



Kepler Cheuvreux conference

Philippe Knoche, Chief Executive Officer

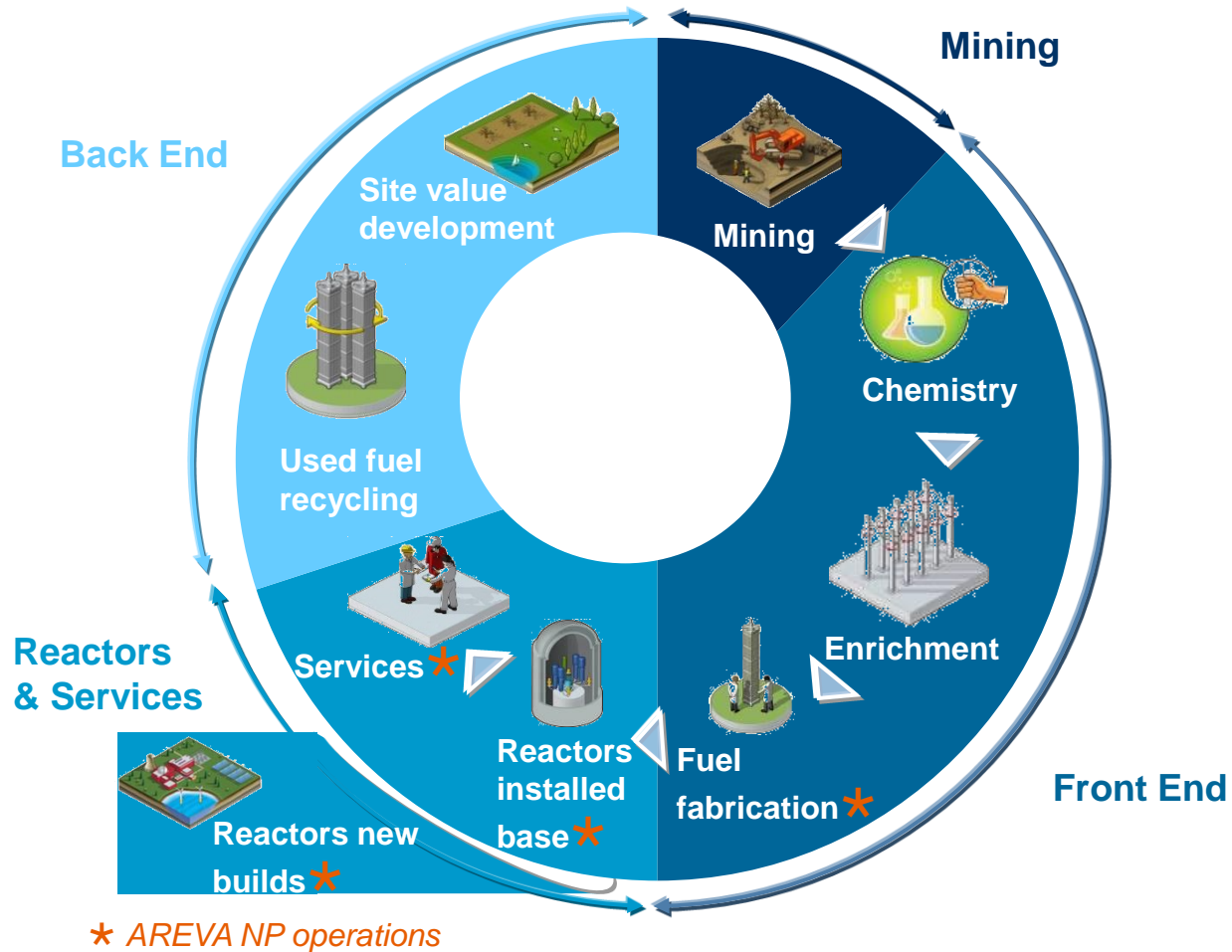
Stéphane Lhopiteau, Chief Financial Officer

