

2007 annual results

Anne Lauvergeon
CEO

February 26, 2008

▶ Forward-looking statements

- ◆ This document contains forward-looking statements and information. These statements include financial forecasts and estimates as well as the assumptions on which they are based, statements related to projects, objectives and expectations concerning future operations, products and services or future performance. Although AREVA's management believes that these forward-looking statements are reasonable, AREVA's investors and investment certificate holders are hereby advised that these forward-looking statements are subject to numerous risks and uncertainties that are difficult to foresee and generally beyond AREVA's control, which may mean that the expected results and developments differ significantly from those expressed, induced or forecast in the forward-looking statements and information. These risks include those developed or identified in the public documents filed by AREVA with the AMF, including those listed in the "Risk Factors" section of the Reference Document registered with the AMF on April 27, 2007 (which may be read online on AREVA's website, www.areva.com). AREVA makes no commitment to update the forward-looking statements and information, except as required by applicable laws and regulations.

Overall performance

Business Environment

AREVA's strategy

Performance by division

2007 financial results

Outlook

2007: record-breaking contracts



China



- ▶ 2 EPR nuclear islands, materials and services to support 15 years of operations
- ▶ Sales of 35% of UraMin's production
- ▶ Cooperation in recycling agreed to



France



- ▶ Flamanville EPR



S. Korea



- ▶ Multi-year contract in the front end



Germany



- ▶ Multi-year contract in the front end



Italy



- ▶ Recycling of 235 T of used fuel



Russia



- ▶ Strategic agreement
- ▶ Turnkey projects for electrical equipment and services



Qatar



- ▶ 14 gas-insulated substations

Key figures for 2007

<i>In millions of euros</i>	2006	2007	Δ 07/06
Backlog	25,627	39,834	+ 55.4%
Sales revenue	10,863	11,923	+ 9.8 %
Operating income	407	751	+ 84.6%
<i>% of sales revenue</i>	3.7%	6.3 %	+ 2.6 pts
Consolidated net income	649	743	+ 14.5%
Earnings per share	18.31	20.95	
Operating cash flow*	- 358	- 1,985	
Debt-equity ratio**	-	26.2%	

**Organic
growth***
+ 10,4%**

* EBITDA +/- change in Operating WCR – Operating CAPEX net of disposals

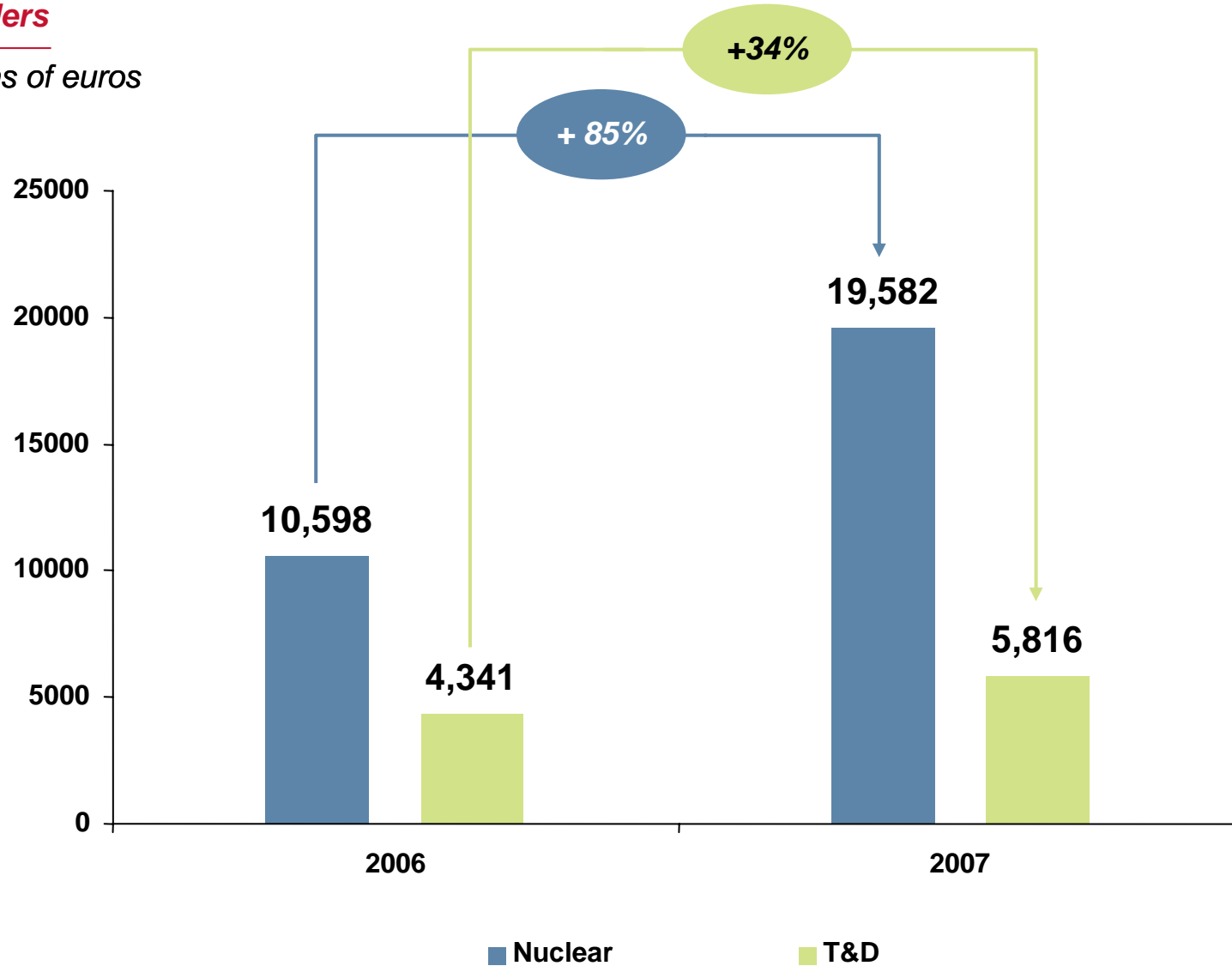
** including minority interests but excluding minority put options

*** at constant consolidation scope and exchange rates

All of our businesses are buoyant

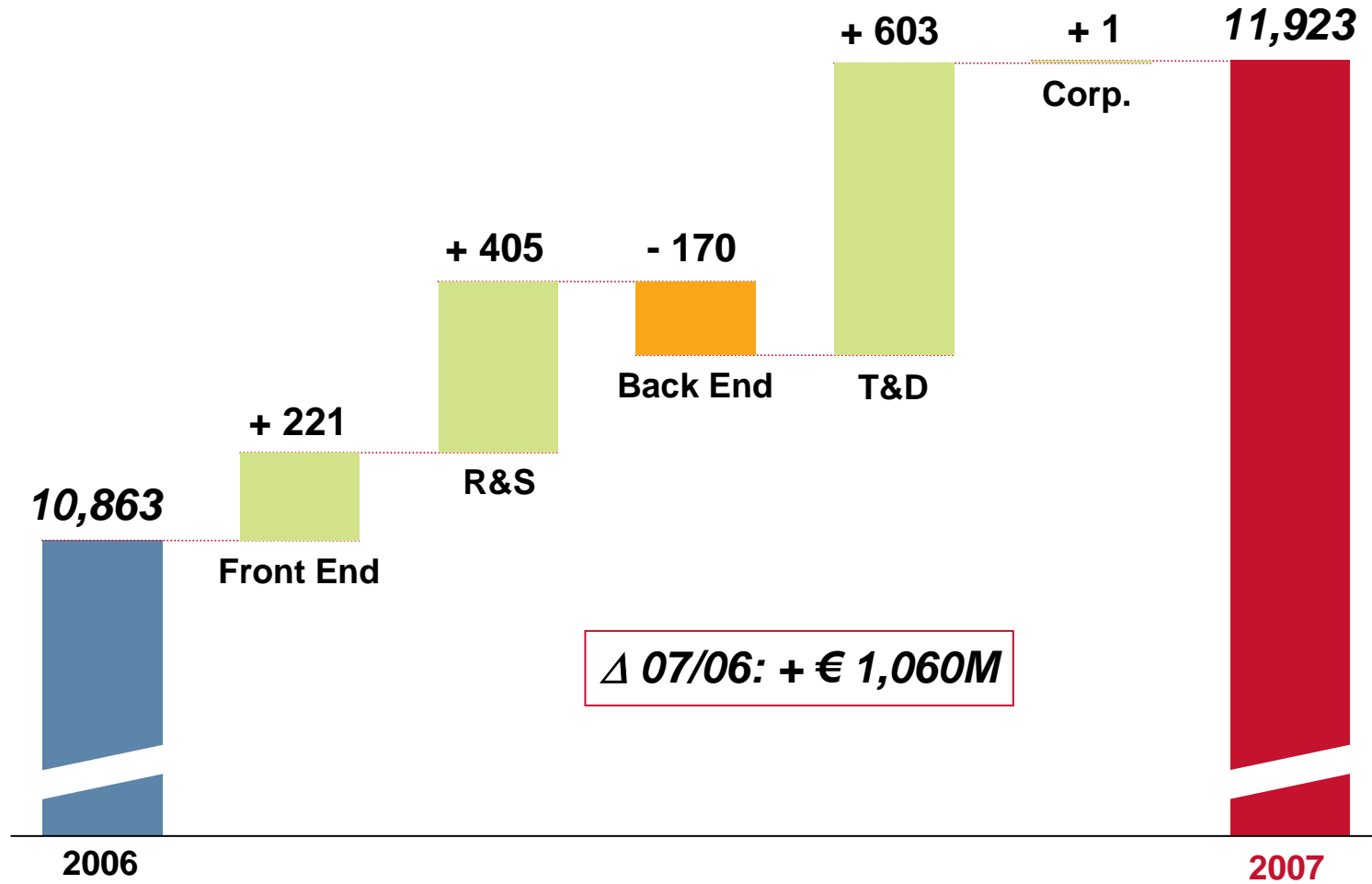
New orders

In millions of euros



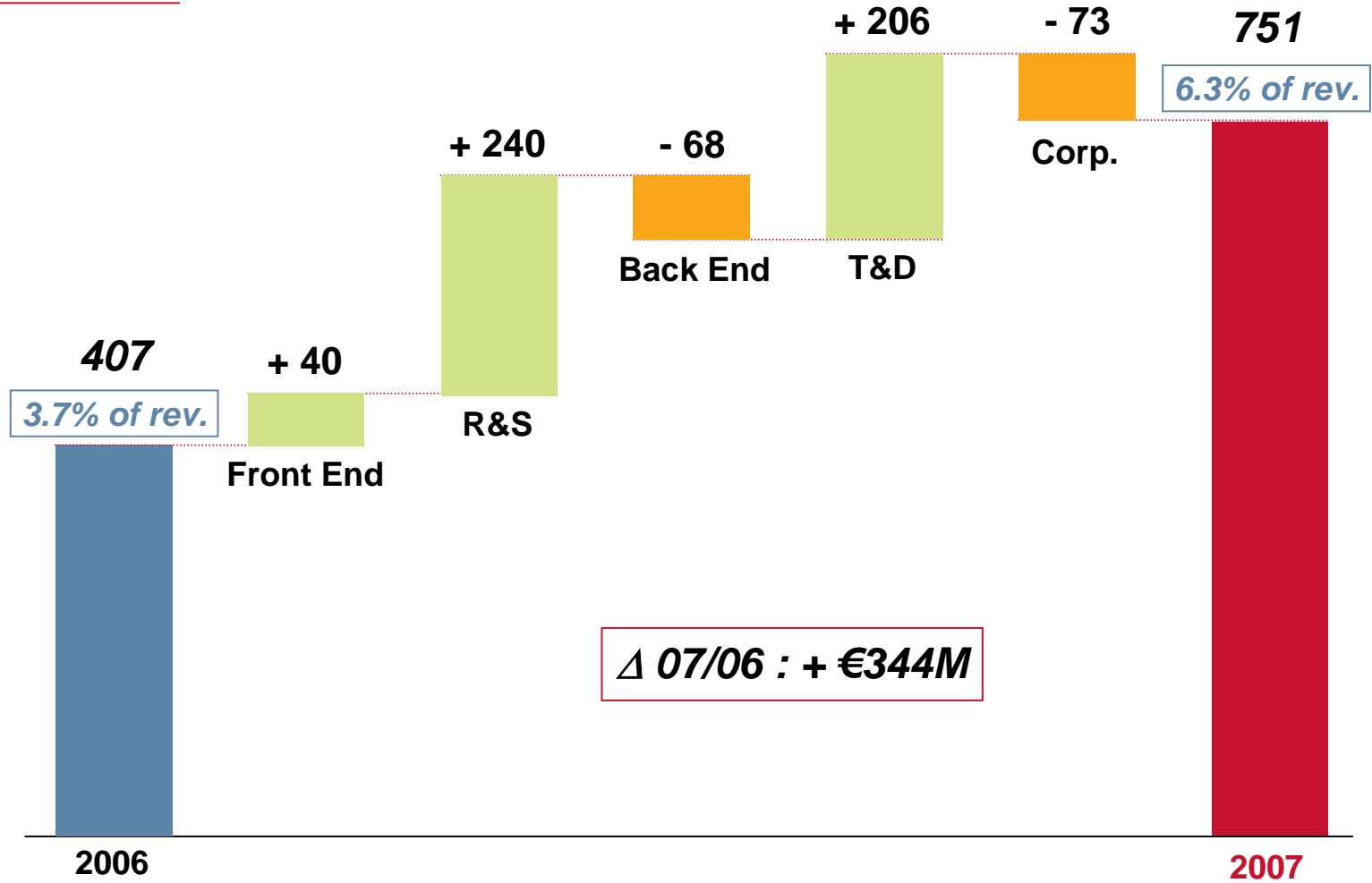
Sales revenue is up 9.8%
10.4 % like-for-like

