

AREVA: Global leader in low-carbon power generation

Premium Review – Société Générale

Paris, November 29th, 2012



Agenda

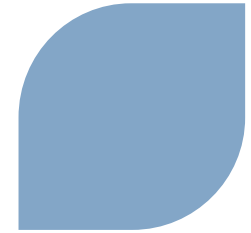


- ▶ **AREVA overview**

- ▶ Strategy & performance

- ▶ Financial Outlook

Energy market: continued growth announced



Macroeconomics

Energy demand: **x2 by 2050**

Geopolitics

Energy **independence** and **security** of supply imperative

Resources

Increasing **difficulties in extracting resources** leading to higher **prices**

Environment

GHG emissions reduction goal of **50% by 2050**

Economics

Need of mastered, stable and predictable **energy costs**

WEO 2012
2010 – 2035
New Policies Scenario

Demand in
nuclear energy*

**+1.9%
/ year**

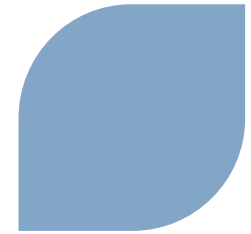
Demand in
renewable
energies*

+2.5%
/ year**

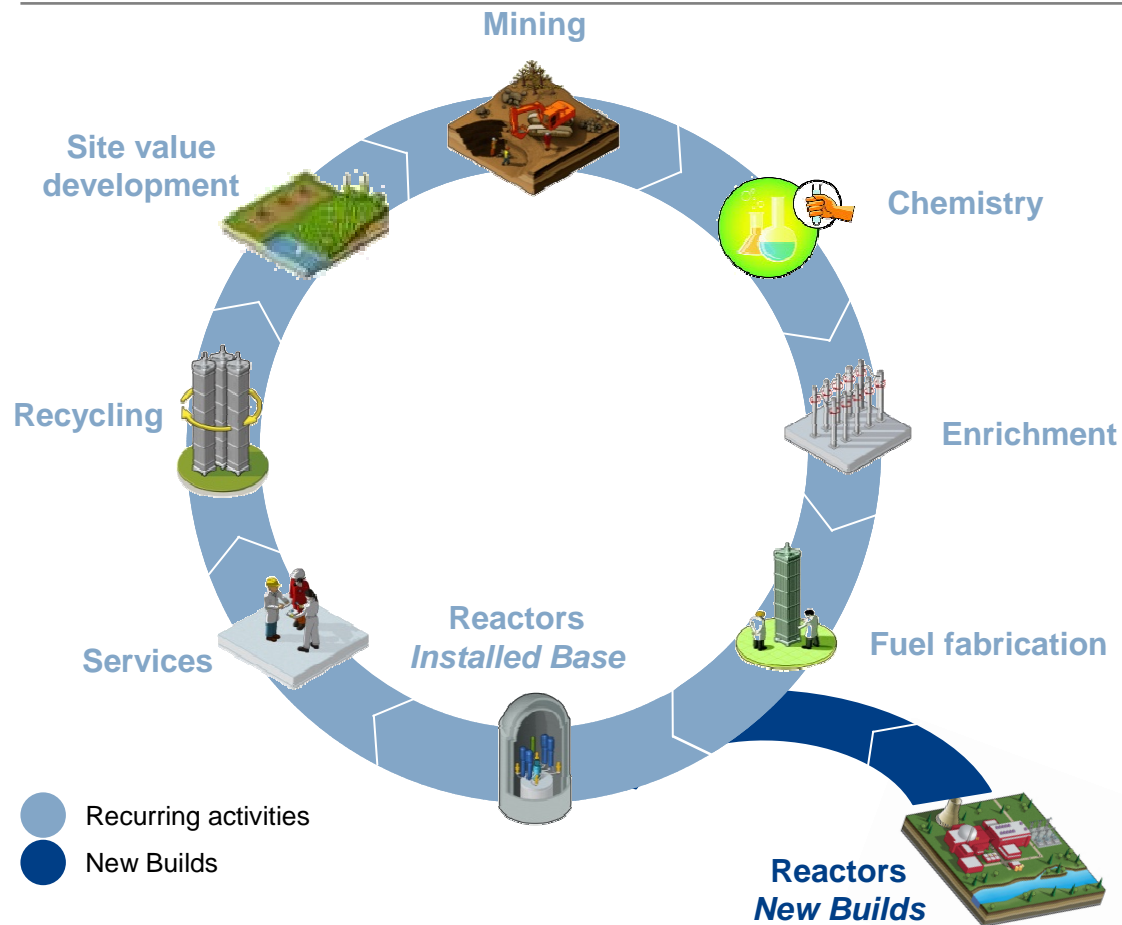
* Billions of toe

** Including hydraulic energy

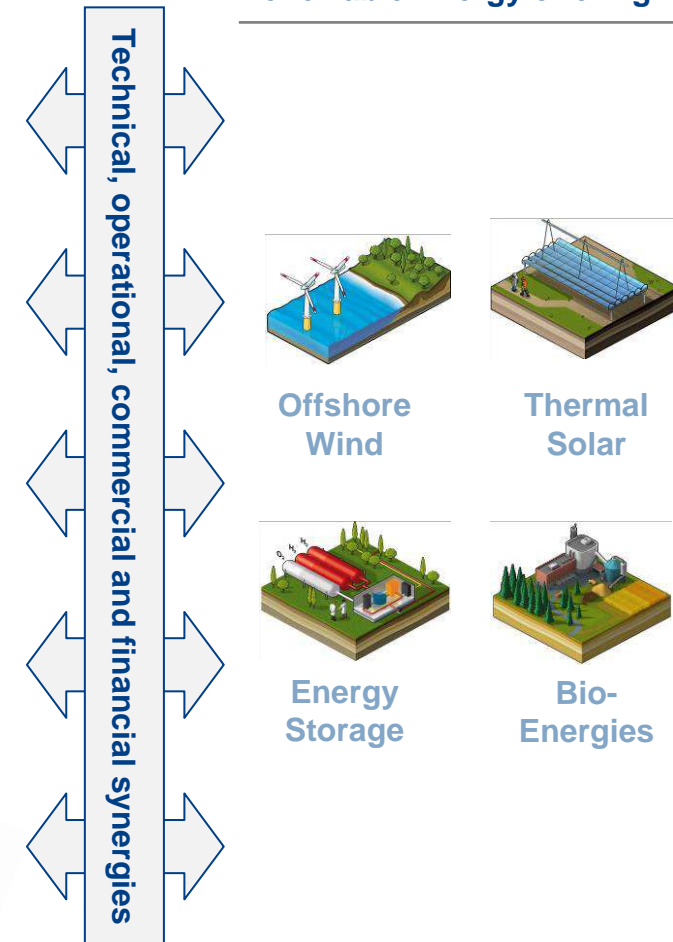
Leader in low-carbon power generation



Nuclear Energy value chain



Renewable Energy offering

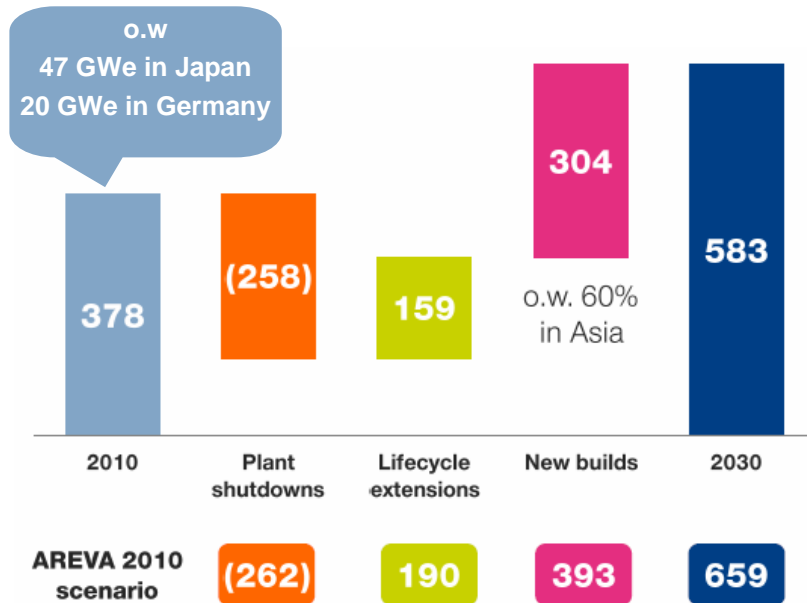


> 80% of group revenues come from recurring activities

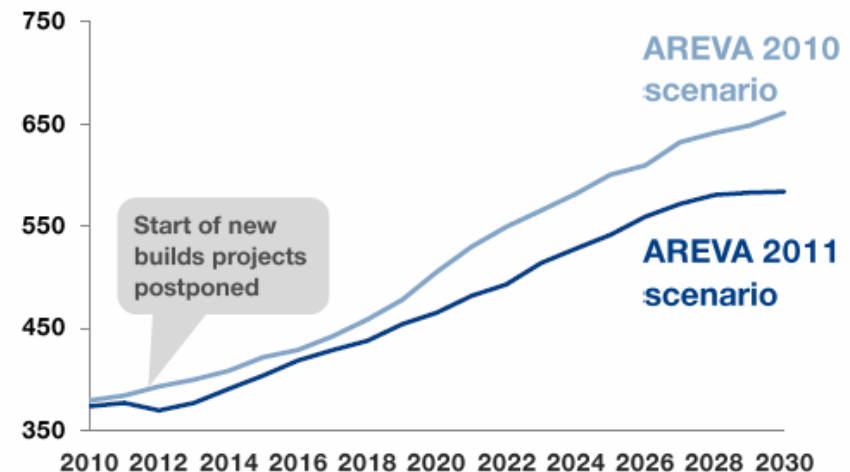
Nuclear scenario: differed but confirmed growth

AREVA 2011 scenario (GWe)

Reassessed at end-June 2011



Change in global installed base (GWe)