Wednesday, September 16, 2015

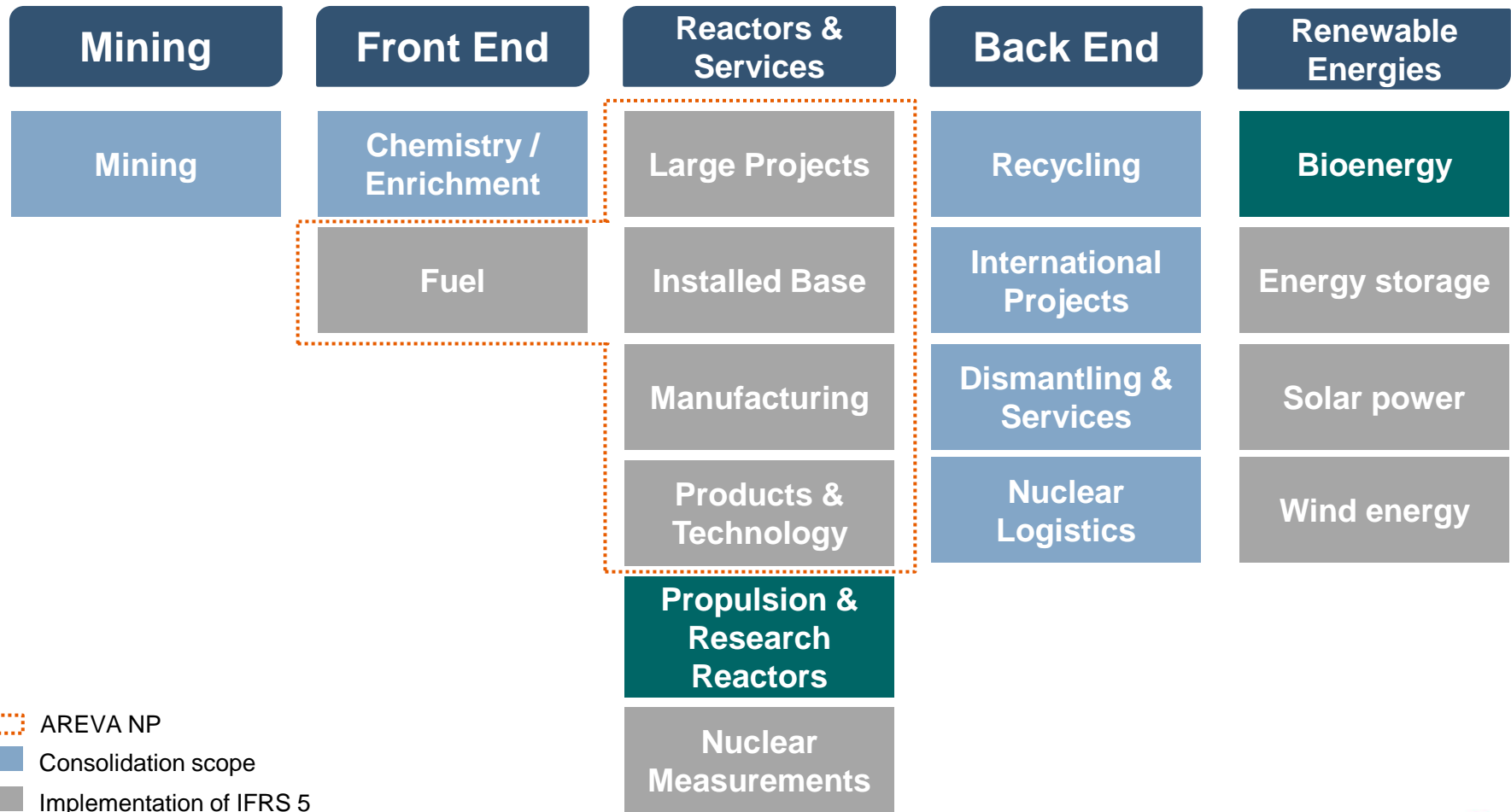






AREVA at a glance

Across the nuclear power chain



From a global leader in solutions for power generation with less carbon...



-  AREVA NP
-  Consolidation scope
-  Implementation of IFRS 5
-  Corporate and other operations



...to a global leader in nuclear fuel supply and management...