In millions of euros



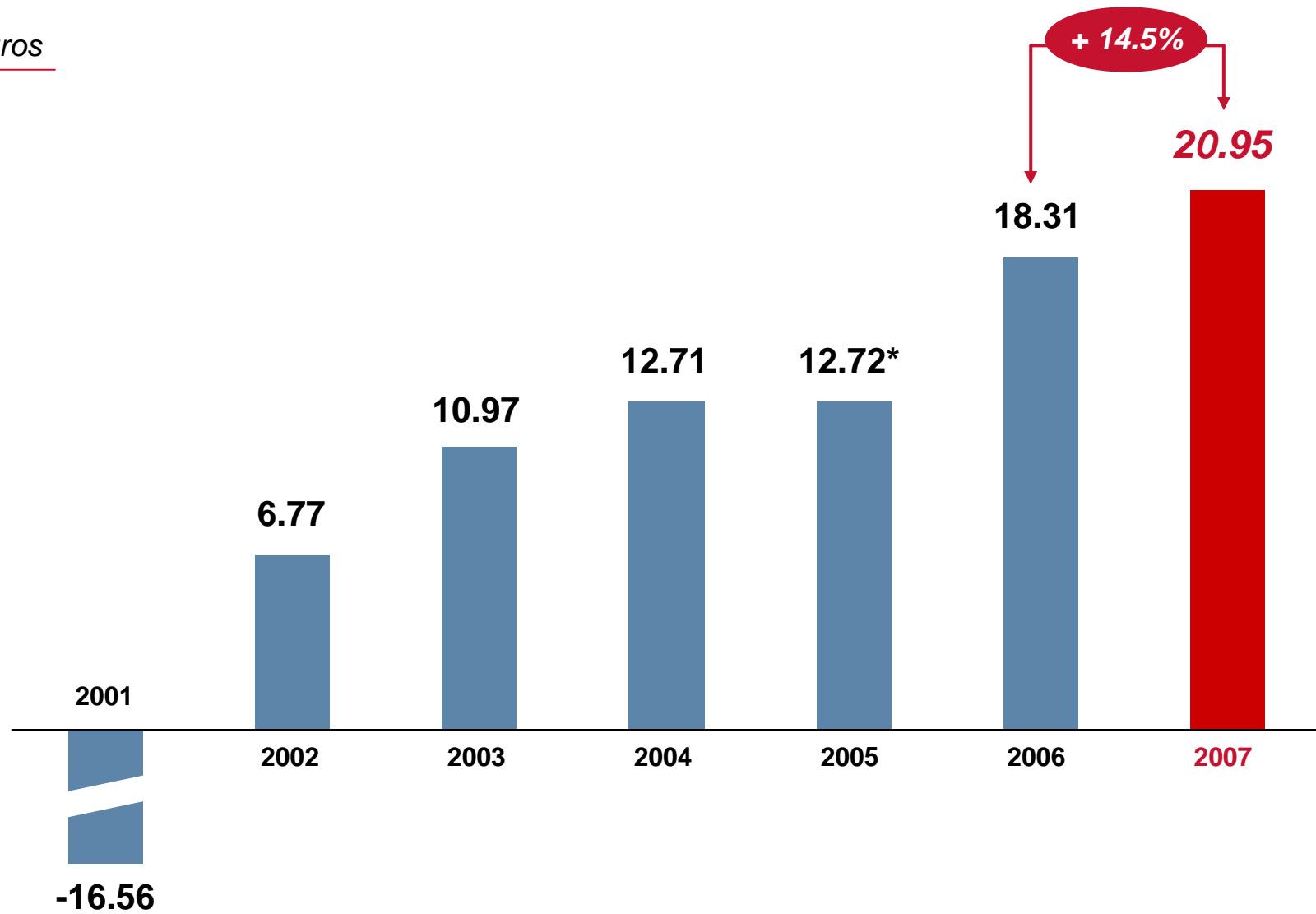
Operating income is up sharply

In millions of euros



Net earnings per share are up yet again

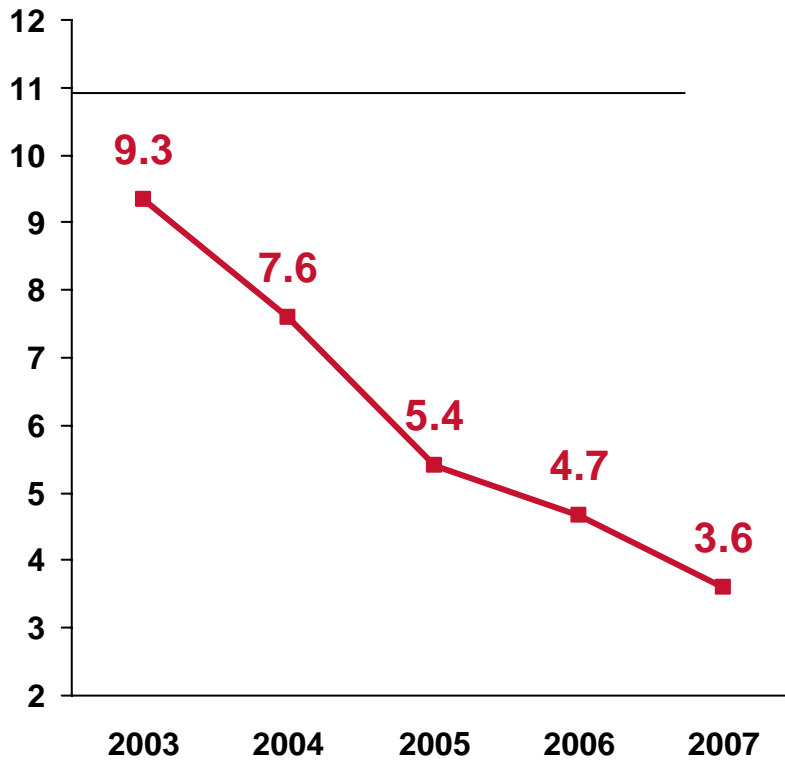
In euros



* Net earnings per share of €29.60 reported, €12.72 of which were net earnings per share for continuing operations (disposal of FCI – Connectors division)

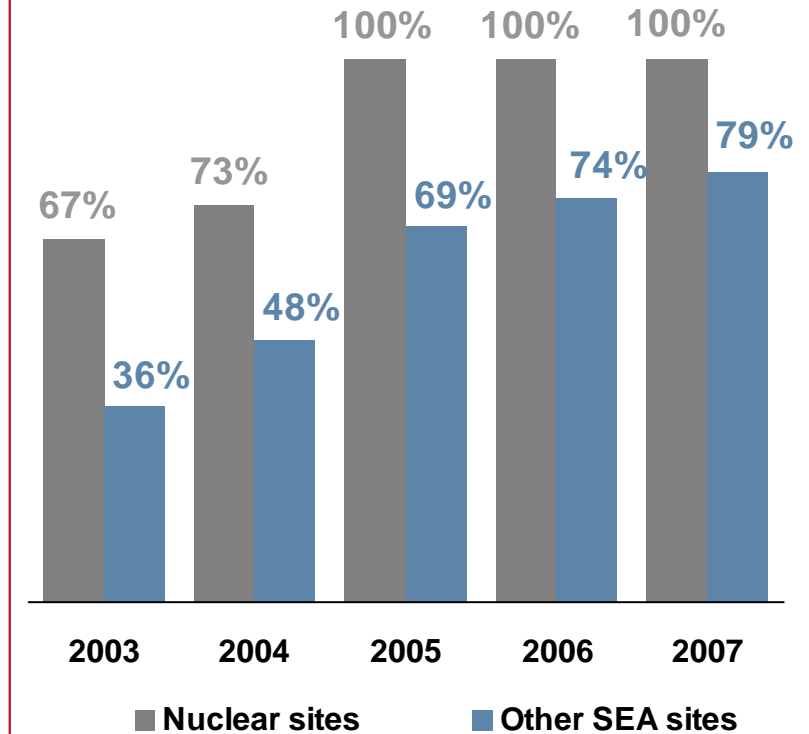
AREVA Way indicators

Accident frequency rate:
AREVA divided its frequency rate by 2.5 in 5 years



N.B.: the average frequency rate for French industry is 25.7 (in 2006 – source: INRS)

ISO 14001 certification:
All sites with significant environmental aspects will ultimately be certified