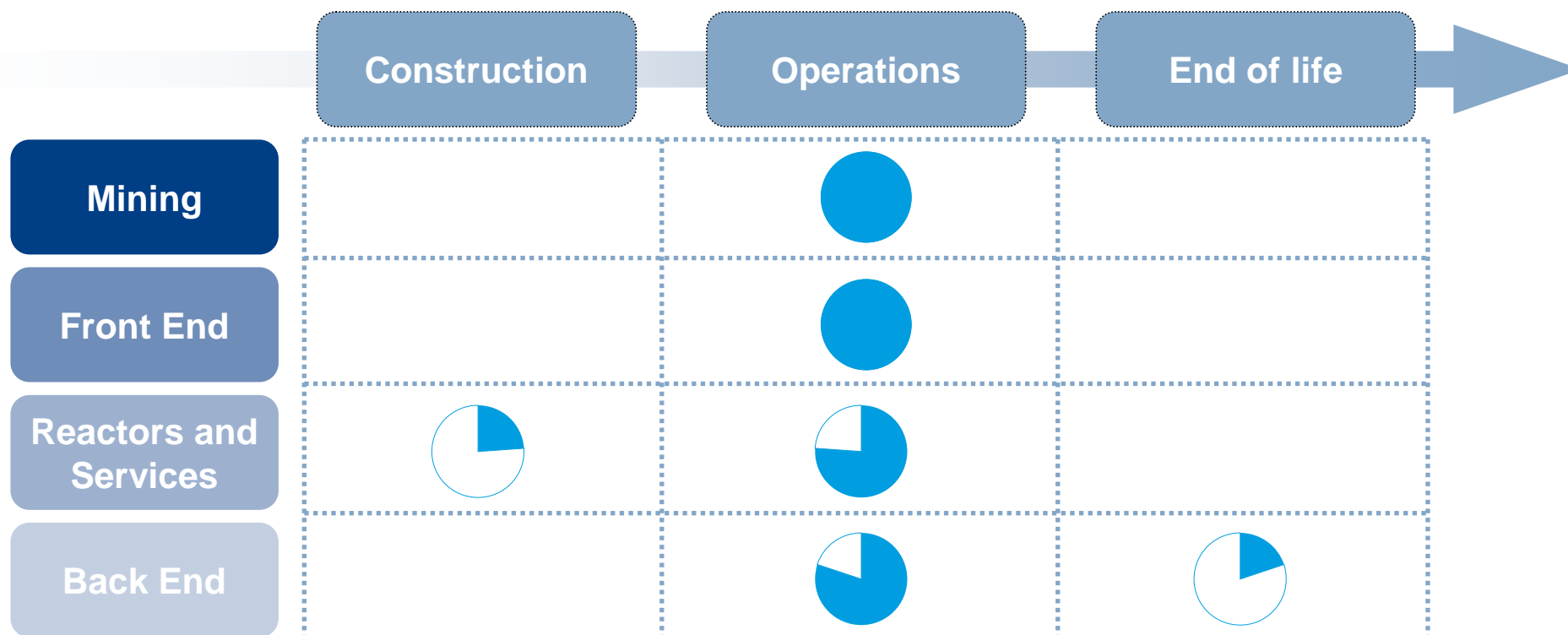


AREVA's business model allows it to capture market opportunities in all segments

AREVA is present on the full nuclear value chain

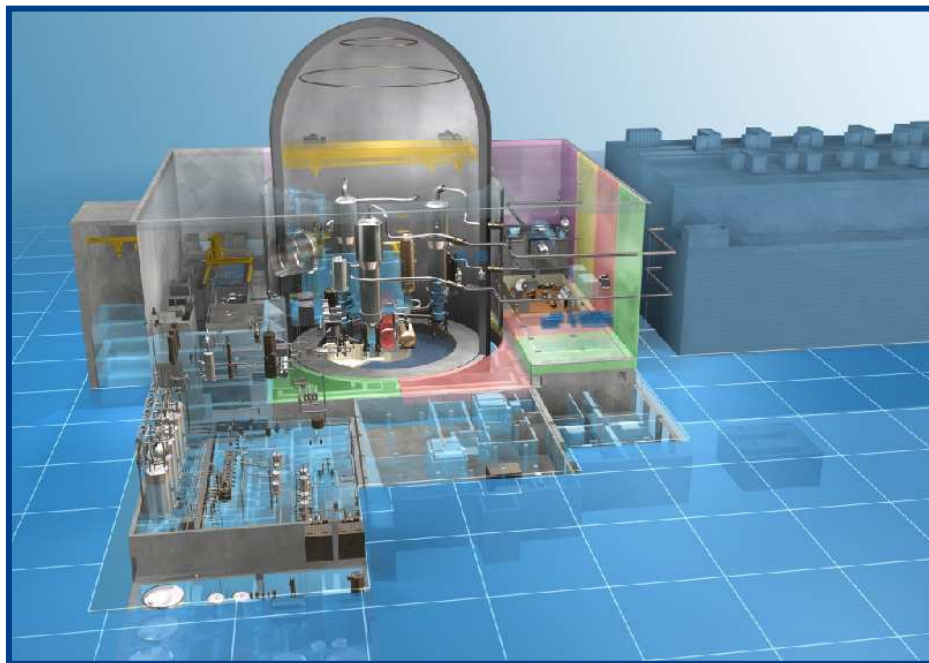


Nuclear Reactor lifecycle



AREVA covers all phases of nuclear reactors' lifecycle

AREVA benefits from strong competitive edge in new constructions



A competitive value proposition

- ▶ **Highest safety standards**
 - ◆ Air plane crash protection
 - ◆ Core meltdown protection systems
 - ◆ Avoidance of nuclear materials discharge
 - ◆ Resistance to earthquakes and flooding
- ▶ **Amongst lowest levelized cost of electricity**
 - ◆ Investment cost per MW close to other technologies in recent bids
 - ◆ Up to 25% lower operations cost
- ▶ **Excellent operational performance**
 - ◆ Optimized outage strategy with fuel cycle flexibility
 - ◆ Increased closed cycle profitability with 100% MOX compatibility
- ▶ **EPR: most advanced technology in terms of construction worldwide**



All AREVA reactors meet generation III nuclear safety criteria

AREVA is involved in major tenders for new nuclear worldwide



Ongoing negotiations (bilateral)



EDF

Hinkley Point
C-D

CGNPC

Taishan 3-4



NPCIL

Jaitapur 1-2

EDF
PPL
Duke EnergyCalvert Cliff 3
Bell Bend
Piketon

Ongoing bids



JAEC



Fennovoima

Pyhäjoki



CEZ *

Temelin 3-4



TVO

OL 4

Upcoming bids (in 3-5 years)



ESKOM



PGE



Saudi Arabia

NuGen
(GDF Suez – Iberdrola JV)

