





AREVA: Global leader in low-carbon power generation

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Chief Executive Officer

Cheuvreux Autumn Conference – September 27th, 2011



Agenda

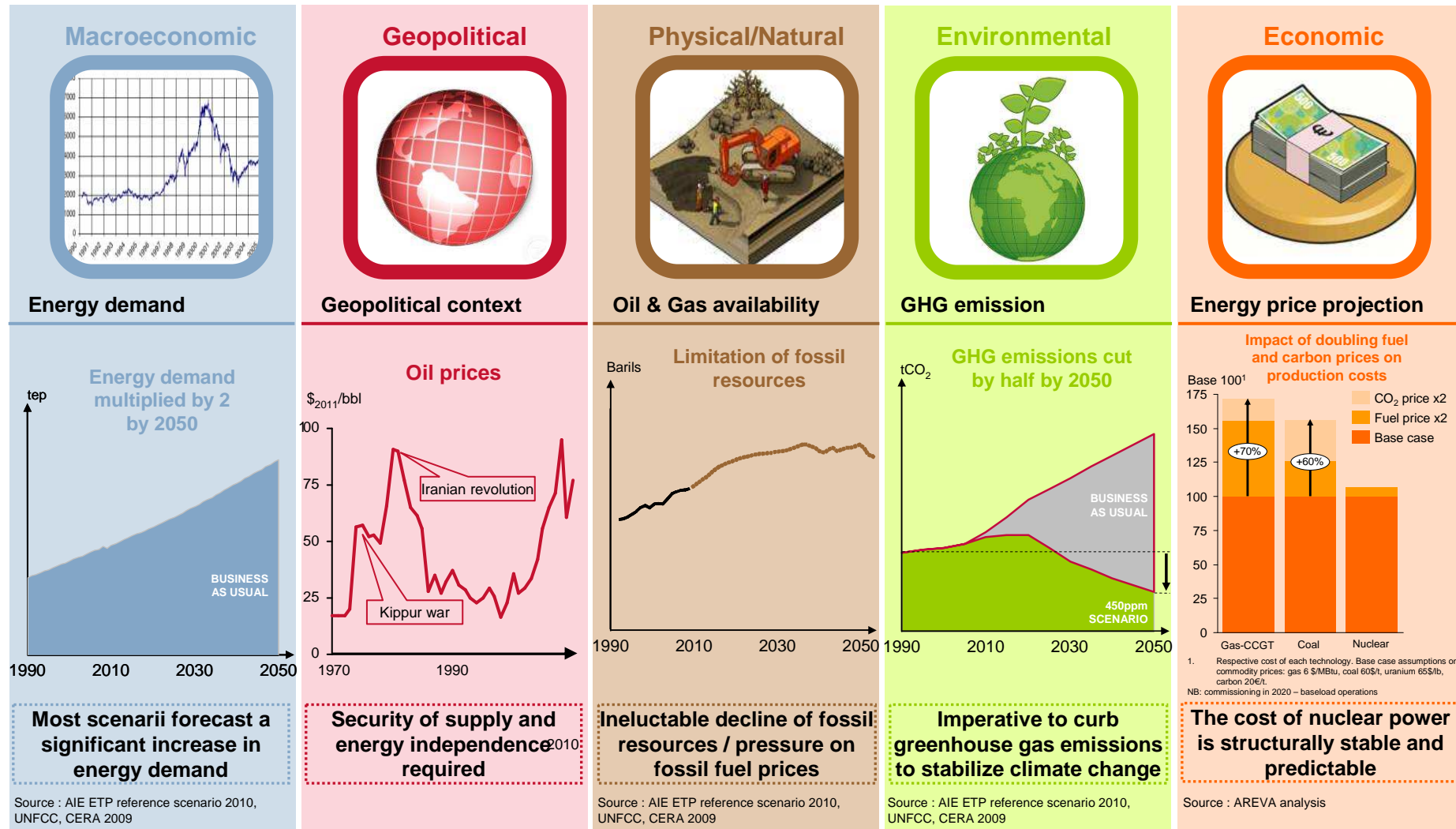


- ▶ **Group positioning and strategic objectives**

- ▶ 2011 first half highlights

- ▶ 2011 end-of-year priorities and objectives

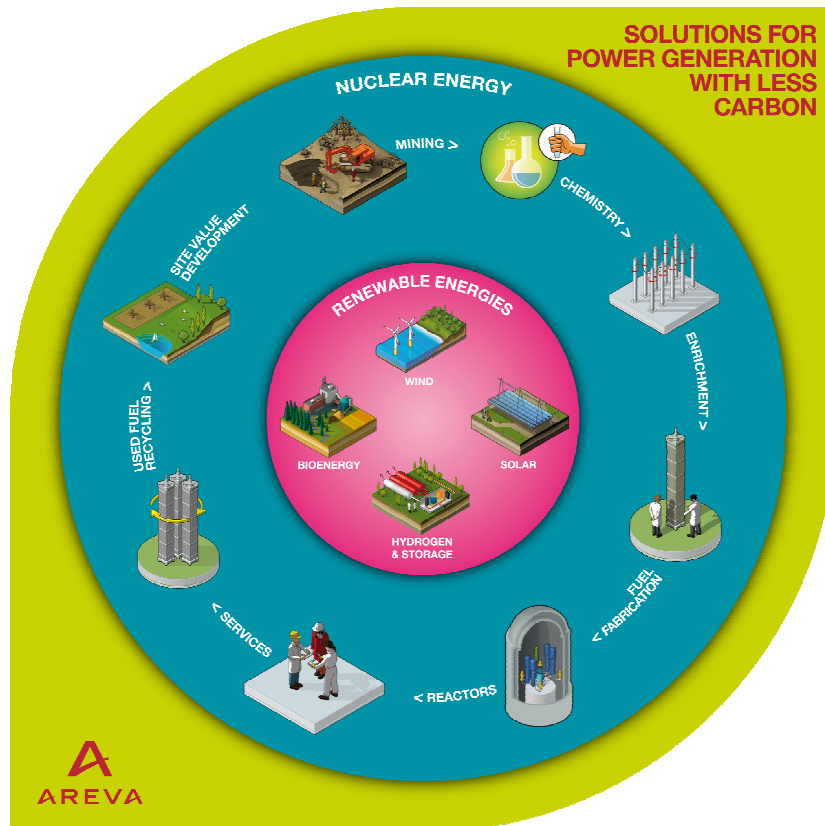
Challenges for world energy sector



AREVA is a global leader in low-carbon power generation

AREVA's portfolio of solutions for power generation with less carbon...

...creating value thanks to strong synergies



Commercial

- ▶ Leveraging established relations with utilities across the world
- ▶ Securing access to front-end resources and recycling for nuclear plant customers
- ▶ Proposing a **global answer** to the CO₂ challenges of customers

Technology

- ▶ Sharing engineering competences and know-how
- ▶ **Visibility over R&D challenges** for the whole nuclear value chain, a key enabler for **staying ahead in the technological race**
- ▶ **R&D and engineering synergies** between nuclear and renewable

Competency

- ▶ **Attracting and retaining talents** thanks to enhanced visibility and reputation

Cost

- ▶ **Developing nuclear supplier base** and increasing negotiation power
- ▶ **Mutualising go-to-market costs**