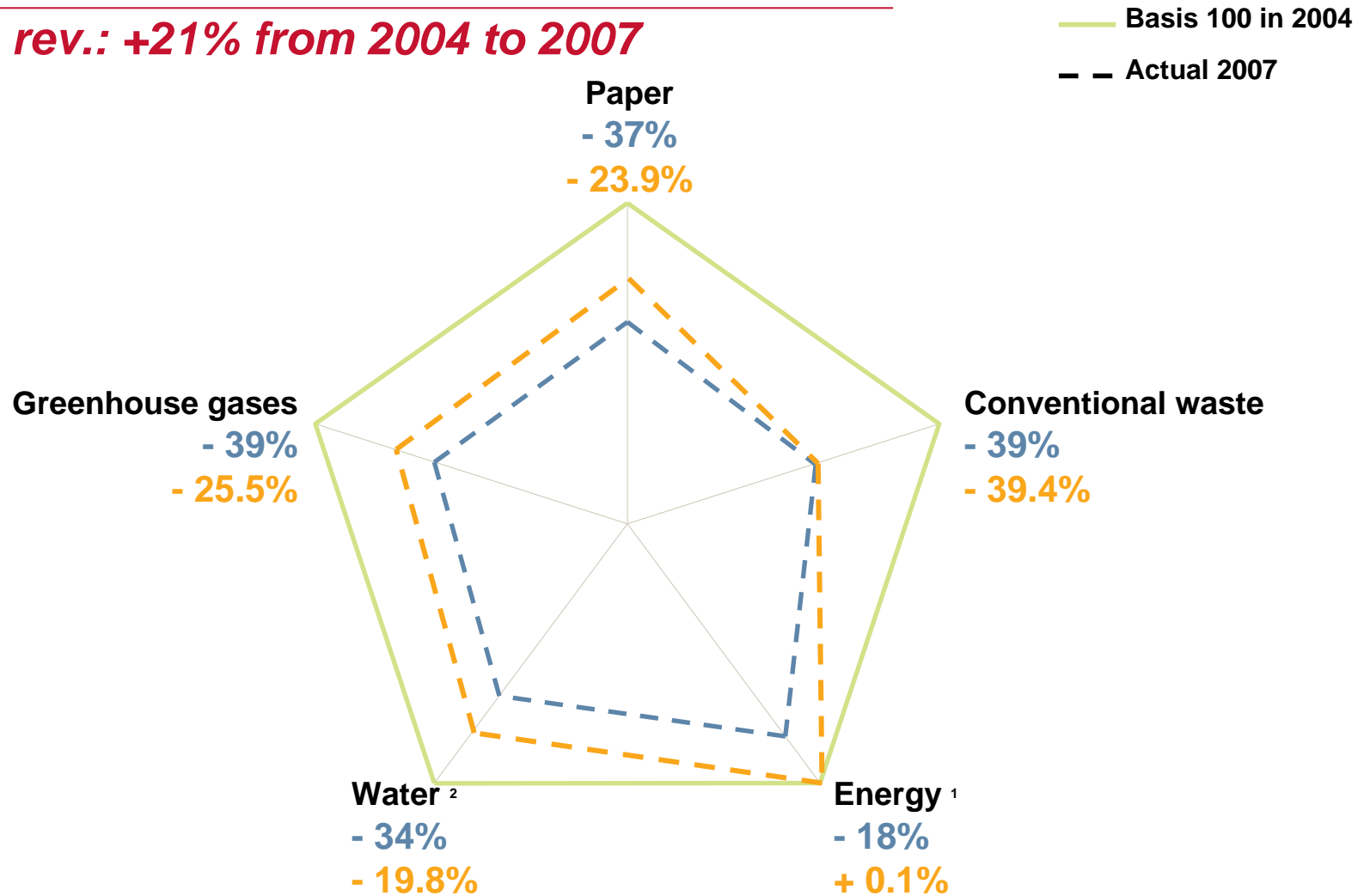


() SEA: Significant Environmental Aspects*

Growth with resource conservation

For the 2004-2007 period and at **constant** and **current** sales revenue

Sales rev.: +21% from 2004 to 2007



¹ Excluding electricity consumption related to enrichment

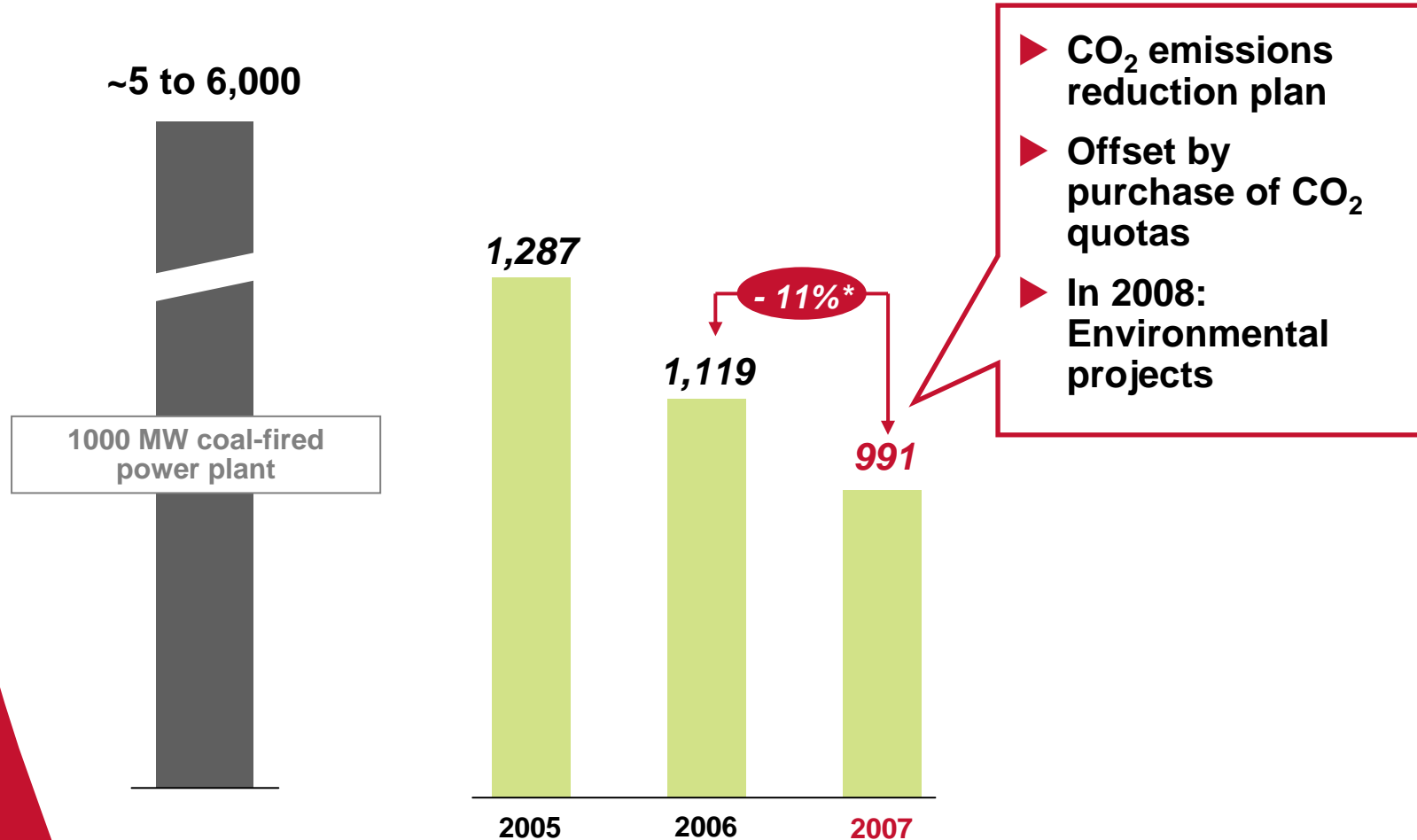
² Excluding cooling water for Eurodif and Marcoule

³ 2007 amount adjusted for exceptional waste production at major construction sites

AREVA has achieved carbon neutrality

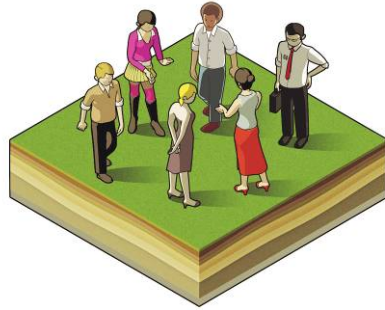
Direct emissions of GHG (in kt CO₂ eq.)

Raw data



* -19% at constant sales revenue

> Financial performance 2007 – February 26, 2008



- ▶ **Second "Stakeholders Session" with Comité 21**
- ▶ **Establishment of a health observatory at the mine sites: a world premiere**
- ▶ **Case studies of United Nations' Global Compact: "AREVA in Niger: a multi-stakeholder partnership to tackle HIV-AIDS"**

Overall performance

Business environment

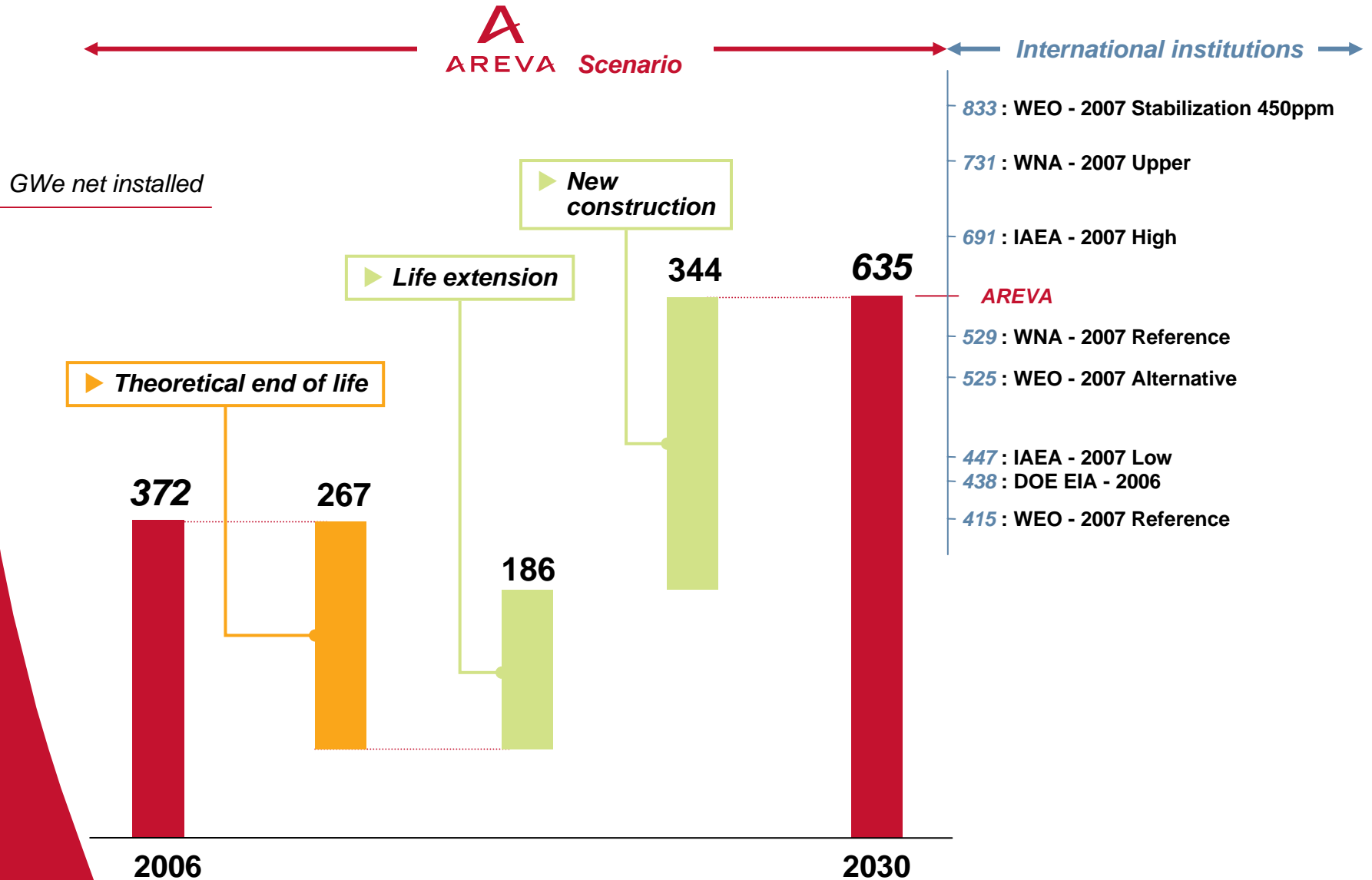
AREVA's strategy

Performance by division

2007 financial performance

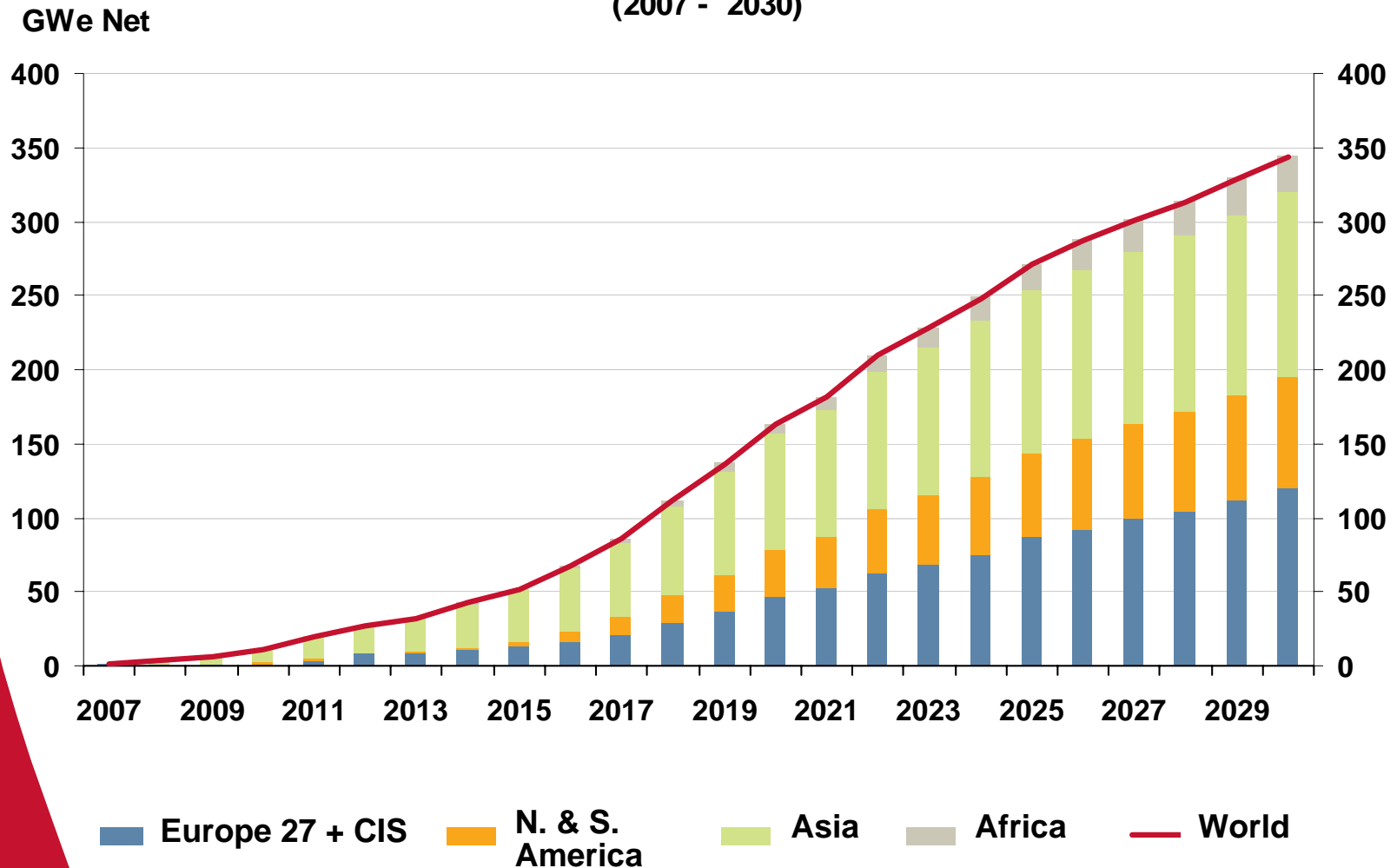
Outlook

AREVA's 2030 scenario: construction or life extension of more than 500 GWe of nuclear power