Mining



- Mining: Uranium mines exploration and operation activities

Front-End



- Conversion and enrichment of the uranium

Back-End



- Recycling of the used fuel and provider of clean-up and dismantling services

Corporate and other operations



- Corporate
- Bioenergy
- Propulsion & research reactors

Our markets

- **Commodities**
- **Technology niches: recycling, casks, nuclear propulsion**
- **Services, Engineering, project management: dismantling and transition, fuel cycle management and project management**

➡ **A steady market with good backlog visibility**

...with worldwide sales

2014 Key figures*

Geographic distribution of 2014 revenue*

€32.8bn

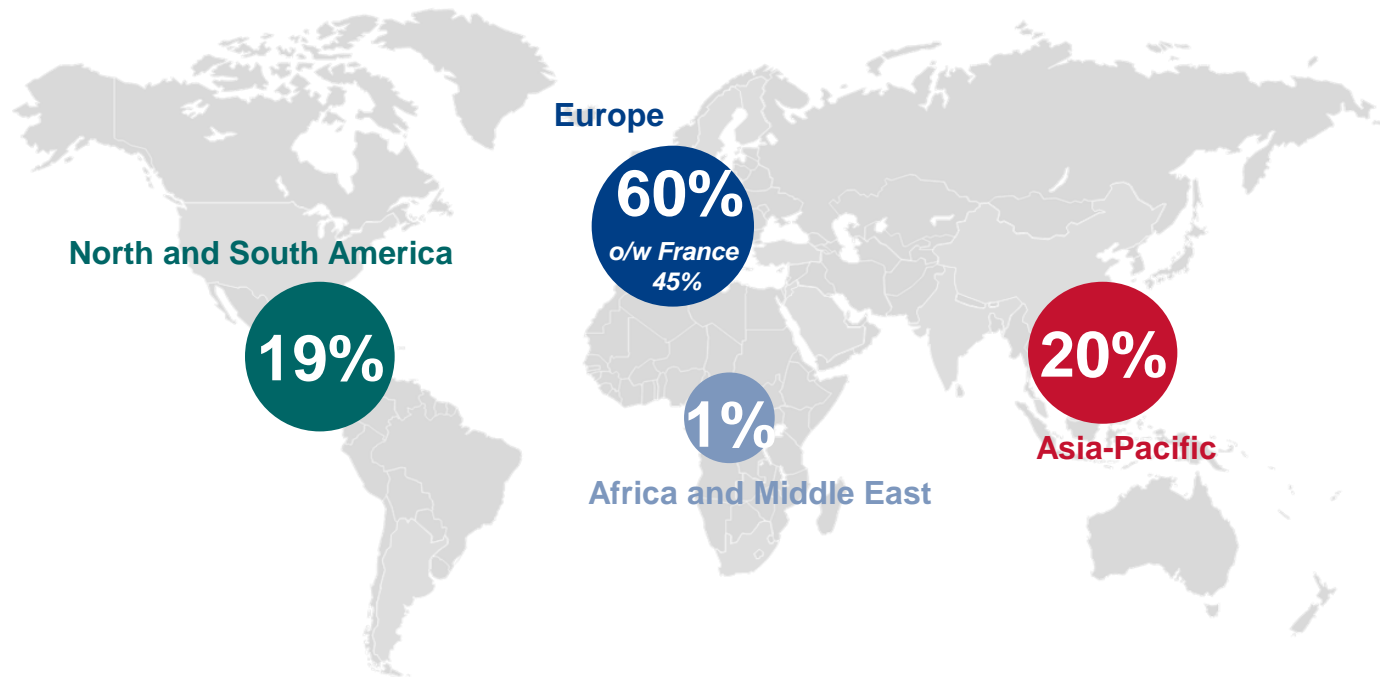
backlog at 12/31/2014

€4.321bn

in revenue

~20,000

employees



Distribution of 2014 revenue*

Mining
30%

Front End
23%

Back End
35%

Corporate and
other operations
12%

* In application of IFRS 5, revenue information for the fiscal year 2014 was restated in relation to the data published for the previous year.