Delta



New Brunswick Power



Vattenfall



MVM



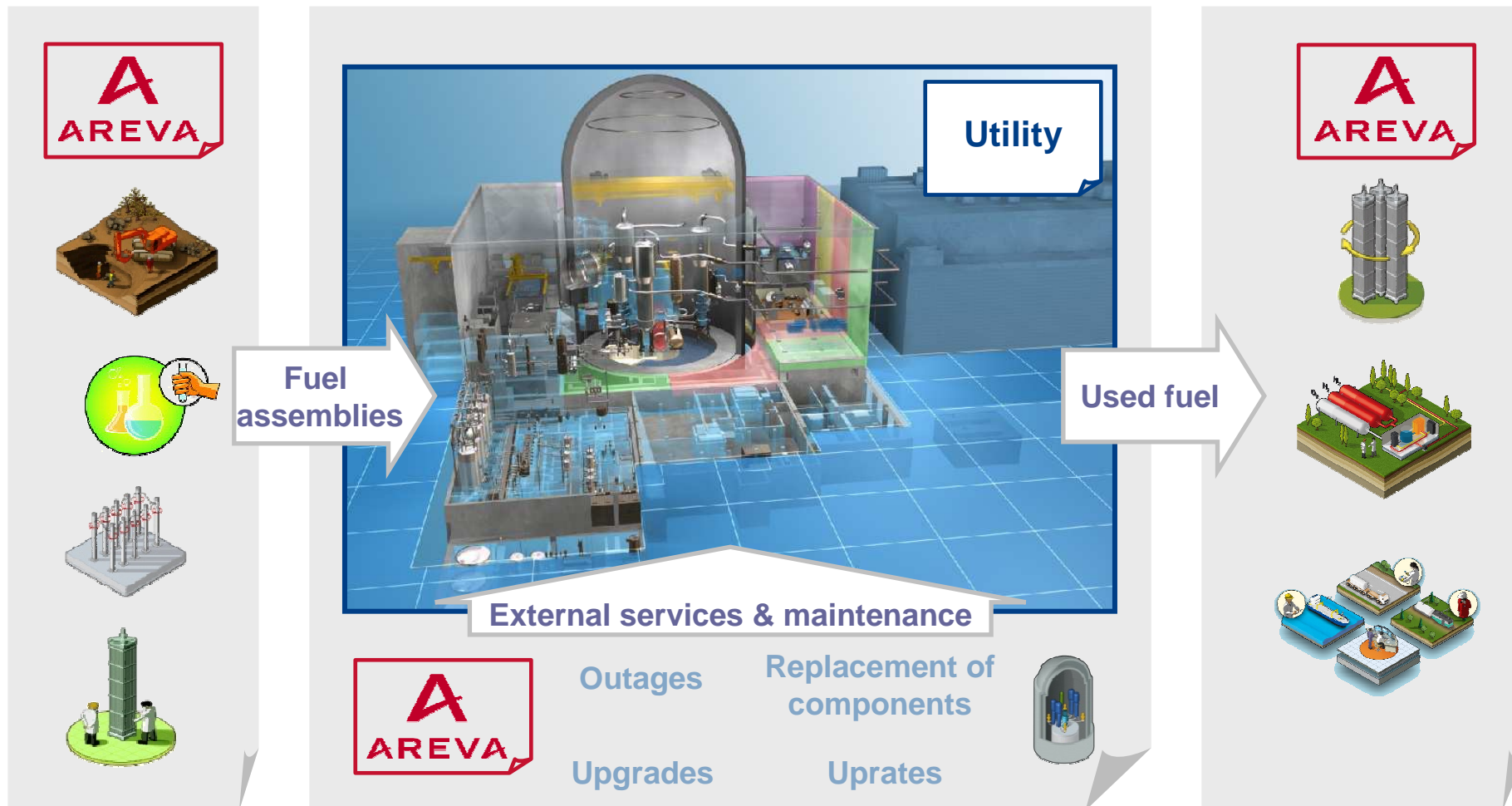
MNPC



NA-SA

* Suspended, waiting for arbitration of Czech national competition body UOHS

AREVA's recurring activities allow utilities to operate nuclear reactors



>> AREVA seizes opportunities in all segments of nuclear operations irrespective of reactors technology

95% of all nuclear utilities are AREVA customers

AREVA references:

98 reactors built

4 reactors under construction

North and South Americas

130 reactors in operation