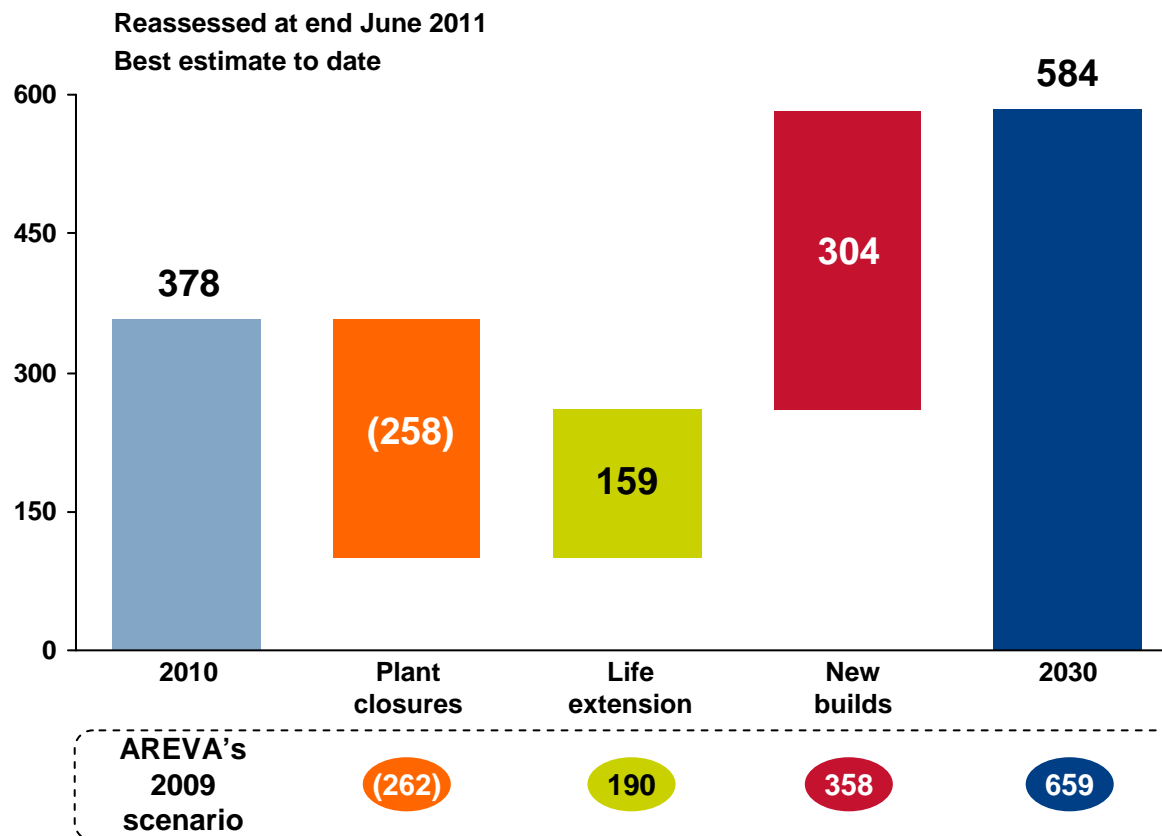
Financial

- ▶ **Smoothing activity** with a portfolio of business with different cycles

Nuclear market: installed capacity expected to grow 50% by 2030



AREVA's nuclear market scenario (in GWe)



- ▶ The Fukushima-Daiichi nuclear accident will slow growth in nuclear power but not reverse it, according to the latest projections by the IAEA (September 22nd, 2011)
- ▶ On September 22nd, 2011, IAEA Chairman Yukiya Amano said: *"The continued growth in both the low and high projections suggests that the factors that contributed to increasing interest in nuclear power before the Fukushima Daiichi accident have not changed: these include increasing global demand for energy as well as concerns about climate change, volatile fossil fuel prices and security of energy supply"*

» AREVA's business model allows it to capture market opportunities in all of these segments

AREVA's integrated model on nuclear market followed by major competitors



		AREVA	Cameco	KAZATOMPROM	Urenco	USEC A Global Energy Company	ATOM ENERGO PROM	GE HITACHI	TOSHIBA	KEPCO	MITSUBISHI HEAVY INDUSTRIES, LTD.
Front-End	Mining / Natural Uranium	●	●	●			●	○	○	○	○
	Conversion / Chemistry	●	●	○		●	●	○	○	○	○
	Enrichment	●	○	○	●	●	●	○	○	○	○
	Natural Uranium fuel	●	●	○			●	●	●		●
Reactors and Services		●					●	●	●	●	●
Back-End	Treatment	●					●				
	Recycling	●							○		