Announcements that marked 2015

January

February

March

April

May

June

July

- Chairman of the Board:
Philippe Varin

- Chief Executive Officer:
Philippe Knoche

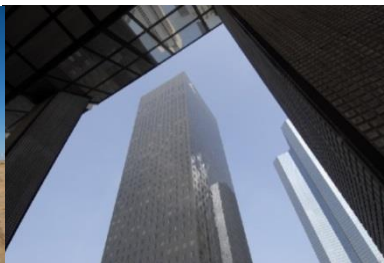
- 2014 annual results:
€4.8bn loss

- Strategic announcements

- Launch of negotiations with labor organizations

- Directions set by the President of the French Republic

- Financing plan
- Definition of the terms of the strategic partnership with EDF



Progress on our transformation plan

Performance plan

- Competitiveness plan
- Strengthened management of large projects

Strategic roadmap

- Refocusing on core nuclear processes



- Strengthened presence in China



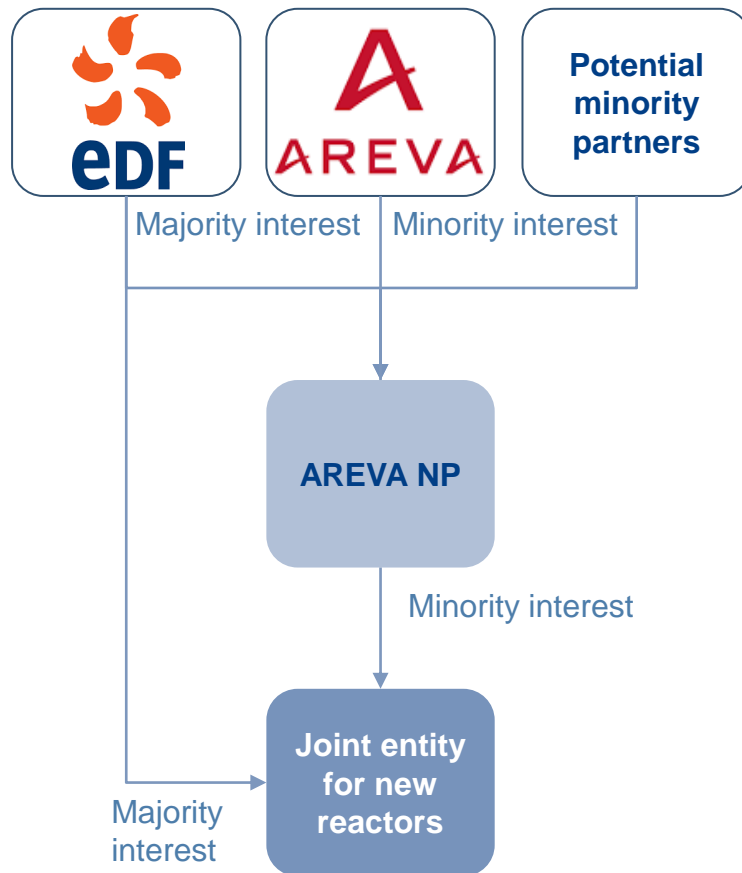
- Redefinition of the partnership with EDF



Financing plan

- Objective of the financing plan is to give the company the means to implement its transformation plan and to present a financial profile enabling it to refinance all of the company's needs in the mid-term