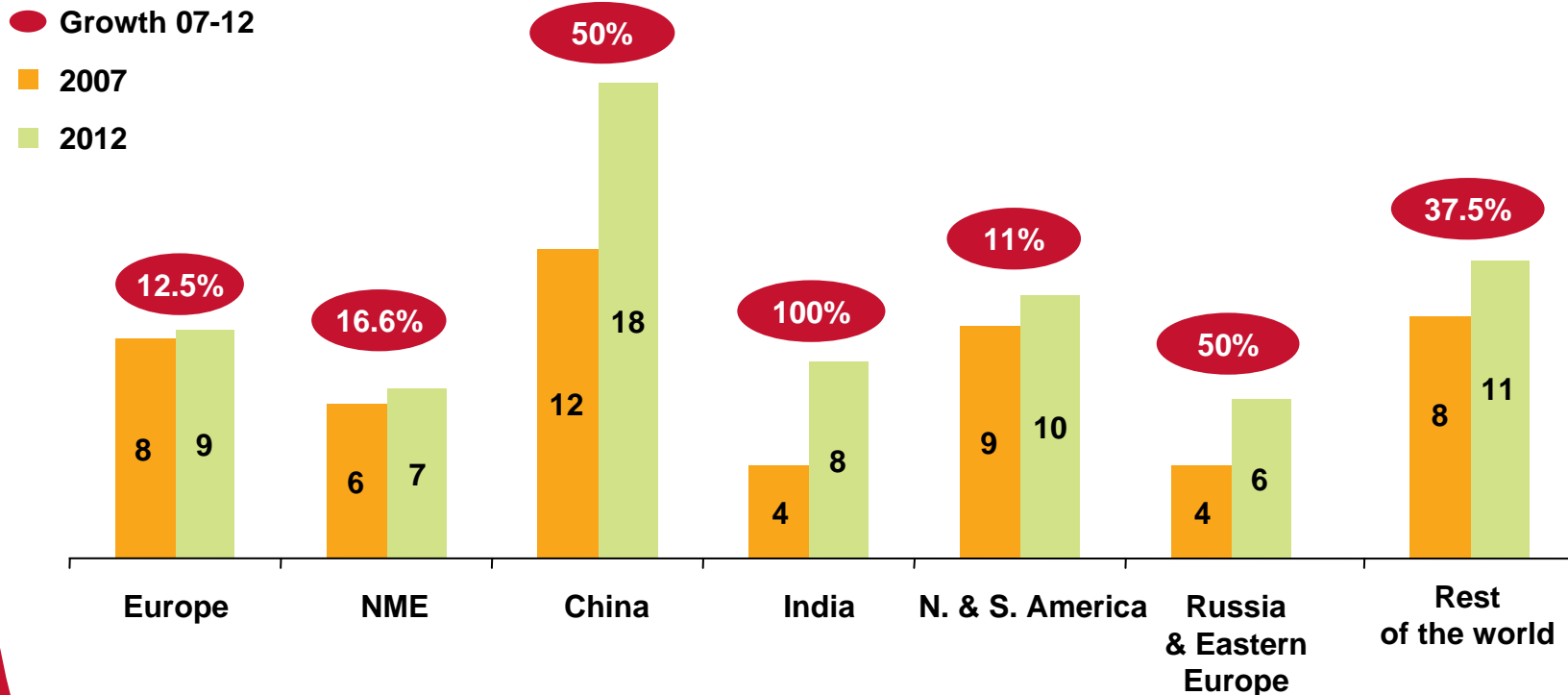
New construction should affect all regions of the world

New installed nuclear generating capacity after 2006
by geographic area
(2007 - 2030)



The Transmission & Distribution market should continue to grow in China, India and Russia

In €Bn



► Strong structural trends

- ◆ Modernization of grids and interconnections
- ◆ New generating capacities and related transmission lines
- ◆ Renewable energies and energy efficiency

Note: Market Assessment 2007 – Source: AREVA's estimates

Overall performance

Business environment

AREVA's strategy

Performance by division

2007 financial performance

Outlook

AREVA's strategy: to set the standard in CO₂-free power generation and electricity transmission and distribution

1 Capitalize on our integrated business model to spearhead the nuclear revival

- ◆ Build 1/3 of new nuclear generating capacities*
- ◆ Make the fuel cycle secure for our current and future customers

2 Ensure strong, profitable growth in T&D

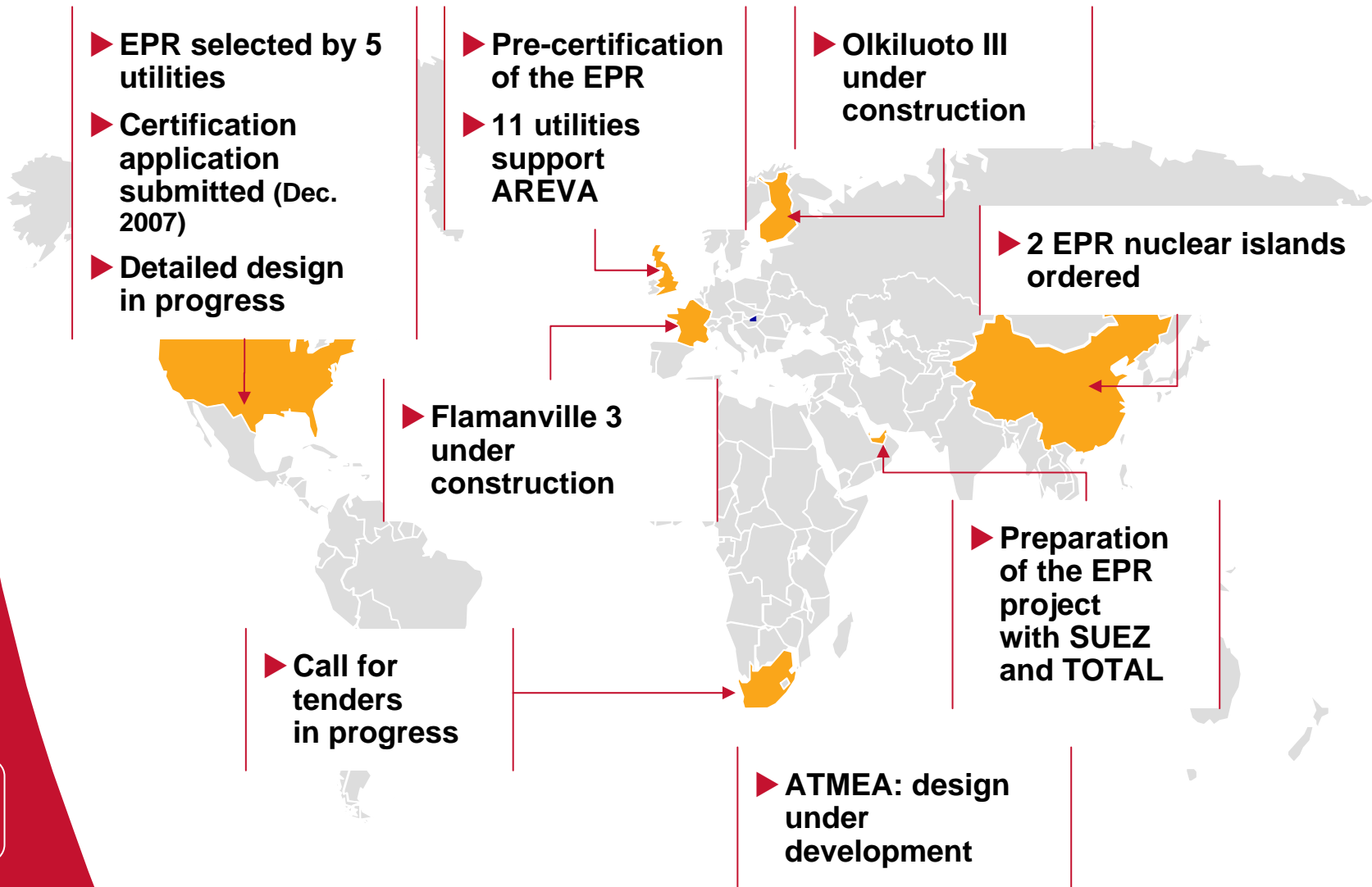
3 Expand our renewable energies offering

**...while remaining the leader
in safety and security**

** of the accessible market*

Build 1/3 of new nuclear generating capacities

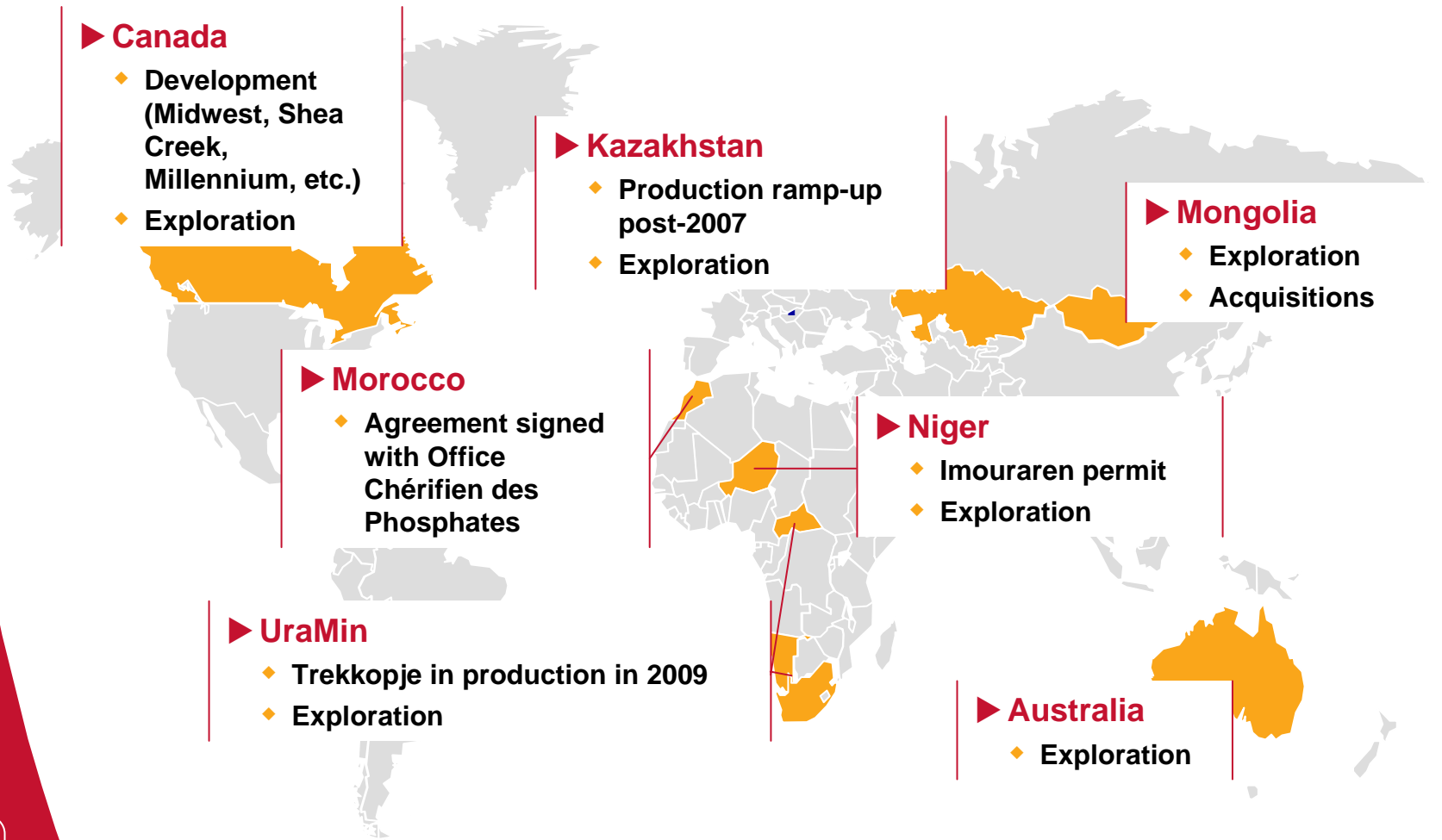
Deploy the AREVA range of reactors: **EPR** & **ATMEA**
by AREVA