Presence

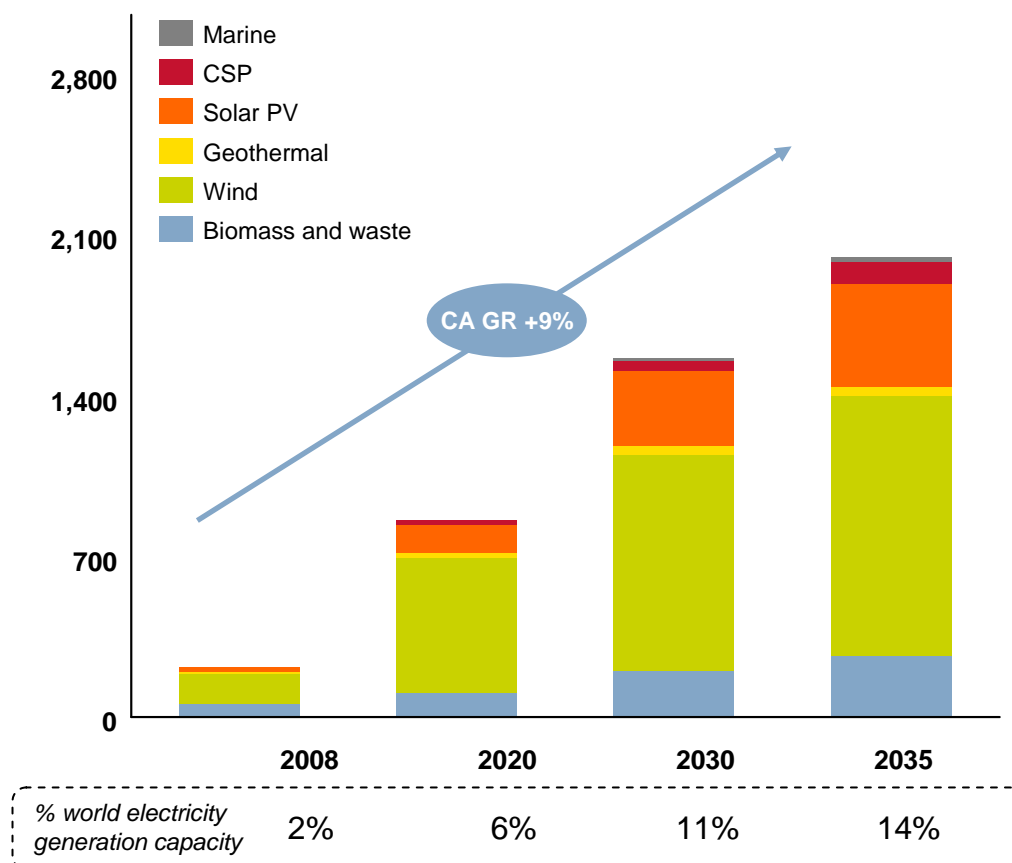


Recent move

Renewable market: strong growth expected by 2035



Installed capacity for renewable energies (in GWe)



- ▶ Increasing share of “new” renewable into the electricity generation assets worldwide lead to a significant investment level to be captured in the renewable industry
- ▶ A market of \$₂₀₀₉ 175bn p.a. average of new capacity asset finance between 2010 and 2035
- ▶ Strong growth expected in off-shore wind and solar CSP
- ▶ On-shore wind remains the most important renewable energy



Renewable activities offer substantial growth potential

Source : WEO 2010 (New Policies Scenario)

AREVA's positioning on renewable market: selected growing activities



Activity

Competitive positioning

Ongoing contracts



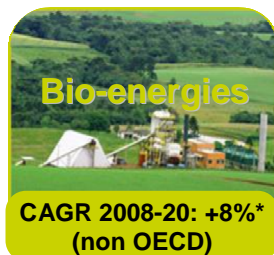
- ▶ Most powerful turbine in operation (5MWe)
- ▶ 14% market share 2009-10 orders
- ▶ Leader on high rated wind turbine
- ▶ Bankability milestone reached

- ▶ Alpha Ventus (30MWe)
- ▶ GT1 (400MWe)
- ▶ Borkum West II (200MWe)



- ▶ Innovative Fresnel technology particularly adapted to desert areas
- ▶ 10-15% lower electricity cost than parabolic trough technology

- ▶ Kogan Creek (44MWe extension)
- ▶ Liddell (3MWe)
- ▶ Kimberlina (5MWe)
- ▶ Flagship (250MWe)**



- ▶ Global leader with about 100 plants operating in the world
- ▶ Leader in Brazil with an installed base close to 2.5GWe (bagasse)

- ▶ Coriance (12MWe)
- ▶ Bertin (380MWe)
- ▶ Koblitz (330MWe modernization)