~130 reactors served by AREVA

126 for services
100 for fuel

Europe, CIS and Africa

188 reactors in operation

~140 reactors served by AREVA

114 for services
135 for fuel

Asia

119 reactors in operation

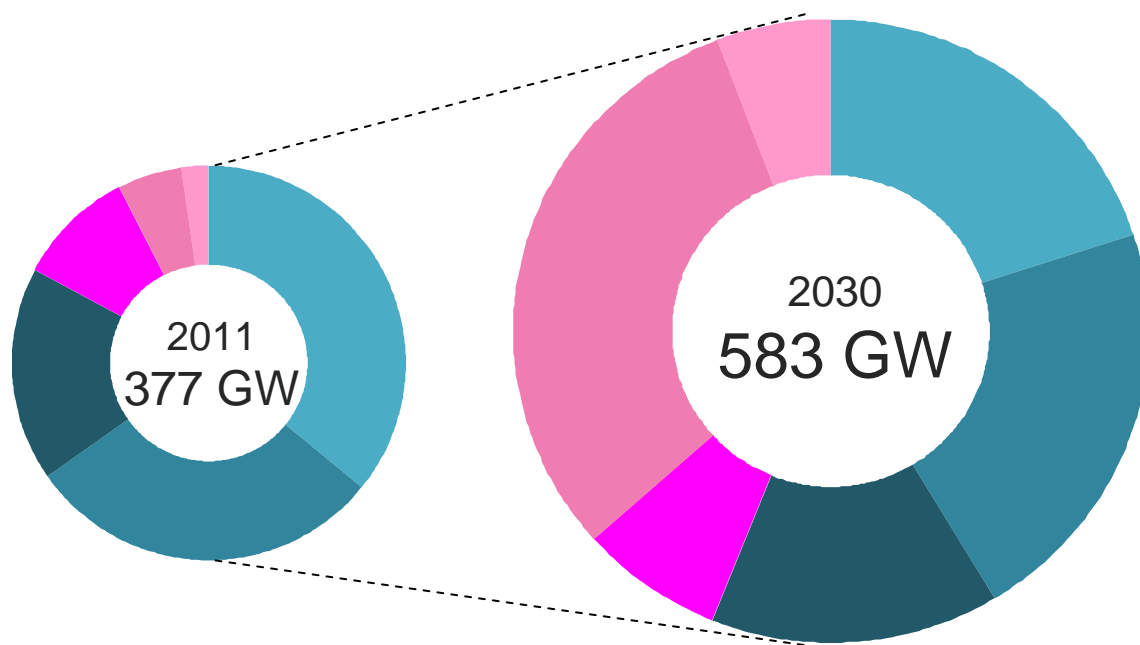
~90 reactors served by AREVA

17 for services
90 for fuel



AREVA provides products and services to 360 reactors worldwide

Forecasted growth in worldwide nuclear installed capacity

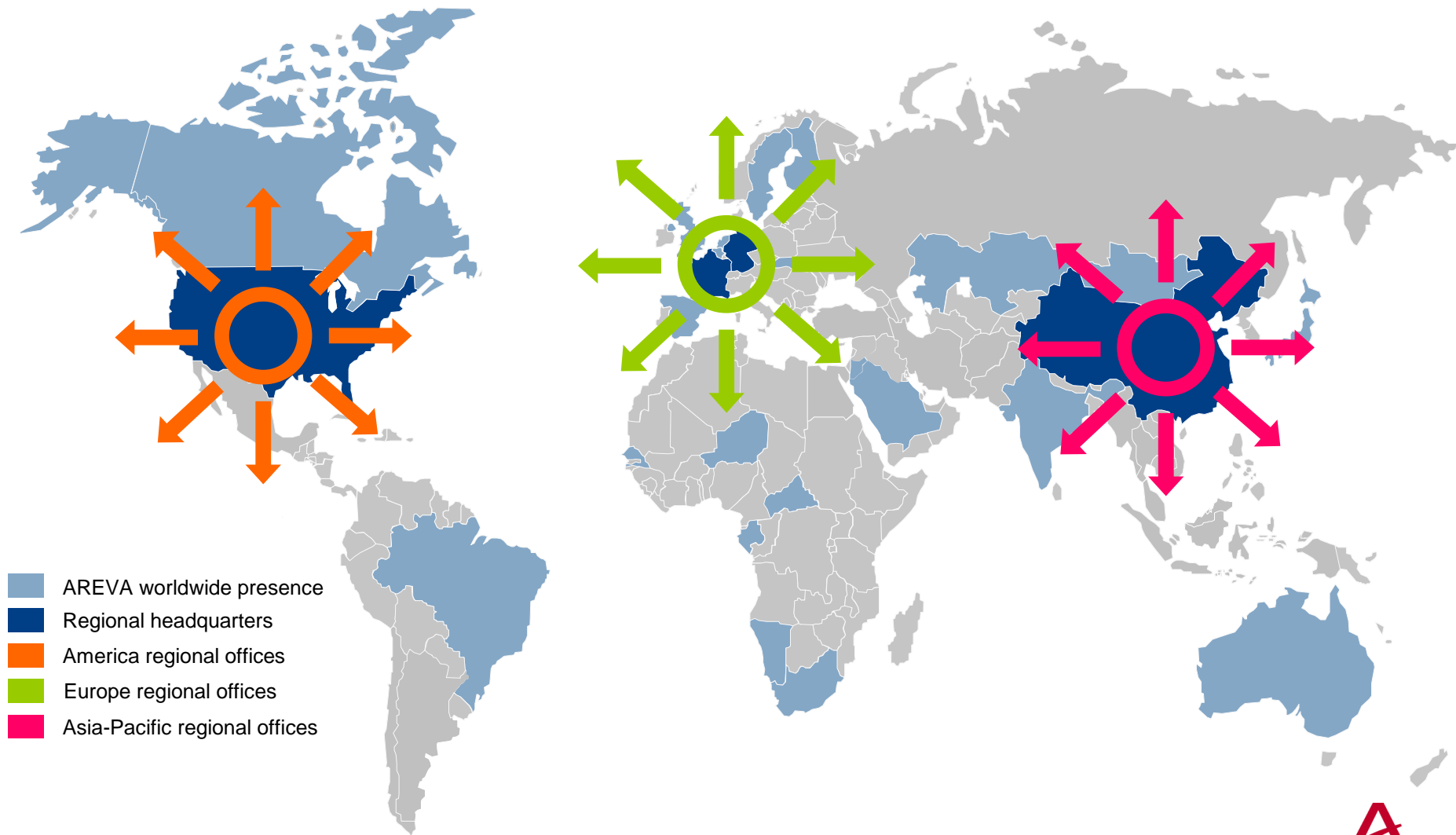
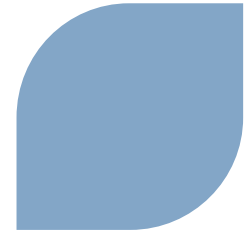