1

Making the fuel cycle secure for our customers

Developing our mineral deposits



Making the fuel cycle secure for our customers

Adapting our production facilities

► Conversion

◆ France: Comurhex II project

- Capital investment of €610M launched in 2007
- New plants at the Tricastin and Malvési sites

► Enrichment

◆ France: GBII

- Investment of close to €3B
- Capacity of 7.5 SWU
- Modularity enabling production to start in 2009

◆ United States

- Authorization via diplomatic channels in progress
- Customers have signed letters reserving capacity

Innovation

Capacity

Productivity

1

Making the fuel cycle secure for our customers

*Recycling: a solution meeting economic
and environmental requirements*

- ▶ **A solution that responds to customer concerns**

- ▶ **Growing interest: US, China**

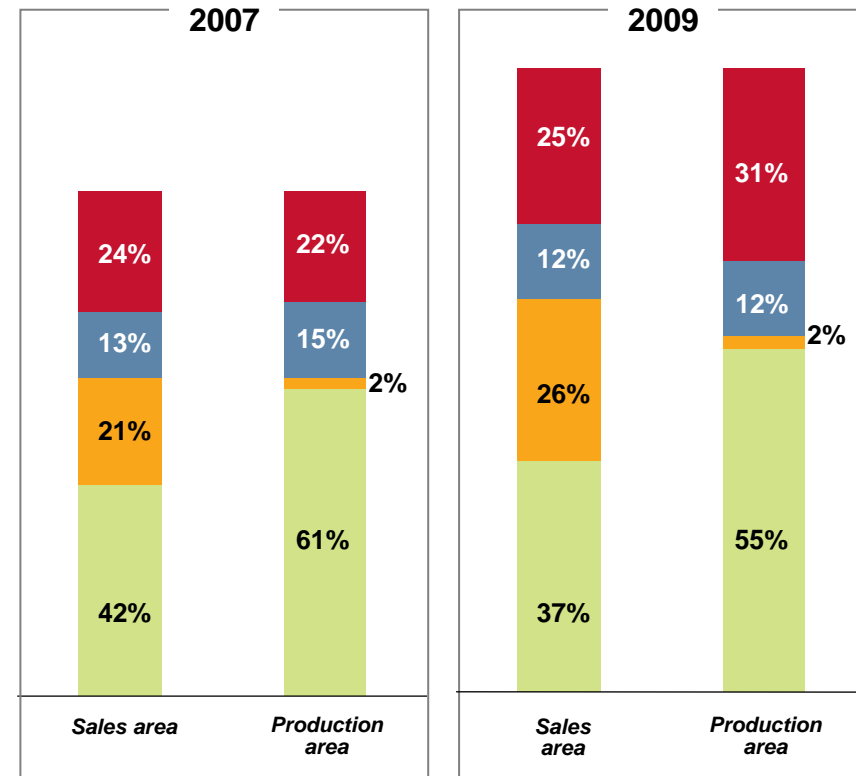
- ▶ **AREVA: world leader in recycling**
 - ◆ **~70% of cumulative world production and ~90% of 2007 production**
 - ◆ **Proven technology**
 - ◆ **Development of 3rd generation**

- ▶ **A strong differentiator in AREVA's offering**

T&D: Boosting profitable growth

Optimization of industrial footprint

- ▶ **Grow faster than the market by building up presence in growth regions and segments**
- ▶ **Continue and bolster optimization activities**
- ▶ **Targeted acquisitions and partnerships**



■ Europe
 ■ Africa Middle East
 ■ N. & S. America
 ■ Asia

Expanding our renewable energies offering

Wind

**Become a major player
in offshore wind
energy**



**AREVA acquires 51%
of MULTIBRID (Sept. 07)**

Biomass

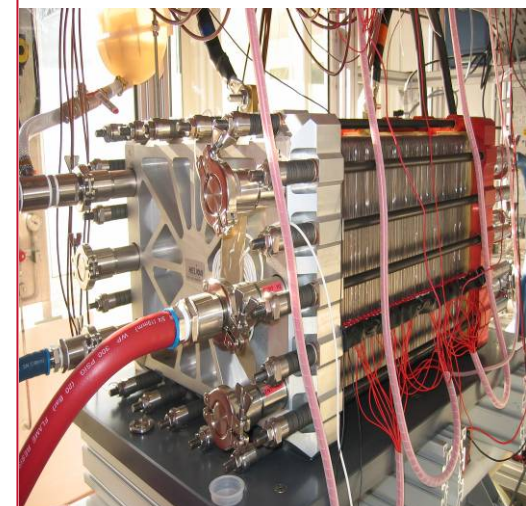
**Develop our biomass
power plant design
& integration business**



**AREVA acquires 70%
of KOBLITZ,
a key Brazilian player
(Jan. 08)**

Fuel cell

**Supply energy
for transportation
and manufacturing**



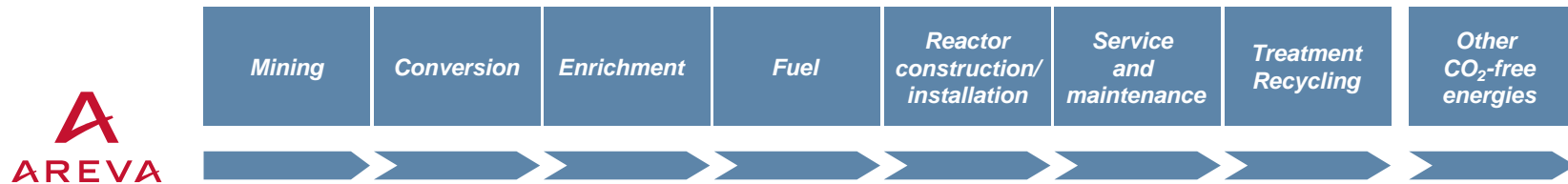
**Commercial production
begun
Polytechnique, Mines, IUT
Marseille acquire HELION
fuel cell**

3

Generation and T&D are synergistic

- ▶ **Nuclear and T&D are synergistic**
 - ◆ Both are strategic investments for our customers
 - ◆ Both help limit CO₂ emissions
- ▶ **Strategically**
 - ◆ Very often, the installation of an EPR requires studies to optimize power grids and investments to upgrade them (e.g. USA, RSA, GB, etc.) as well as the development of interconnections
 - ◆ Grid automation technologies help optimize power plant load management and good integration of renewable energies into the grid
 - ◆ T&D represents for a large share of renewable energy projects
- ▶ **Commercially**
 - ◆ Nuclear power gives access to a country's decision-makers at the highest level
 - ◆ T&D gives an industrial presence in many countries interested in the nuclear revival and proximity to electro-intensive industry

The AREVA model in the nuclear industry: setting the standard?



- ▶ **“We are getting more involved in the total cycle now than we ever have been [...]some of what AREVA is doing you will see us do.”**
Andrew White, CEO GE Nuclear

- ▶ **“We wish to do various things, in the future we hope to be able to deploy everything from the front end to the back end at once.”**
Atsutoshi Nishida, CEO Toshiba

- ▶ **“A vertically integrated nuclear energy holding company will be formed in Russia... a serious presence on the world market requires the establishment of a management plan capable of rivaling that of the world leaders, such as France’s AREVA.”**
S. Kirienko, Director General Atomenergoprom

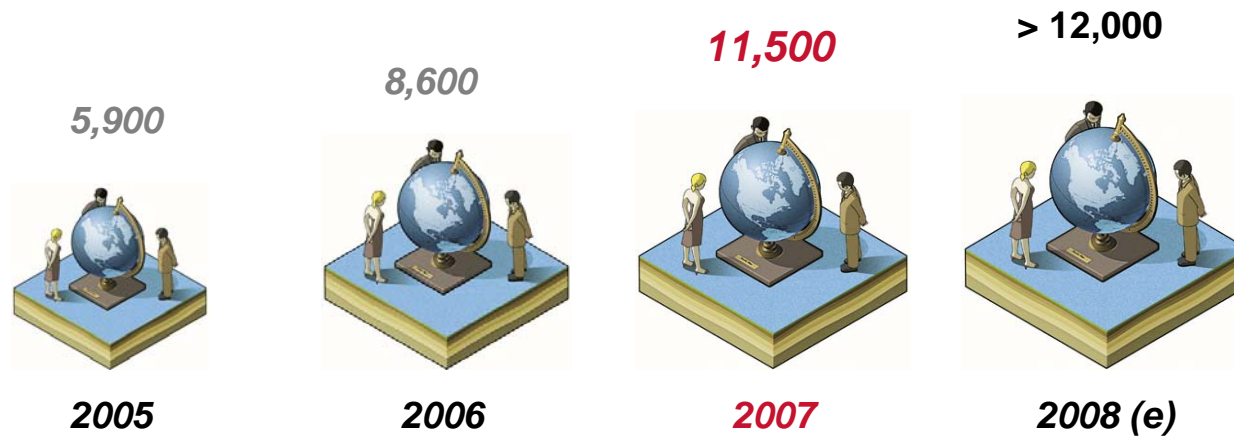
AREVA anticipated this growth

- ▶ **Acceleration of hiring**
- ▶ **Intensification of capital expenditures**
- ▶ **Heavy spending on R&D**

Assert AREVA's leadership
Strengthen our lead over our competitors

AREVA is investing in human capital

Hiring



Hiring

Integration

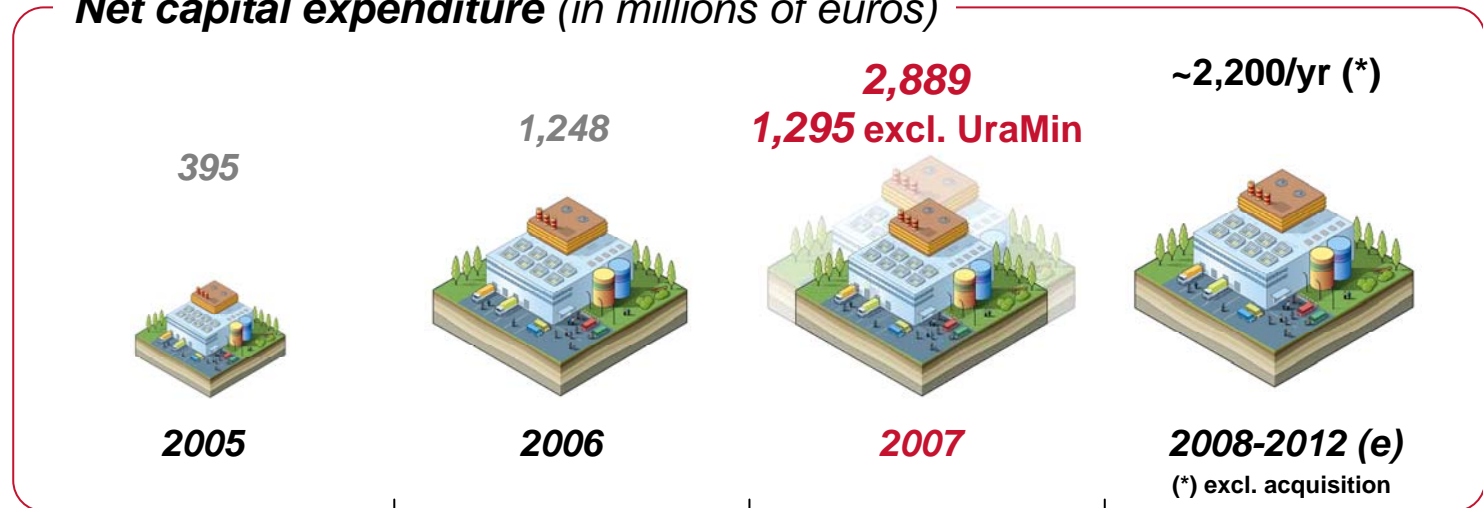
Training

An impact of some €200M
on 2007 results

The investment program is being carried out

Strategic objectives and profitability requirements

Net capital expenditure (in millions of euros)