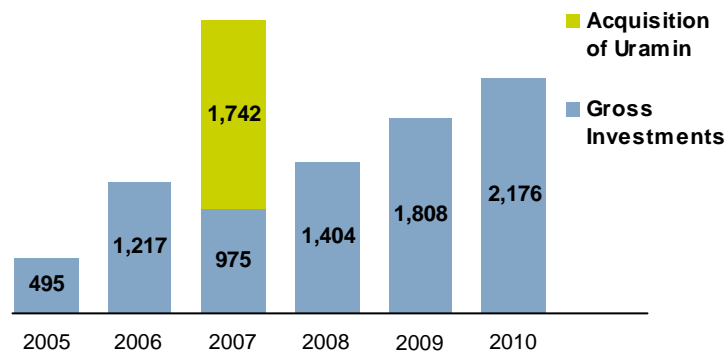
* Source: WEO 2010 ("New Policies Scenario") – Installed base (GW)

** Exclusive negotiations, not recorded in backlog as of June 30, 2011

Strong investment effort achieved to enhance leadership and sustain future growth

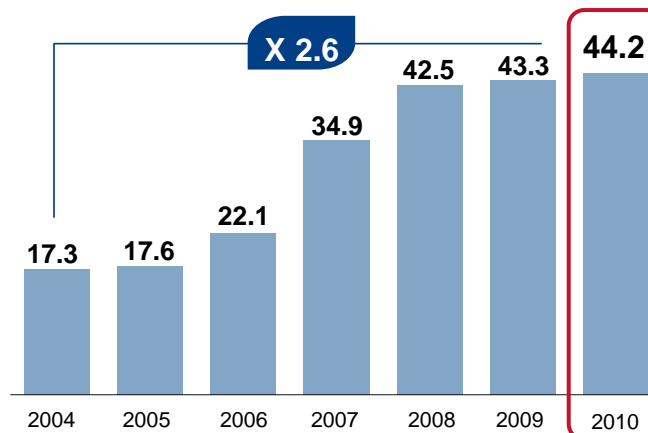


Gross Investments (€M)

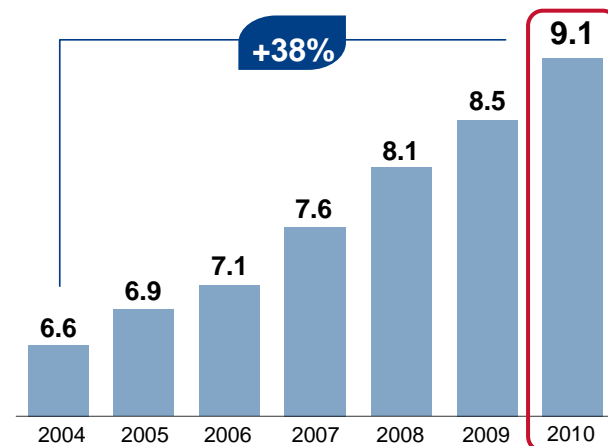


- Renewal of the industrial tool
- Development of production capacities
- Capitalization on the last available technologies
- Promotion of highest safety and security standards

Backlog (€Bn)



Revenue (€Bn)



AREVA offers visibility but also has growth / performance improvement opportunities



Visibility

Growth potential areas

Performance improvement levers

Backlog at end June '11 in €Bn
and multiple of 2010 revenues



€27.7Bn
> 7 x

- ▶ Growth in worldwide installed capacity to be fuelled: +2.2% on average per annum by 2030

- ▶ Optimization of average mining production cost
- ▶ Increase of AREVA's uranium ASP
- ▶ Transition to more cost-efficient technologies in Conversion and Enrichment



€7.3Bn
~2 x

- ▶ New build opportunities: AREVA's Gen III+ reactor range meets market needs
- ▶ Growth in worldwide installed capacity to be served (IB services, equipment)
- ▶ Nuclear plan upgrades following safety checks

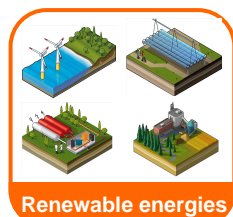
- ▶ Decreasing dilutive effect of first-of-a-kind EPR™ projects
- ▶ Positive effect of lessons learnt on EPR™ cost base for future projects



€6.1Bn
~4 x

- ▶ Major opportunities to be seized in international projects
- ▶ Proven know-how and worldwide leadership in Recycling
- ▶ Additional opportunities on dismantling market

- ▶ Strong performance robustness
- ▶ Strong accretive effect from any additional recycling volumes



€1.8Bn
~12 x

- ▶ Development of offshore Wind installed base in Europe
- ▶ Several countries willing to rebalance their energy mix towards more renewable