Europe	- 13%
North America	+ 11%
Japan & Korea	+ 31%
Russia & CIS	+ 19%
China (including Taiwan) & India	x 8
Rest of world	x 3

Source: AREVA 2011 scenario

>> + 54% installed base capacity by 2030 will drive market opportunities across all regions for AREVA

An organization designed to seize opportunities all over the world



Dismantling: broad expertise in managing customer projects

Reactor vessel / internals: decontamination and dismantling (D&D)



Stade, Würgassen,
Obrigheim

- ▶ Dismantling of the reactor vessel and internals
- ▶ Decontamination of primary and auxiliary circuits



Millstone, Rancho Seco,
Yankee Rowe

- ▶ Dismantling of the reactor vessel and internals

Used fuel, effluent / radioactive waste management



Fukushima

- ▶ Design and implementation of a full water treatment system



Dounreay

- ▶ Special equipment to retrieve damaged fuel in research reactor

Assistance to the project owner / Design and engineering



Creys-Superphénix

- ▶ Support to the sodium retrieval and D&D preparation

M&O (maintenance and operations) for D&D projects



Hanford

- ▶ High level waste treatment (customer: DOE)



Savannah

- ▶ Vitrification of high level waste (customer: DOE)



Marcoule

- ▶ D&D of a large fuel treatment facility (customer: CEA)



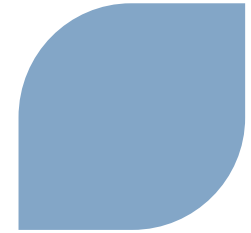
Sellafield

- ▶ Member of the site's M&O consortium



Creation of an expertise center for decommissioning and dismantling in Germany

AREVA Renewables currently operates in 4 market segments

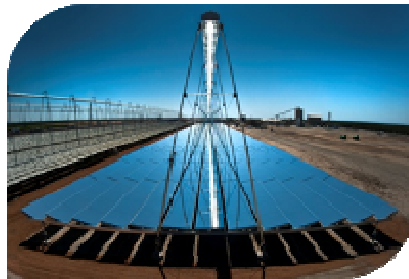


Offshore Wind



- ◆ More electricity output than onshore turbines
 - More Wind hours
 - Higher wind levels
 - Larger turbine sizes

Concentrated Solar Power



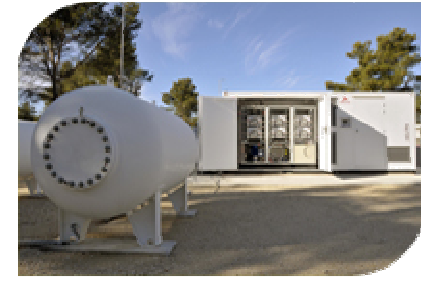
- ◆ Enables steam production for hybrid fossil/solar plants and industrial applications
- ◆ Possibility of thermal storage increasing production hours

Bioenergy



- ◆ Energy production from biomass sources
- ◆ AREVA also active in upstream biomass treatment market through its torrefaction technology

Energy Storage



- ◆ Hydrogen production through electrolysis technology
- ◆ Power production from hydrogen in fuel cells
- ◆ Other energy storage technologies considered for large-scale applications

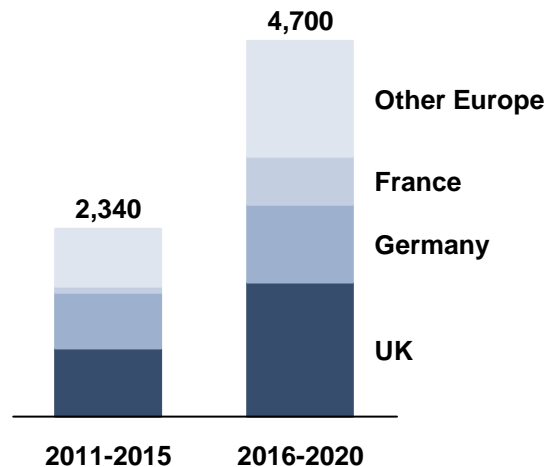
Renewable Energies market: accelerated growth expected

Estimated average annual market size in volume

Sources: IEA World Energy Outlook for CSP and Bioenergy, AREVA forecasts for Offshore Wind (WEO does not distinguish onshore/offshore)