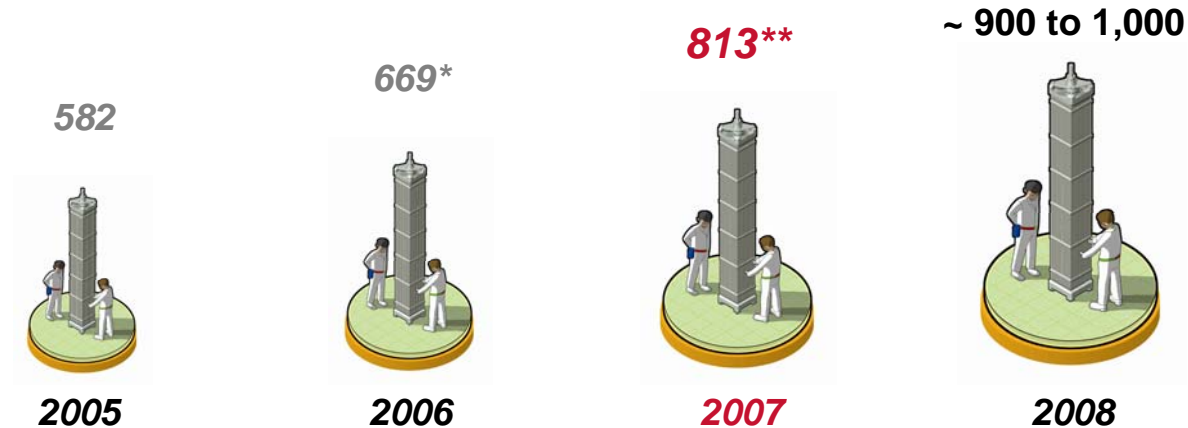


GBII, EPR certification

- | | | | |
|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> ▶ Mining projects | <ul style="list-style-type: none"> ▶ Sfarsteel ▶ Mining projects ▶ Centrifugation technology | <ul style="list-style-type: none"> ▶ UraMin, East Asia Mineral ▶ Mining projects ▶ Multibrid ▶ Nokian Capacitors ▶ 10 new T&D manufacturing sites | <ul style="list-style-type: none"> ▶ Mining ▶ EPR, ATMEA ▶ Industrial capacities (incl. Comurhex II) |
|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|

Substantial R&D spending to increase AREVA's technology leadership

R&D spending (in millions of euros)



* 2006: 1,021 including the acquisition of the ultra-centrifugation technology

** 2007: excluding R&D projects acquired through UraMin

- ▶ Mining and conversion
- ▶ New generations of fuel
- ▶ Additional reactor types
- ▶ Generation III treatment and recycling plant
- ▶ T&D: ultra high voltage, new products
- ▶ Fuel cells and improved wind technologies

An open-ended business model

Appropriate strategic partnerships at our customers' request

Excerpts

2008	  THE AVEPIG GROUP	EPR and fuel cycle - South Africa	 	EPR and fuel cycle - Abu Dhabi	 JV with Nigerien government: mines
2007		Strategic agreement in T&D		Engineering agreement	
2006 - 2007	  	International Recycling Alliance: closing the cycle in the US			
2006		ATMEA : development of a 1100 MW Generation III + reactor			
2005			Construction of EPRs in the US		
2002 & 2006			50/50 ownership of centrifuge technology with URENCO		
2004	 Cameco	Development and operation of mines in Canada	 	Development and operation of mines in Kazakhstan	

Overall performance

Business environment

AREVA's strategy

Performance by division

2007 financial performance

Outlook

Front End division: customers looking to ensure security of supply

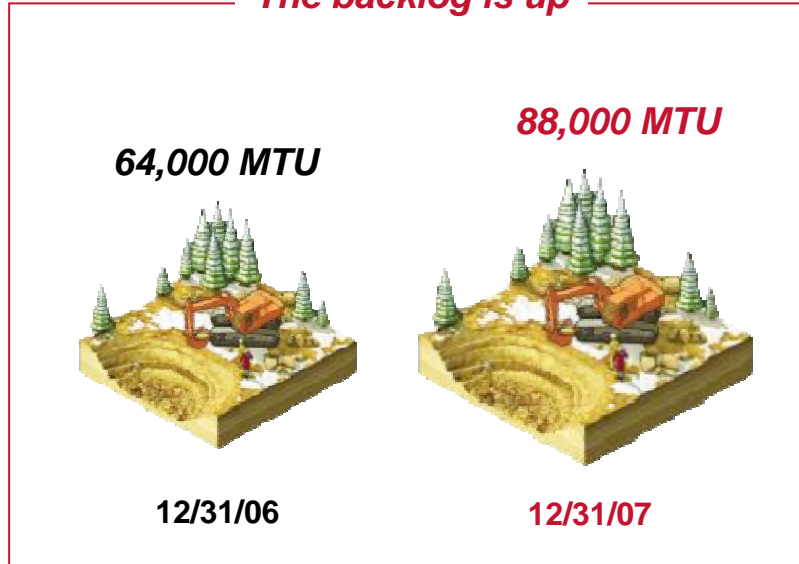
<i>In millions of euros</i>	2006	2007	Change
Backlog (12/31)	11,335	21,085	+ 86.0%
Sales revenue	2,919	3,140	+ 7.6%
Operating income	456	496	+ 8.8%
<i>% of revenue</i>	<i>15.6%</i>	<i>15.8%</i>	<i>+ 0.2 pt</i>
FOCF before tax*	- 186	- 1,672	immaterial
<i>% of revenue</i>	<i>- 6.4%</i>	<i>- 53.3%</i>	<i>- 46.9 pts</i>

* EBITDA +/- Gain/loss on asset disposals +/- Change in WCR – Net Capex

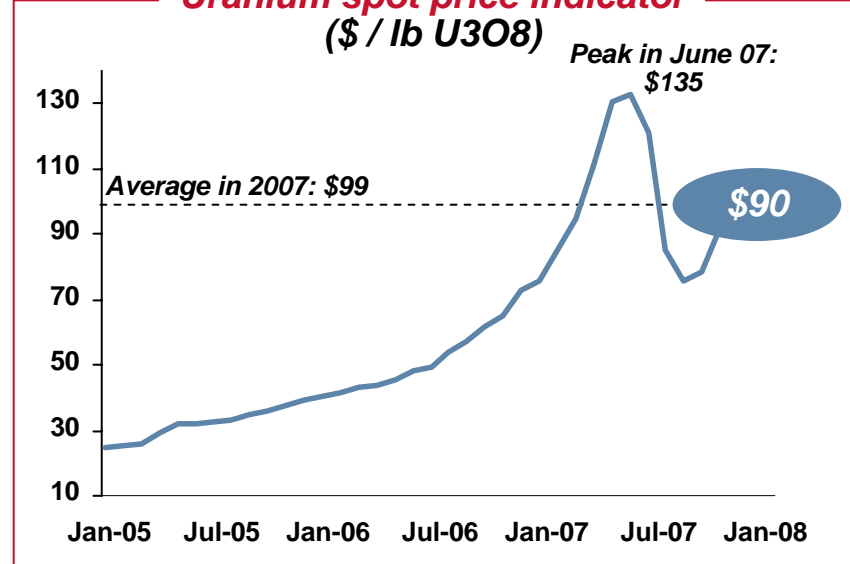
- ▶ **Backlog is up sharply**
 - ◆ Strong demand for uranium
 - ◆ Contracts extended further (mining and enrichment)
- ▶ **Sales revenue boosted by rising prices (uranium) and volumes (enrichment)**
- ▶ **Increase in operating income: positive price impact limited by increasing uranium production costs**
- ▶ **Acceleration of Capex program (UraMin)**

Mining: gradual increase in sales price

The backlog is up



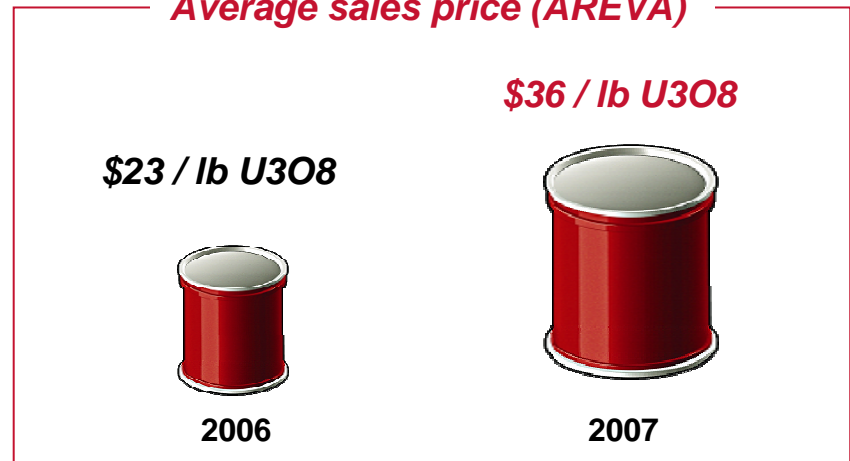
Uranium spot price indicator (\$ / lb U3O8)



Backlog delivery schedule



Average sales price (AREVA)



Reactors and Services division: strong growth and improving profitability

<i>In millions of euros</i>	2006	2007	Change
Backlog (12/31)	4,413	7,640	+ 73.1%
Sales revenue	2,312	2,717	+ 17.5%
Operating income	- 420	- 179	+ 134.6%
<i>% of revenue</i>	<i>- 18.2%</i>	<i>- 6.6%</i>	<i>+ 11.6 pts</i>
FOCF before tax*	- 350	- 528	- 51.3%
<i>% of sales revenue</i>	<i>-15.1%</i>	<i>- 19.4%</i>	<i>- 4.3 pts</i>

* EBITDA +/- Gain/loss on asset disposals +/- Change in WCR – Net Capex

- ▶ **Backlog is up sharply (CGNPC, FA3)**
- ▶ **Growing sales revenue (EPR projects, nuclear services)**
- ▶ **Improvement in operating income: increasing volume limited by the additional provision on OL3 in H1 2007**
- ▶ **Operating cash flow:**
 - ◆ Cash spending related to OL3 provisions
 - ◆ Capex (Multibrid)

The first Generation III reactor under construction



FA3 construction site

OL3 construction site



© AREVA / Paivi Bourdon

▶ Construction progress in 2007

- ◆ **Essentially all equipment has been ordered**
- ◆ **Fabrication of primary components in line with requirements**
- ◆ **Civil works 30% complete for the main buildings**
- ◆ **Delivery of equipment required for civil works (reactor vessel) in line with requirements**
- ◆ **Manufacturing of hoisting equipment and auxiliary piping started after STUK's approval**

▶ Relations with the customer TVO

- ◆ **Despite repeated requests by the consortium to TVO intended to improve the technical documentation approval process, recurring delays continue to impact project performance**
- ◆ **In view of this situation, the consortium has taken the necessary measures to ensure construction progress, but also prepared to exercise its rights in full**

Back End division: contribution to the group's cash flow

<i>In millions of euros</i>	2006	2007	Change
Backlog (12/31)	6,375	6,202	- 2.7%
Sales revenue	1,908	1,738	- 8.9%
Operating income <i>% of revenue</i>	272 14.2%	203 11.7%	- 25.4% - 2.5 pts
FOCF before tax* <i>% of revenue</i>	156 8.2%	172 9.9%	+ 10.3% + 1.7 pts

* EBITDA +/- Gain/loss on asset disposals +/- Change in WCR – Net Capex

- ▶ **Backlog is stable (SOGIN – Italy, MOX in Japan)**
- ▶ **Operating income: operating margin is back to normal level**
- ▶ **Sales revenue: lag in production**
- ▶ **Robust free operating cash flow**