- ▶ Expected benefits from production ramp-up in Wind / Solar

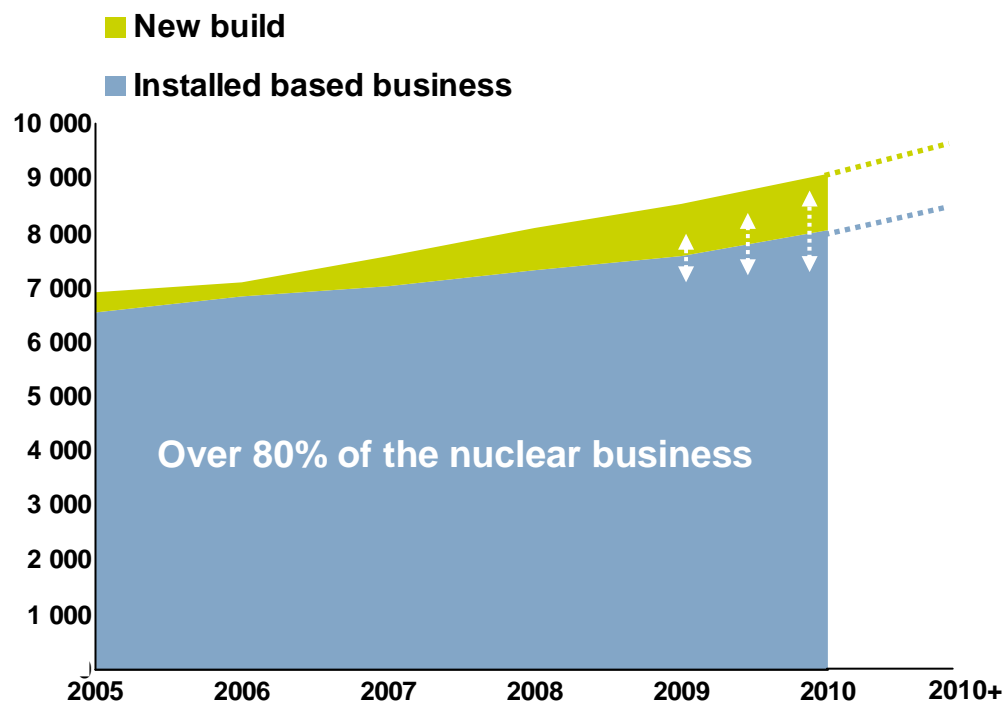


AREVA benefits from a resilient business model



Installed base business model ensuring strong cash-flow generation

Installed base revenue vs. new builds (€M)



- ▶ Over 80% of the group's revenue is recurring
- ▶ 95% of nuclear utilities are AREVA's customers
- ▶ Visibility (backlog) and recurring cash flow

Source: AREVA strategic plan

Content



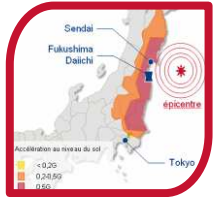
▶ Group positioning and strategic objectives

▶ **2011 first half highlights**

▶ 2011 end-of-year priorities and objectives



Market highlights: Fukushima accident



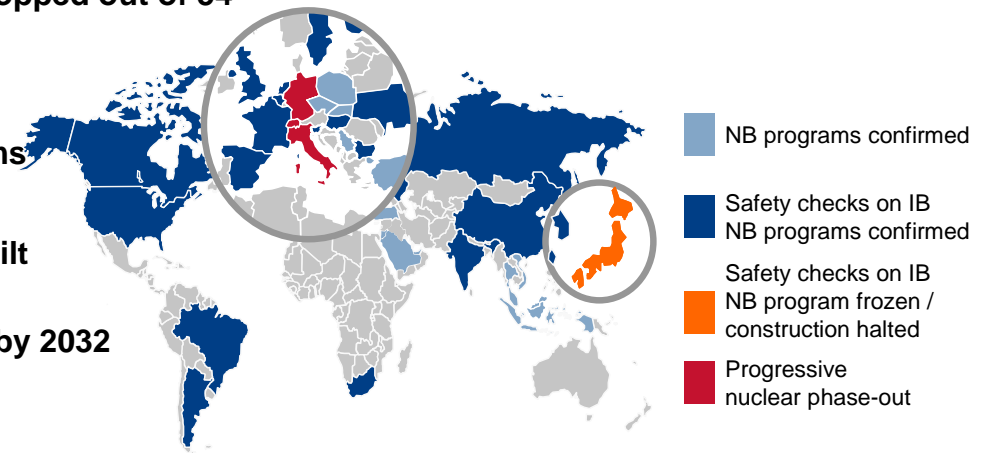
March 11th, 2011 : Japan has been stricken by an earthquake and the tsunami that followed