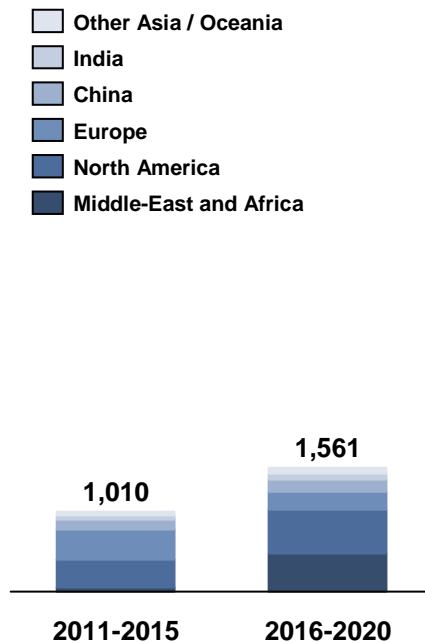
Offshore wind market (Europe)

(MW)



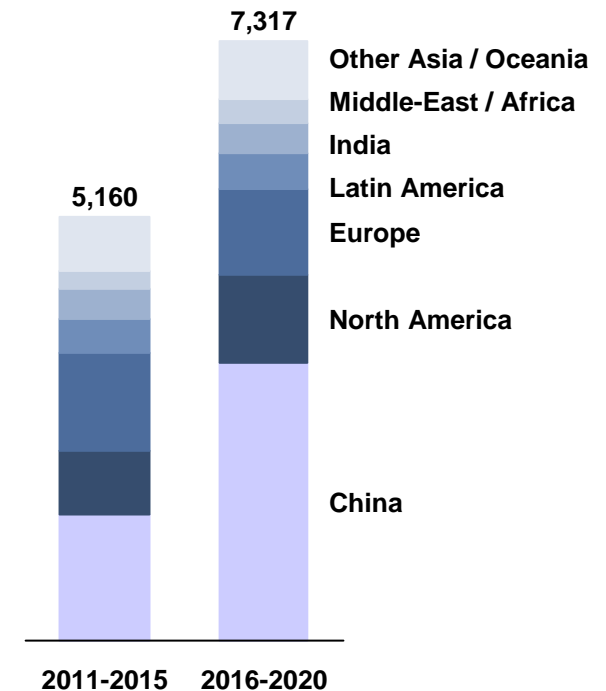
Solar CSP market (World)

(MW)



Bioenergy market (World)

(MW)



AREVA's positioning on renewable market: selected growing activities

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▶ AREVA overview

▶ **Strategy & performance**

▶ Financial Outlook

“Action 2016” Strategic Action Plan

Safety Security Transparency

Commercial priority given to value creation

- Installed Base: doubling profitability by 2016
- New Builds: becoming the reference technology

Selectivity in capital spending

- €7.7bn over the 2012-2016 period, i.e. -34% vs. 2007-2011
- Several projects on hold

Debt management

- Disposal plan > €1.2bn over the 2012-2013 period
- Fully self-financed Capex on a cumulative basis over the 2012-2016 period

Improving our performance

-€1bn on annual operating costs base and -€500m inWCR by 2015



Concrete progress in all strategic orientations

Improvement of AREVA's financial structure



Asset disposals program ahead of schedule



➤➤ **2012-2013 objective for
disposals has been reached**

Strengthening our balance sheet

- **2 bond issues:**
 - March 8, 2012: €400m bond issue (maturity: October 5, 2017)
 - March 21, 2012: €200m private placement maturing in 10 years
- **No major debt refinancing required before 2016**
- **Average debt maturity: 7 years**

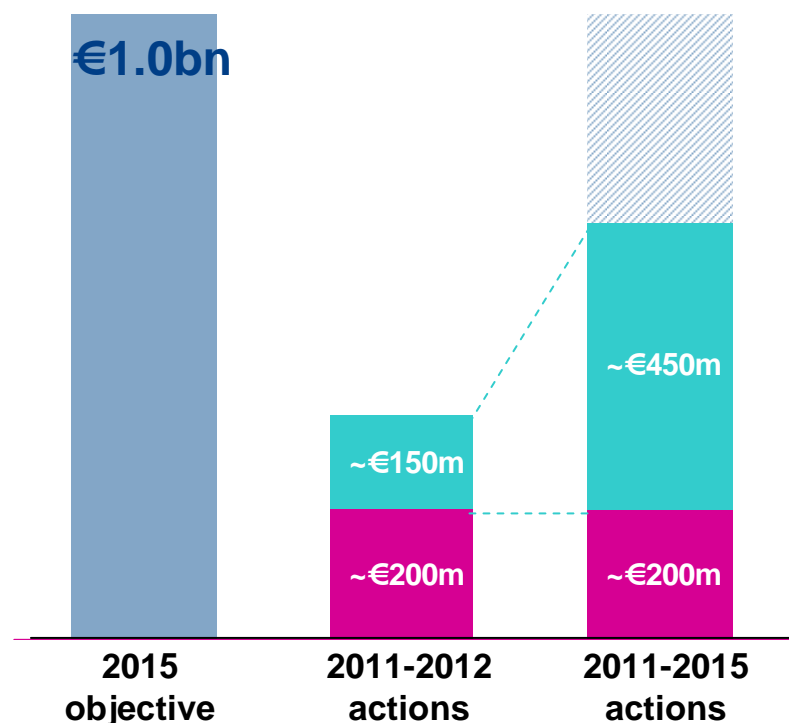
➤➤ **Liquidity: €1.9bn in net cash
available at 6/30/2012 (+€462m
vs end of 2011)**

65% of the operating cost reduction goal secured

OBJECTIVE of improving performance
€1bn reduction in annual operating costs by 2015

■ **Objective**
 ■ **Achieved⁽¹⁾**
 ■ **Secured⁽²⁾**
 ■ **Identified⁽³⁾**

(1) Contribution to savings by actions completed at end-June 2012, based on annual costs excluding technology transition in Front End
 (2) Contribution to savings by actions secured at end-June 2012, based on annual costs excluding technology transition in Front End
 (3) Contribution to savings by actions identified at end-June 2012, based on annual costs