Redefinition of the partnership with EDF

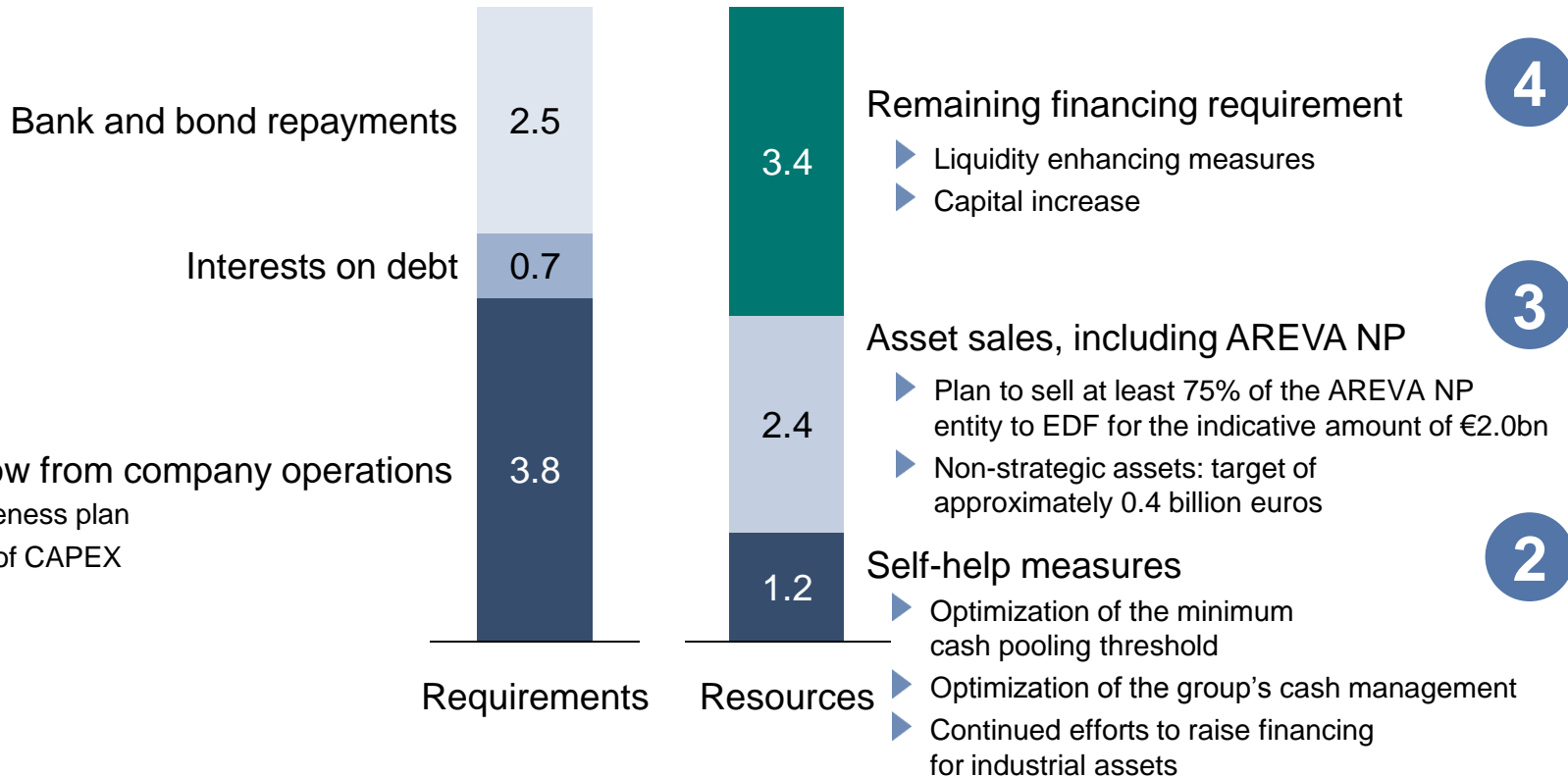


- ▶ **Strategic cooperation agreement in order to optimize:**
 - The performance of the French nuclear fleet
 - The performance of the French nuclear industry, and its global influence
- ▶ **Plan to sell at least 75% of the AREVA NP entity**
 - Objective to carry out this transaction in 2016 once the regulatory authorizations have been received
- ▶ **Strategic interest of AREVA in AREVA NP**
 - Suitable governance rights
- ▶ **Finalization of the transaction still subject to**
 - Favorable outcome of verifications in progress concerning the compliance of the Flamanville 3 reactor vessel
 - Methods of protecting EDF from any risk related to the OL3 project
- ▶ **Creation of a joint entity**
 - Design, project management and marketing of new reactors
 - Combining of nuclear engineering skills