► Consequences on the Japanese nuclear fleet

- Automatic shut down of 14 reactors following earthquake (including 6 Fukushima Daiichi reactors)
- 13 reactors were in outage phase or extended break at the time of the accident, 10 more have entered programmed outage phase since then
- Status of the Japanese nuclear fleet: 36 reactors stopped out of 54

► Immediate government reactions

- Most governments confirmed their nuclear programs
- Safety checks were announced in most countries
- Decision from Germany to shut down 8 reactors built before 1980 and to phase out nuclear by 2022
- Switzerland's announcement of nuclear phase out by 2032
- Italian referendum cancelling new build program



► Increasing needs for solutions based on safety, security and transparency



AREVA's positioning reinforced in the post Fukushima context

Group highlights: major operations



Valuation of Siemens' share

- ▶ Since the publication of the 2008 annual results, AREVA's debt towards Siemens had been maintained to its 2007 value, i.e €2,049M (plus accrued interests)
- ▶ Siemens' share valued at €1,620M (as of the first quarter of 2009)
- ▶ Arbitration on the respect of the shareholders' agreement and payment by Siemens of a €648M penalty

>> Net debt reduction by €1.082M

Disposal of stake in STMicroelectronics

- ▶ On March 30th, AREVA's indirect 10.9% equity interest in STMicroelectronics was sold to the Fonds stratégique d'investissement (FSI, the strategic investment fund)