» 45% of the 2015 goal is secured

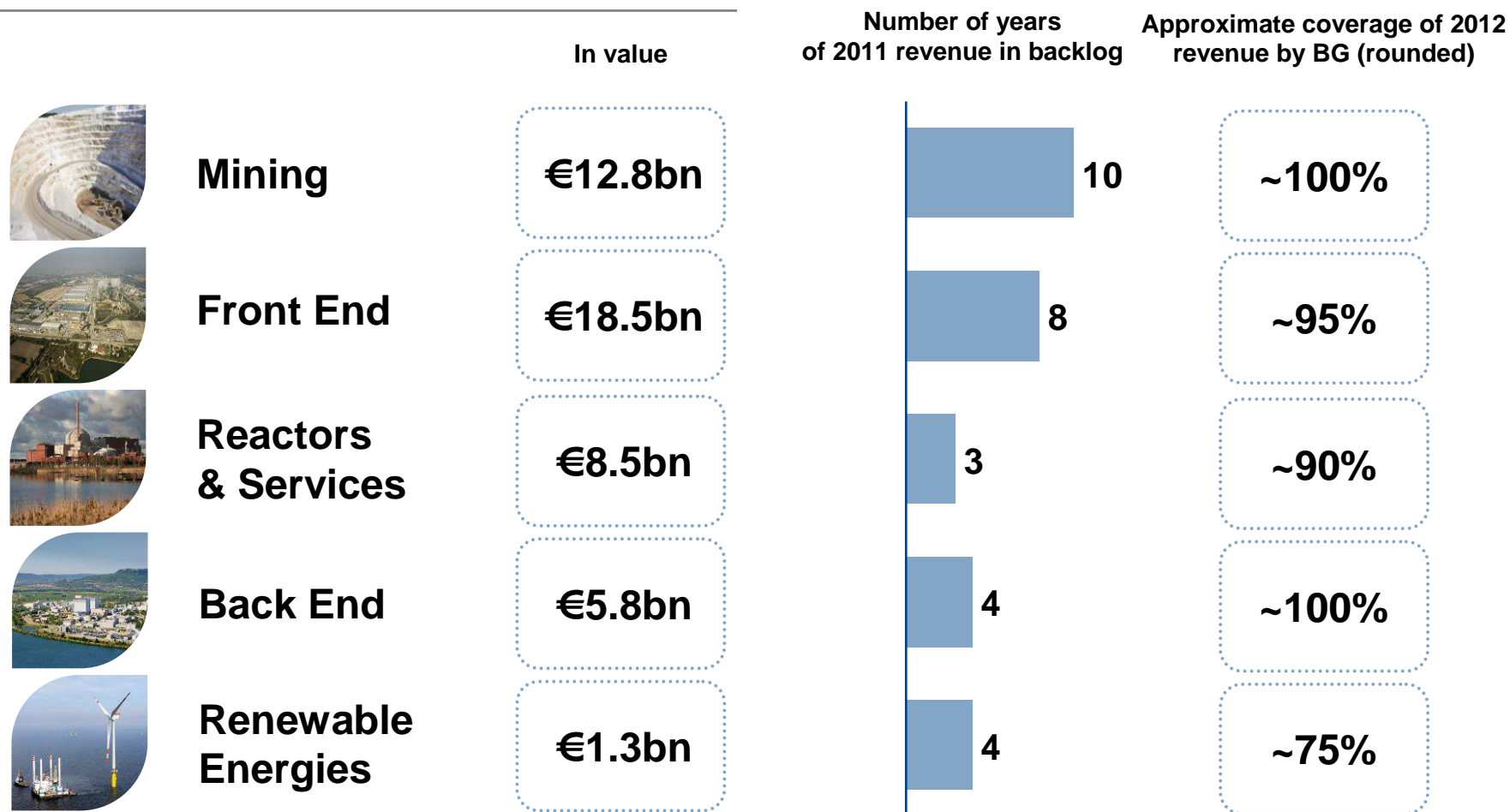
» 20% of the 2015 objective has been achieved

» **€350m secured at the end of 2012 65% of the €1bn secured by 2015**

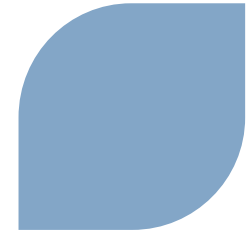
€47bn of backlog: 5 years of revenue secured



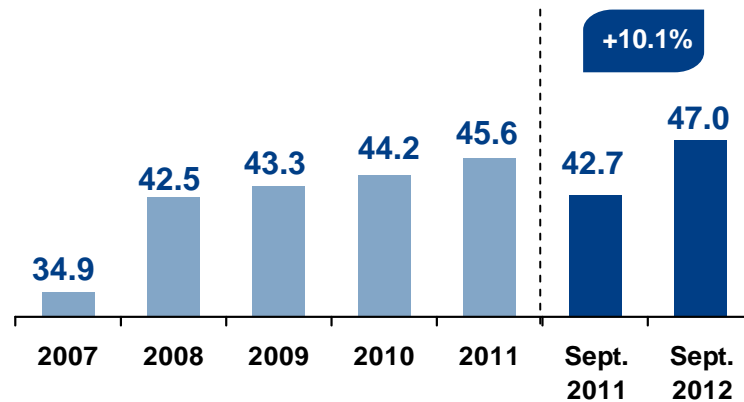
Backlog at September 30, 2012



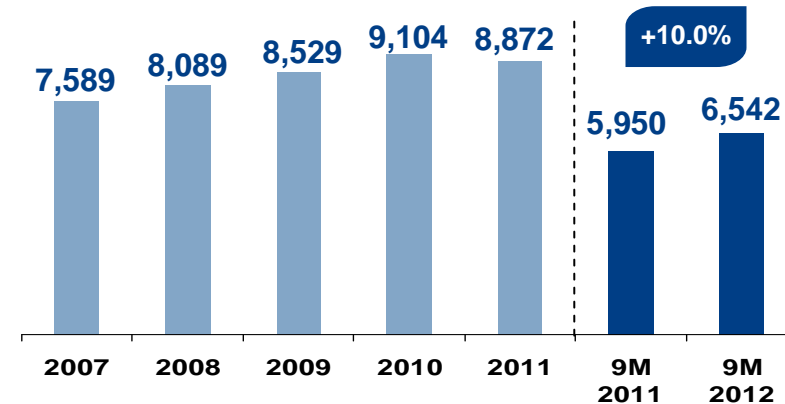
Commercial dynamism and improved profitability



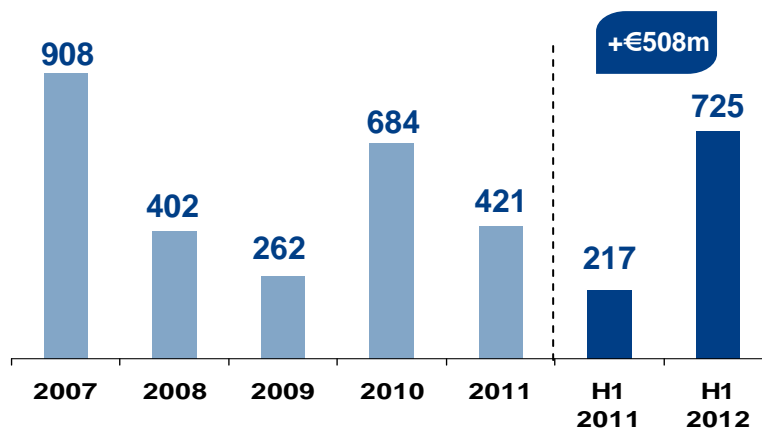
Backlog (€bn)