T&D division: strong and profitable growth

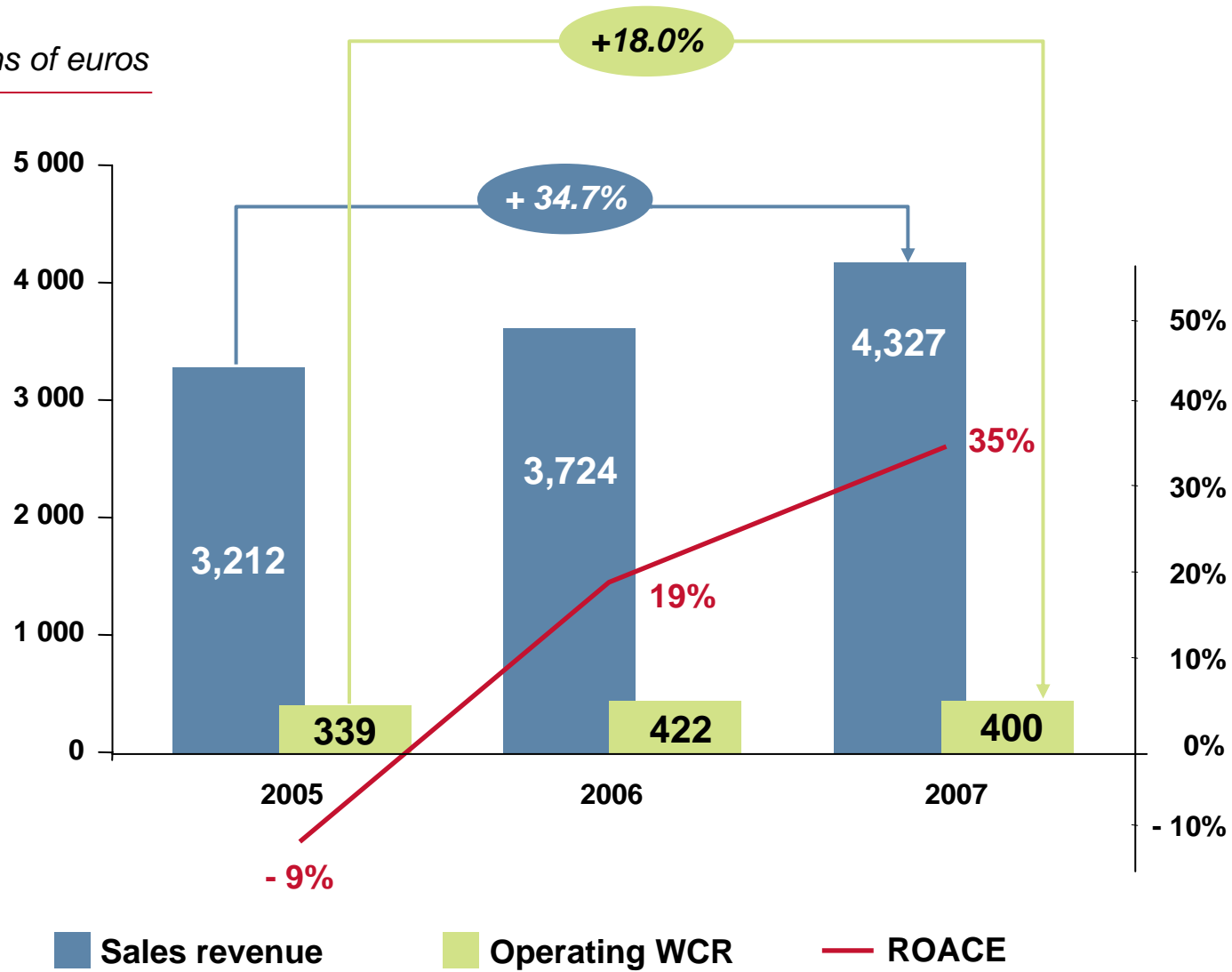
<i>In millions of euros</i>	2006	2007	Change
Backlog (31/12)	3,503	4,906	+ 40.1%
Sales revenue	3,724	4,327	+ 16.2%
Op. income before rest.	249	415	+ 66.7%
<i>% of revenue</i>	<i>6.7%</i>	<i>9.6%</i>	+ 2.9 pts
Operating income	191	397	+ 107.9%
<i>% of revenue</i>	<i>5.1%</i>	<i>9.2%</i>	+ 4.1 pts
FOCF before tax*	94	233	+ 147.9%
<i>% of revenue</i>	<i>2.5%</i>	<i>5.4%</i>	+ 2.9 pt

* EBITDA +/- Gain/loss on asset disposals +/- Change in WCR – Net Capex

- ▶ **Backlog is up sharply (Qatar, Libya)**
- ▶ **New orders doubled over the last 4 years**
- ▶ **Strong sales revenue growth**
 - ◆ Europe, Asia, Middle East
 - ◆ Systems and Products business units
- ▶ **4-point gain in operating margin**
 - ◆ Optimization plan is successful
 - ◆ Profitable growth activities
- ▶ **Operating cash flow up sharply**
 - ◆ Improvement in EBITDA
 - ◆ WCR essentially stable despite strong growth

Profitable growth

In millions of euros



Overall performance

Business environment

AREVA's strategy

Performance by division

2007 financial performance

Outlook

Alain-Pierre Raynaud – CFO

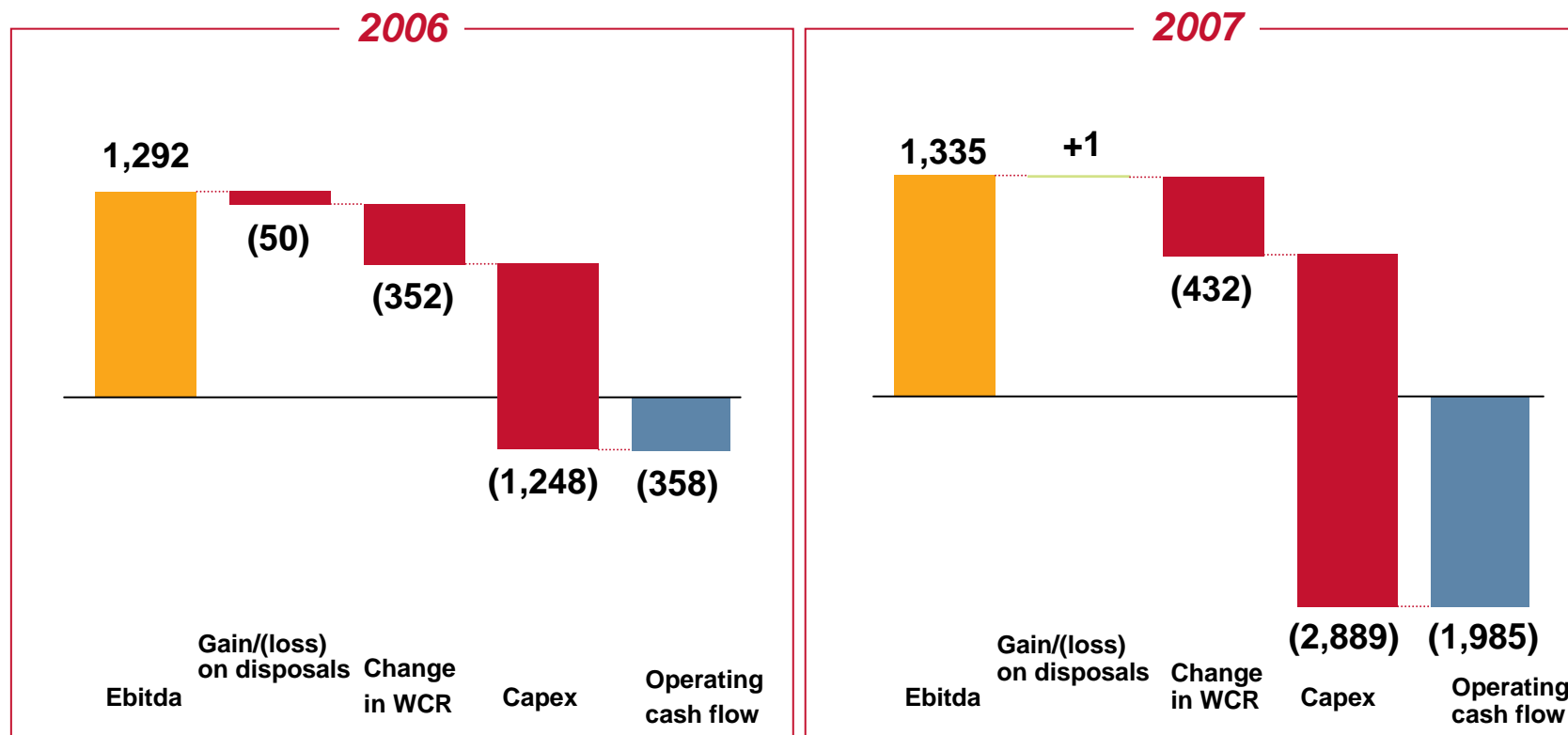
Non-operating items

<i>In millions of euros</i>	2006	2007	Change 07/06
Operating income	407	751	344
Net financial income	97	64	(33)
Share in net income of associates	220	148	(72)
Income tax	(51)	(81)	(30)
<i>Effective tax rate</i>	10.1%	10.0%	- pts
Minority interests	(24)	(139)	(115)
Net income attrib. to eq. holders of parent	649	743	94

Net financial income

<i>In millions of euros</i>	2006	2007	Change 07/ 06
End-of-life-cycle operations	17	107	90
<i>Including:</i>			
<i>Income from earmarked portfolio and interest on receivables</i>	132	181	49
<i>Discount reversal on end-of-life-cycle provision and schedule revisions</i>	(115)	(74)	41
Net borrowing costs	(29)	(73)	(44)
Income from disposal of securities	118	3	(115)
Dividends received	73	63	(10)
Discount reversal on retirement/benefits prov.	(56)	(55)	1
Other financial income and expenses	(27)	19	46
Net financial income	97	64	(33)

In millions of euros



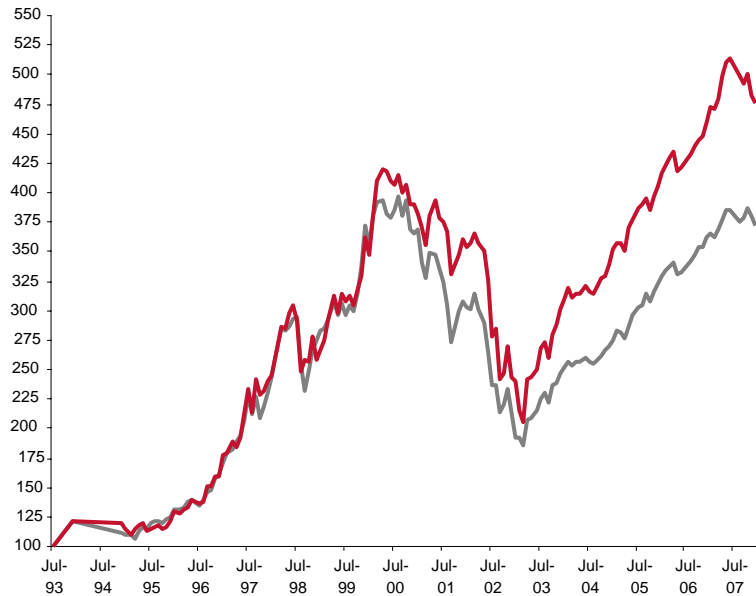
- ▶ Increase in EBITDA
- ▶ Change in WCR: use of advances/provisions (Back End/Reactors)
- ▶ Acceleration of Capex program (UraMin)

End-of-life-cycle operations: Asset management performance exceeds requirements

Performance of earmarked portfolio

28% outperformance

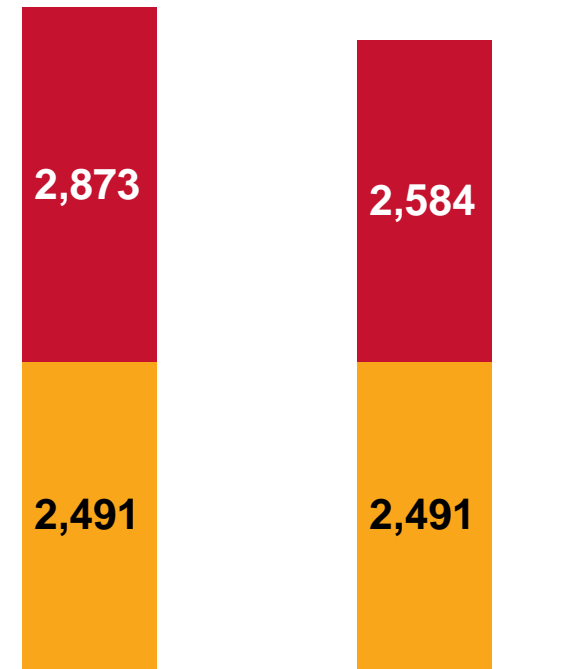
Performance since inception (7/23/93)