A financing plan to meet the company's challenges

Financing requirement for the 2015-2017 period:
c. €7bn

In €bn



1

Actions to reduce the negative net cash flow from company operations

Competitiveness plan

€1bn savings by the end of 2017

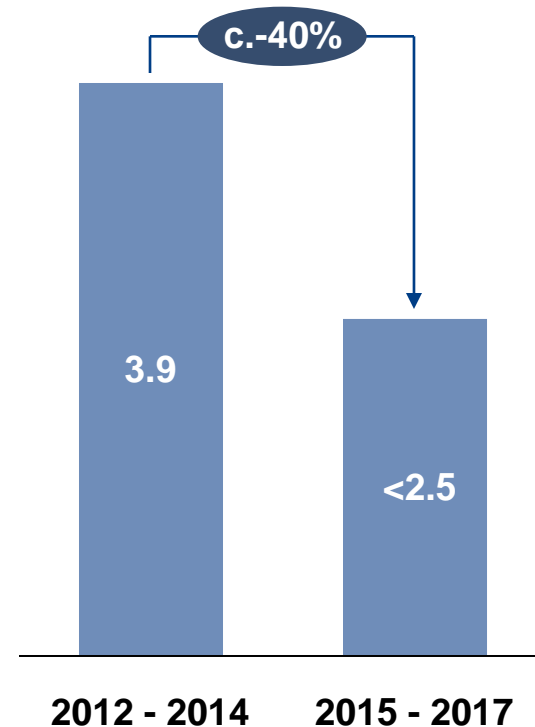
including **€500m*** for the new AREVA consolidation scope



actions identified: **85%**

Strong selectivity in CAPEX

In €bn



* net of inflation

Measures to enhance liquidity and equity

2

STRENGTHENED CASH MANAGEMENT

- ▶ Optimization of the minimum cash pooling threshold
- ▶ Practices for improving the working capital requirement such as:
 - Factoring
 - Monetization of tax receivables
 - Weekly cash forecast

RAISING OF FINANCING FOR INDUSTRIAL ASSETS

- ▶ Internal feasibility studies
- ▶ Several opportunities identified
- ▶ Potential realization by the end of 2016

3

ASSET SALES PROGRAM OF €2.4BN

- ▶ AREVA NP sale to EDF for the indicative amount of €2.0bn
- ▶ Sale of other assets, with a target of approximately €0.4bn

4

SIGNIFICANT CAPITAL INCREASE

- ▶ Size will be given no later than mid-November
- ▶ Realization during 2016
- ▶ Open to all AREVA shareholders
- ▶ The State will support the transaction as majority shareholder of AREVA in compliance with applicable regulations

LIQUIDITY MEASURES

- ▶ Pursuit of the search for financing

Objective: to give AREVA a financial profile enabling it to refinance all of the company's needs in the mid-term

A major challenge: adjusting to the new market environment...

Cycle

Significant drop in sales prices since 2011:

~ -30% for natural uranium and ~ -40% for enrichment

→ Ensure resources competitiveness in the long term

Installed Base

Mature markets under economic pressure

- Strong decrease of major maintenance operations budgets
- Deferral of new build projects