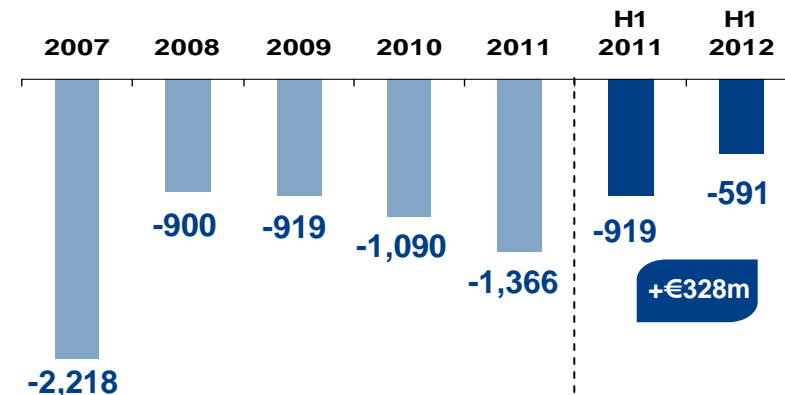
Revenue (€m)



Restated EBITDA* (€m)



Restated FCF before tax* (€m)



*Restated for Siemens impacts in 2011 and capital gains on disposal of stakes in Mining and Enrichment projects

Agenda



▶ AREVA overview

▶ Strategy & performance

▶ **Financial Outlook**

Financial outlook



	Action 2016: 2012-2013 outlook		Upward revision for 2012	Action 2016: 2015-2016 outlook
Revenue	Nuclear: +3 to 6% per year		Nuclear: +4 to 6%	Nuclear: +5 to 8% p.a
		Renewables > €750m	Renewables: ~€600m	Renewables: >€1.25bn
EBITDA	> €750m	> €1.25bn	> €950m	
Free operating cash flow excl. disposals	> -€1.5bn	Break-even	> -€1.25bn	> +€1.0bn p.a from 2015

At constant consolidation scope



2012 outlook revised upward at the occasion of H1 2012 results



Appendix

AREVA in figures

€47bn

backlog at 09/30/2012

€8.872bn

in revenue in 2011

47,541 employees
in 25 countries

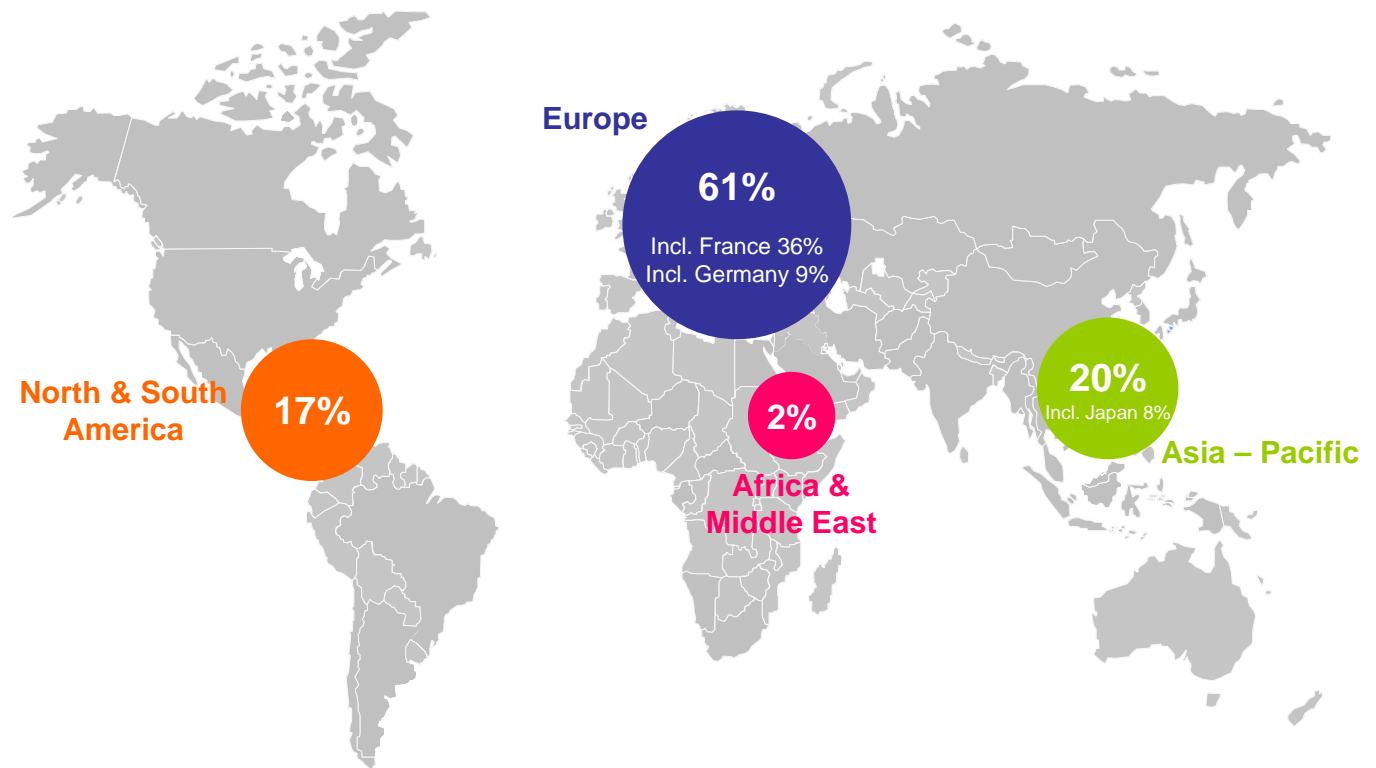
900 experts

8,000 patents

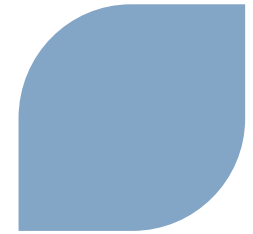
4% of sales
devoted to R&D

Seizing growth opportunities on the worldwide existing fleet and on new markets

Geographic distribution of 2011 revenue



Disclaimer



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 shareholders 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 explained 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 03/29/2012 (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.**