— AREVA — Composite index

End-of-life-cycle operations at December 31, 2007

(In millions of euros)



Assets

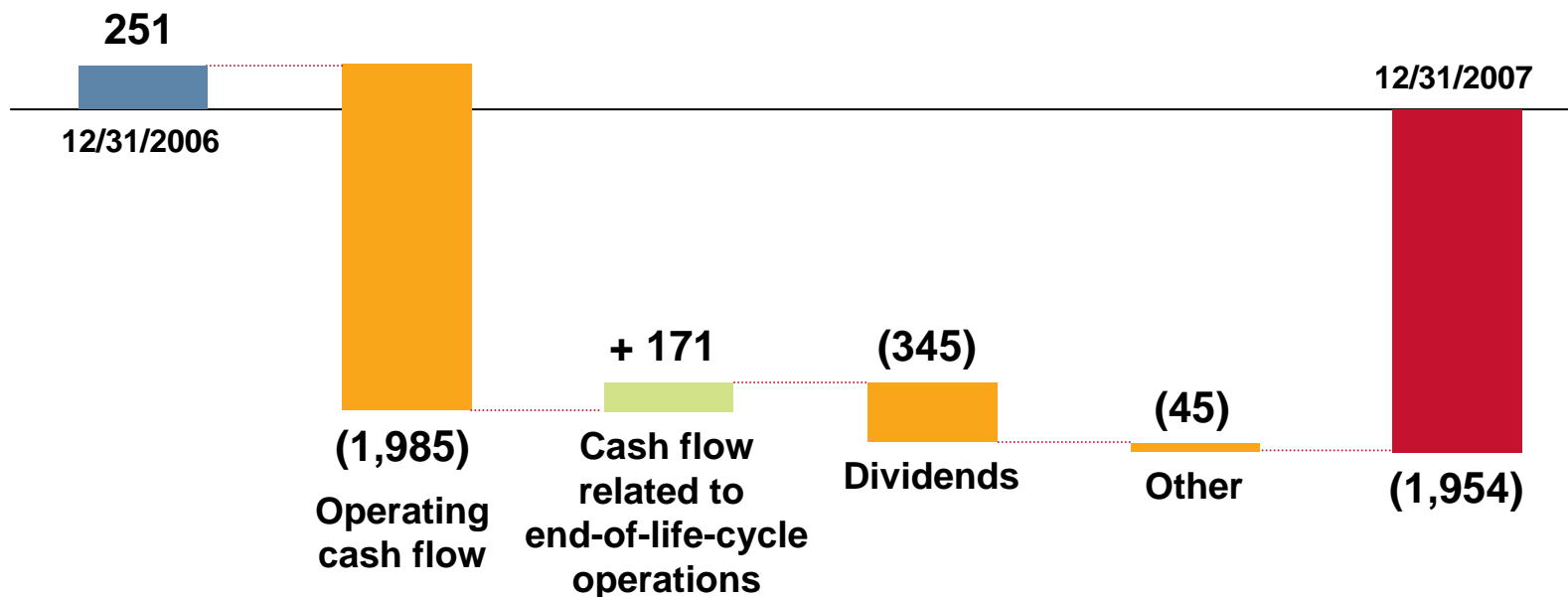
Provisions

■ Third party share

■ AREVA share

Net debt (excluding minorities' put options)

In millions of euros

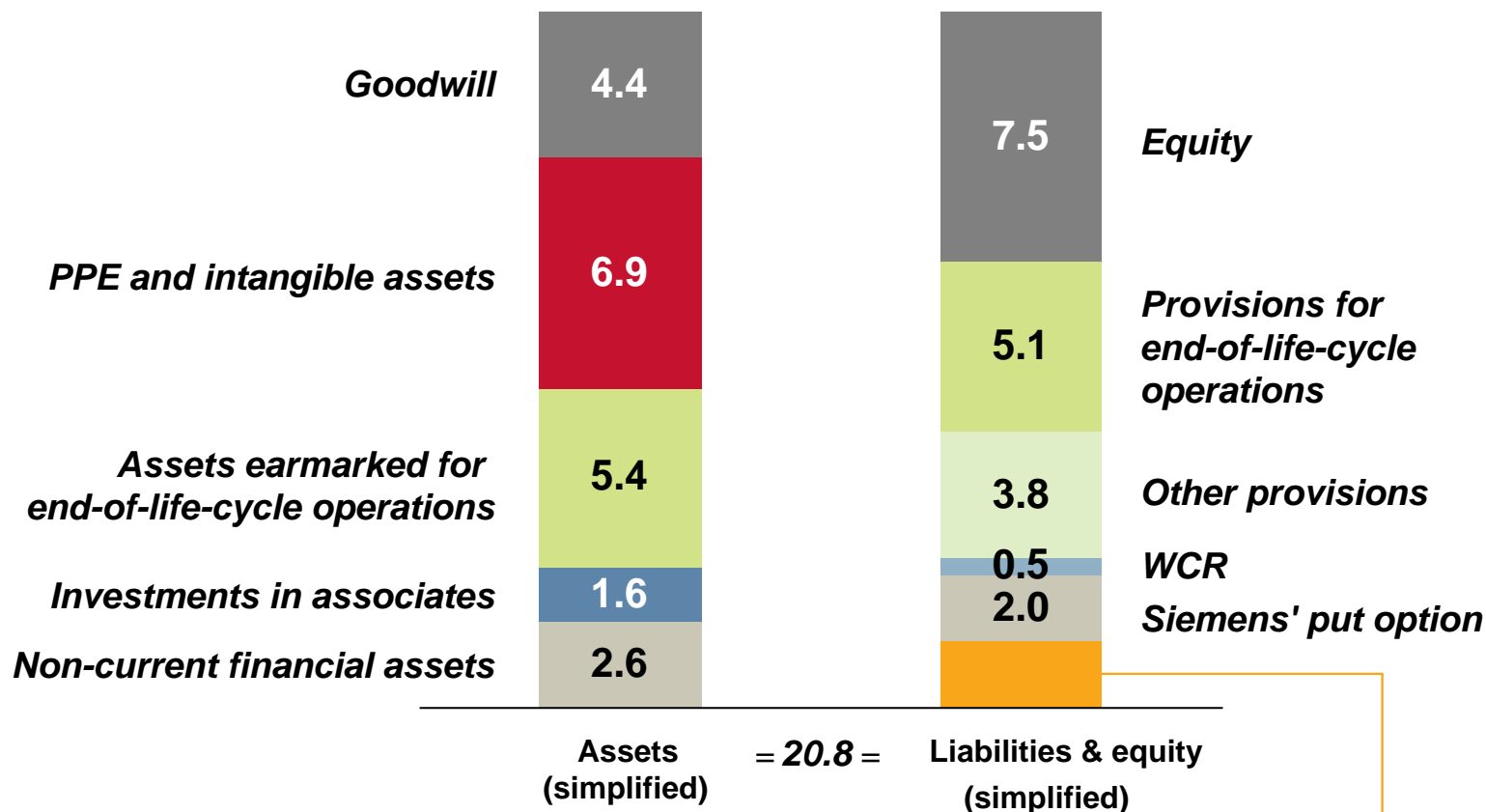


- ▶ Debt-equity ratio: 26.2% (excluding minorities' put options)
- ▶ FFO*/Net debt**: 71%
- ▶ Net debt** / EBITDA: 1.5
- ▶ Siemens' put option: €2.049 billion (€1.117 billion in 2006)

* Funds From Operations: EBITDA – Cash out tax +/- Financial result cash + Dividends from associates
 ** Net debt excl. minorities' put options

Simplified balance sheet at December 31, 2007

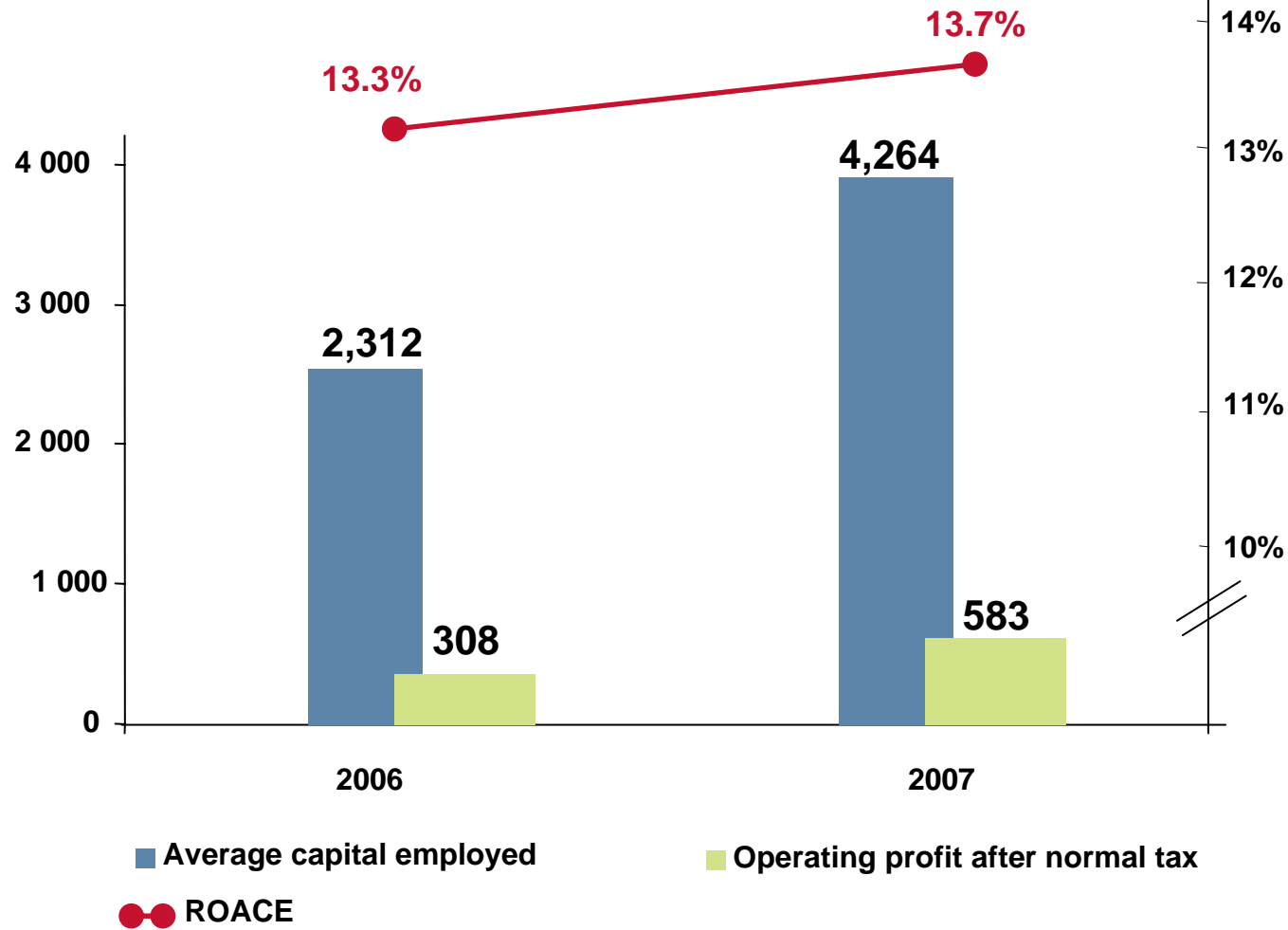
In billions of euros



Net debt excluding value of Siemens' put option* : €1.954 billion

(*) Net cash excluding put options = cash + cash equivalents + current account assets – borrowings including interest bearing advances

In millions of euros



¹ See definition in Appendix 7

Overall performance
Business environment
AREVA's strategy
Performance by division
2007 financial performance

Outlook

Anne Lauvergeon – CEO

2008

- ▶ **A strong increase in sales revenue and backlog**
- ▶ **Increased operating income**
- ▶ **Continuation of AREVA's capital investment program**

By the end of the current strategic plan (2012)

- ▶ **Consolidated sales revenue > €20 billion**
- ▶ **Double-digit operating margin**
- ▶ **Free cash flow once again significantly positive**