→ Target growing markets

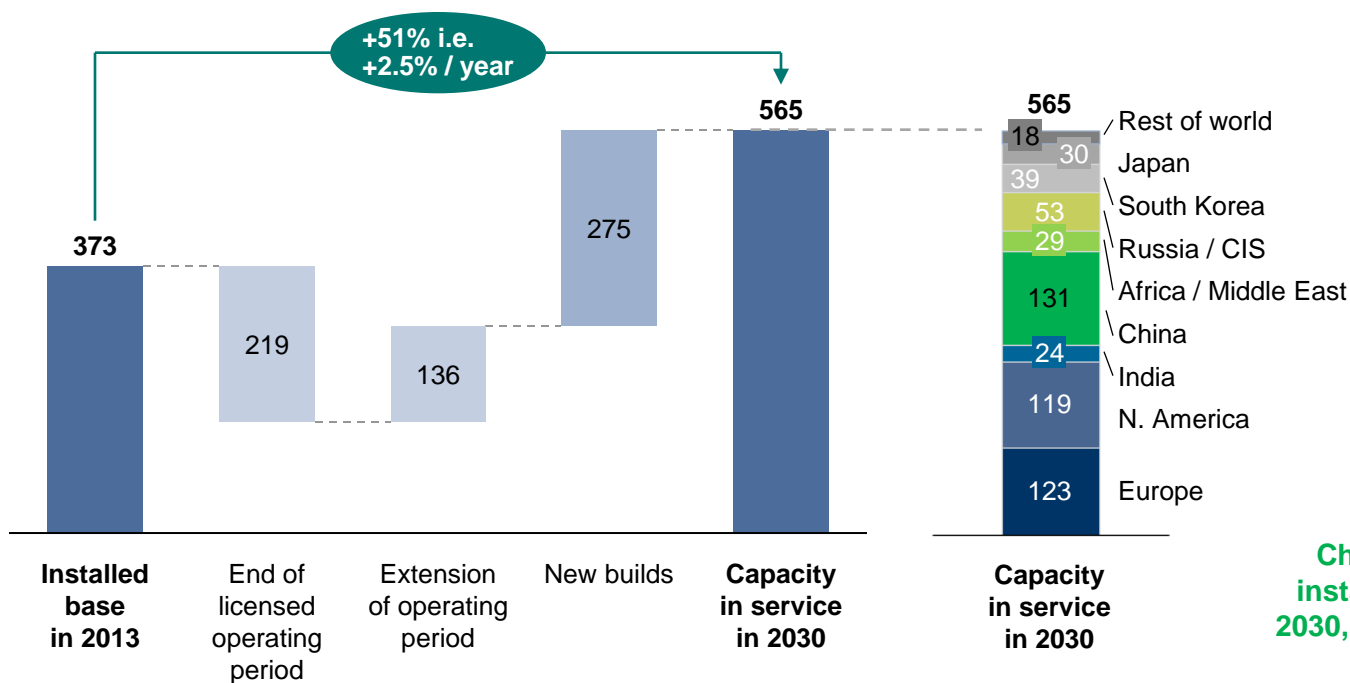
Customers

Economic constraints create new needs

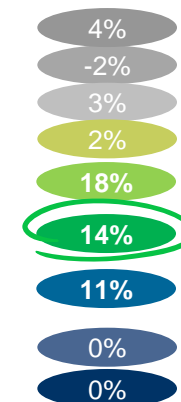
→ “Right-sized” innovation imperative

... and preparing for 2.5% annual growth in the global installed base by 2030

Net capacity (GW)



CAGR 2013-2030 [%]



China will have the largest installed base in the world by 2030, ahead of the United States and France

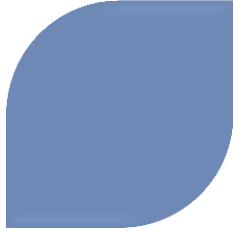
Objective: capitalize on our industrial assets to take advantage of all trend scenarios for the global installed base

Source: AREVA estimate 2013

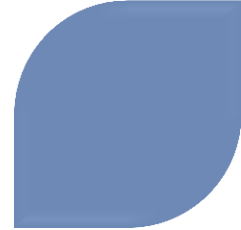
Key messages



- **Currently on the right track with tough decisions being made, and a competitive plan being launched inclusive of social actions**
- **French State support confirmed throughout the latest months and will materialize through a significant capital increase**
- **Objective of the financing plan is to give AREVA the means to implement its transformation plan and to present a financial profile enabling it to refinance all of the company's needs in the mid-term**
- **New AREVA profile:**
 - **~€4bn in revenue**
 - **~20,000 employees**
 - **a global leader with a commercial presence at 80% of the installed base**
 - **activities covering all of the nuclear fuel cycle operations**



