	12.5%
T&D		1,415		20		1.4%
Connectors	1,563	1,362	n/s	52	n/s	3.8%
Other	161	198	n/s	n/s	n/s	n/s
Group total	5,221	6,151	248	419	4.7%	6.8%

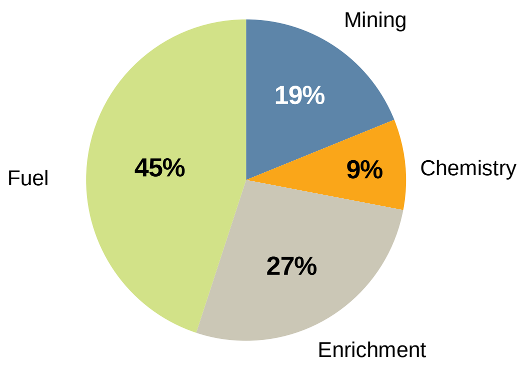
- **ROACE = Net operating income / average capital employed**
- **Net operating income = Operating income less pro forma income tax**
- **Pro forma income tax = income tax calculated by applying an average rate to all entities except those subject to a specific tax rate (notably Eurodif)**

Appendix 7: ROACE calculation

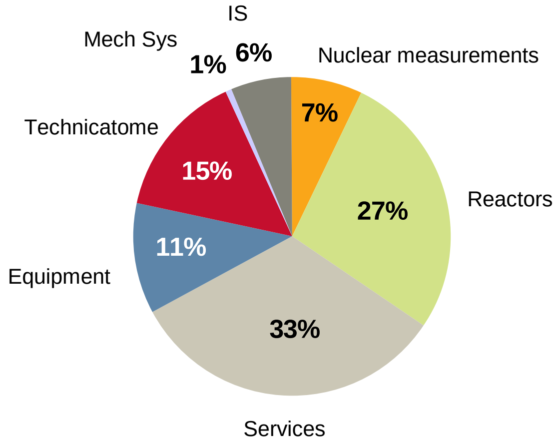
In millions of euros	GROUP 2003	2004
Net operating income	**248**	**419**
Intangible assets	482	609
Goodwill	2,186	2,770
Tangible assets	3,444	3,697
Prepay inv in fixed assets	(1,167)	(1,092)
Operating WCR	(40)	(86)
Capital employed	**4,905**	**5,897**
Av capital employed	**5,221**	**6,151**
ROACE	**4.7%**	**6.8%**

Appendix 8: Sales revenue by business unit

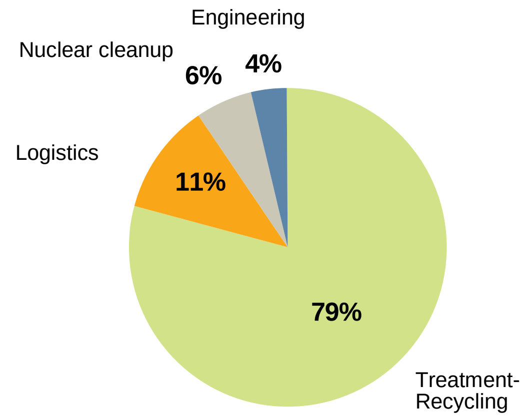
Front End division sales



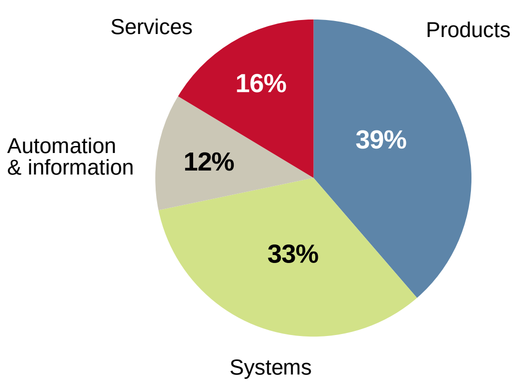
Reactors & Services division sales



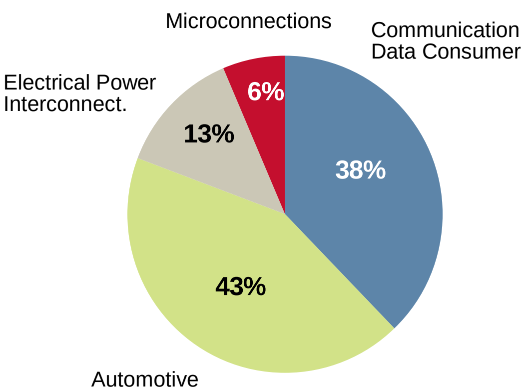
Back End division sales



Transmission & Distribution division sales

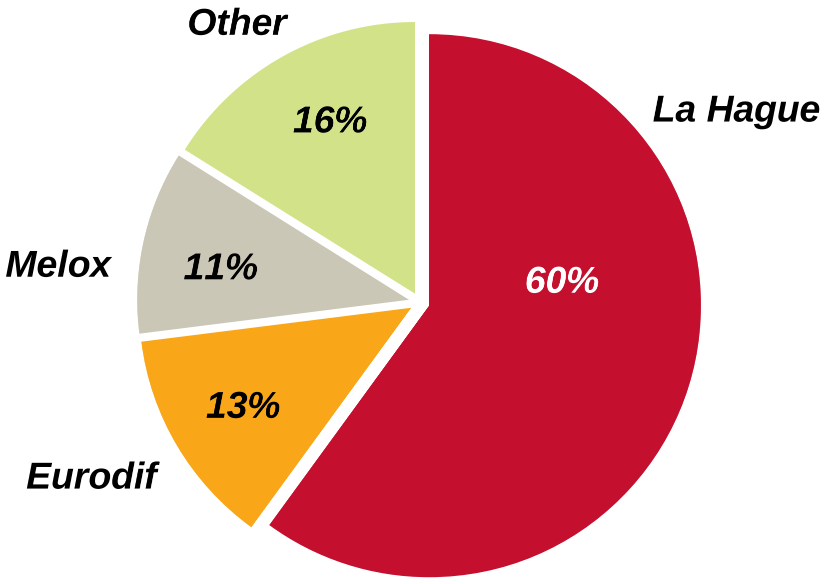


Connectors division sales



Appendix 9:
Decommissioning provision by site

Breakdown of the decommissioning provision by site at December 31, 2004*



* AREVA share: €3,949 m at December 31, 2004

Appendix 10: Decommissioning expenses

Change in decommissioning expenses