>> +€696M cash in

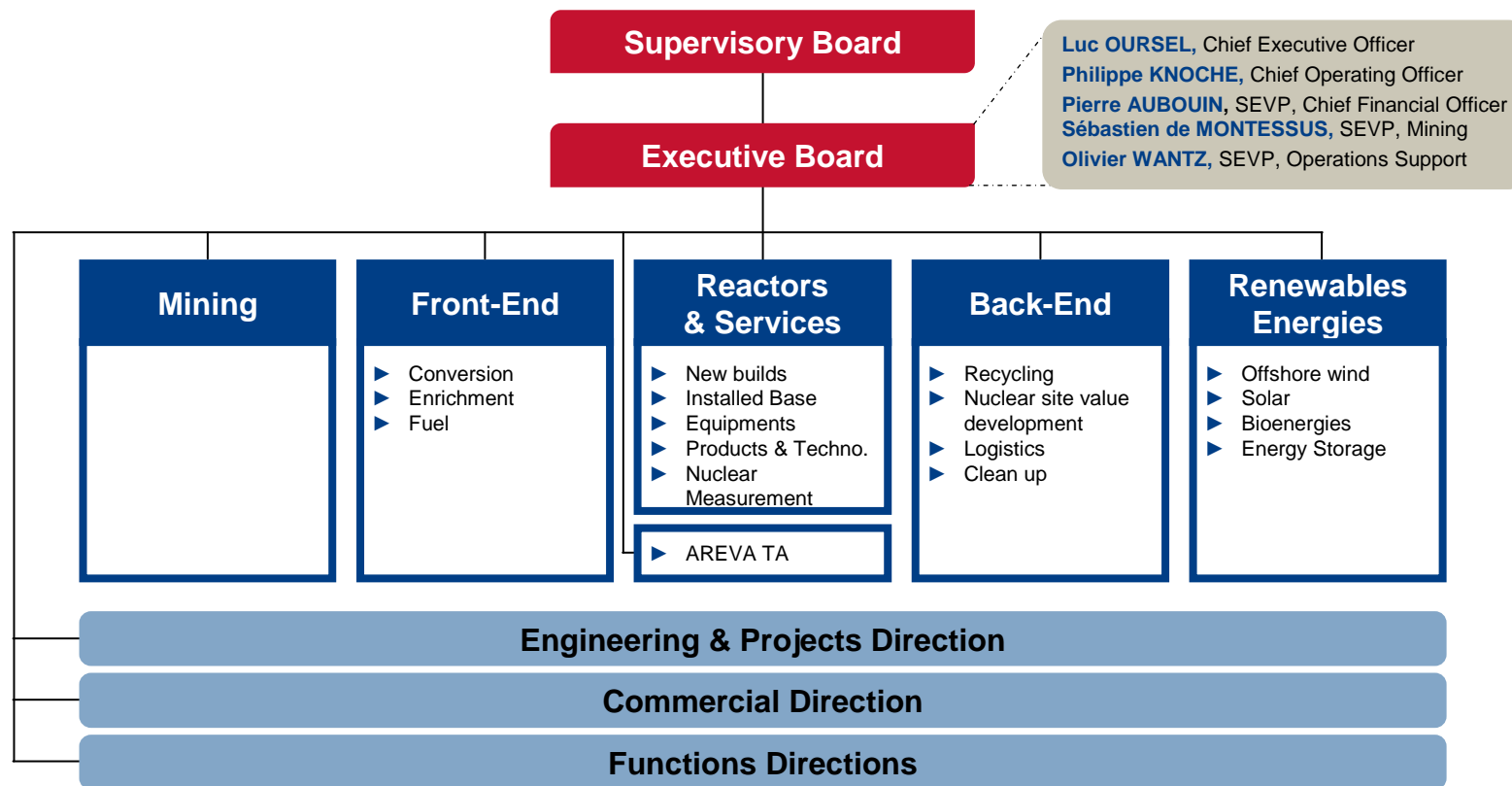
Listing of AREVA's ordinary shares

- ▶ First trading on May 30th, 2011
- ▶ All AREVA's capital is now composed of ordinary shares

>> Capital 383,204,852 shares

Group highlights: organization (1/2)

- ▶ AREVA governance: nomination of AREVA's new Executive Board on June 30th, 2011
 - ▶ January 2010 organization remains unchanged



Group highlights: organization (2/2)



The Executive Board will work as a college with associated Directors...

Executive Board Meetings

Luc OURSEL, Chief Executive Officer

Philippe KNOCHE, Chief Operating Officer

Pierre AUBOUIN, SEVP, Chief Financial Officer

Sébastien de MONTESSUS, SEVP, Mining

Olivier WANTZ, SEVP, Operations Support

Arnaud de BOURAYNE, SEVP, Executives Career & Organisation

Pierre CHARRETON, Chief Administrative Officer,
Group General Counsel

Benjamin FREMAUX, SEVP, Strategy and M&A,
Secretary to the Executive Board

Michel-H. JAMARD, SEVP, Communications

Ruben LAZO, SEVP Chief Commercial Officer

Philippe VIVIEN, SEVP, Human Resources

... and will rely on specialized committees with large level of delegation

Operations Committee

Major Offers Committee

Major Projects Committee

Human Resources Committee



A renewed Executive Board, collegiate and close to operations

Content



- ▶ Group positioning and strategic objectives
- ▶ 2011 first half highlights
- ▶ **2011 end-of-year priorities and objectives**

2011 end-of-year priorities



Assessment of mid to long-term consequences of Fukushima

- ▶ Ongoing process concerning all nuclear cycle activities and renewable
- ▶ Conclusions will be integrated in the strategic actions plan to be finalized by Dec 2011
- ▶ Consequences will be taken into account for:
 - ◆ Activity forecast
 - ◆ Sizing of group's industrial and commercial organization
 - ◆ Valuation of tangible and intangible assets at end 2011
- ▶ In this context the value of some assets appear as particularly sensitive to price and activity assumptions that will be used:
 - ◆ Mining-project-related tangible and intangible assets (€3.5Bn total value incl. €2.5Bn allocated to projects not yet in production)
 - ◆ Capitalized development costs associated to Gen III+ reactor and installations that depend mostly upon new build projects (total amount: €750M)
 - ◆ To a lesser extent, industrial installations dedicated to supply products and services to operating fleets
- ▶ On the basis of new multiyear forecasts from strategic actions plan, those assets will be tested at end 2011

Management priorities

- ▶ Rely on core technologies and competences to provide customers with efficient solutions to implement lessons learnt from Fukushima
- ▶ Reinforce focus on operational performance and cash monitoring

Q&A