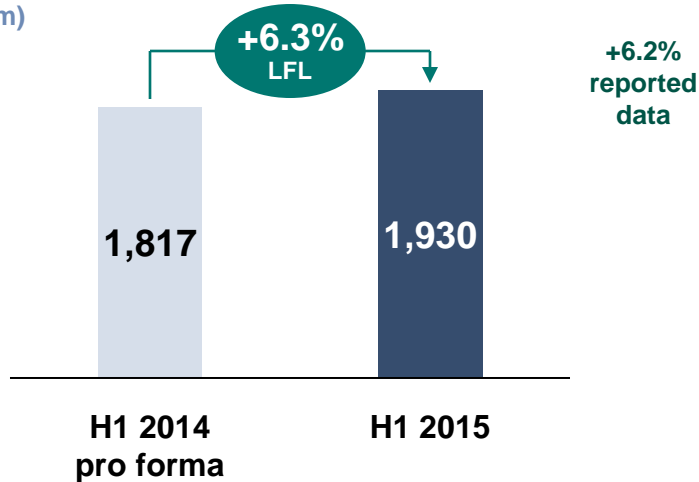
Questions & Answers



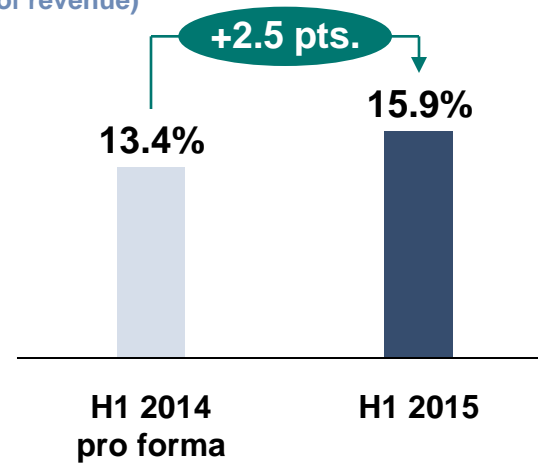
Appendices

Focus on H1 2015 key figures

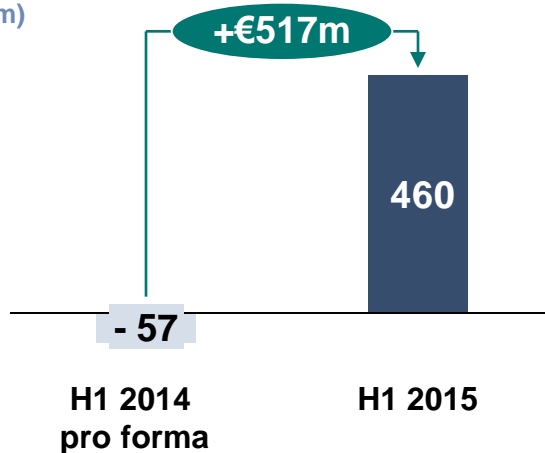
Revenue
(in €m)



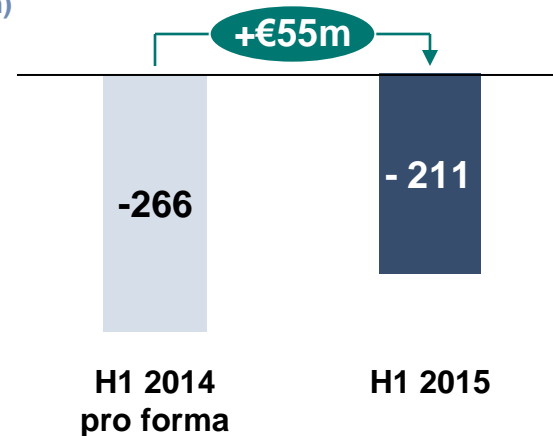
EBITDA
(in % of revenue)



Operating cash flow
(in €m)

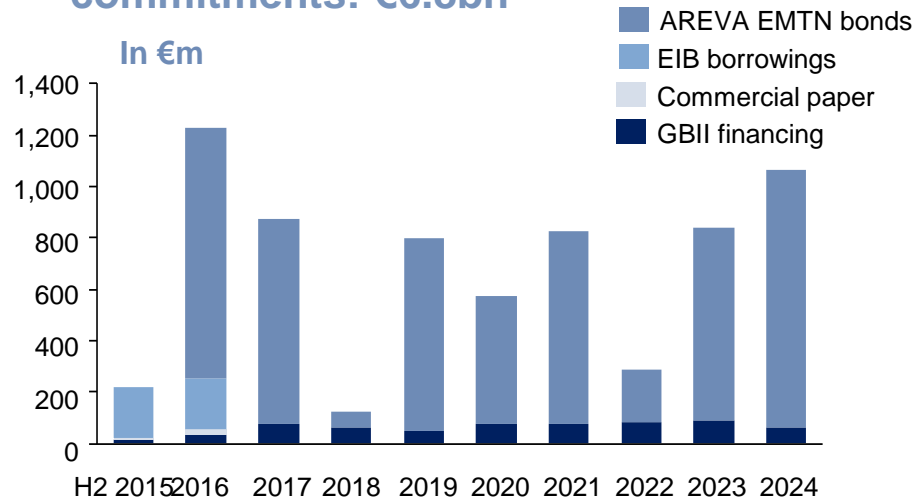


Net cash flow from company operations
(in €m)



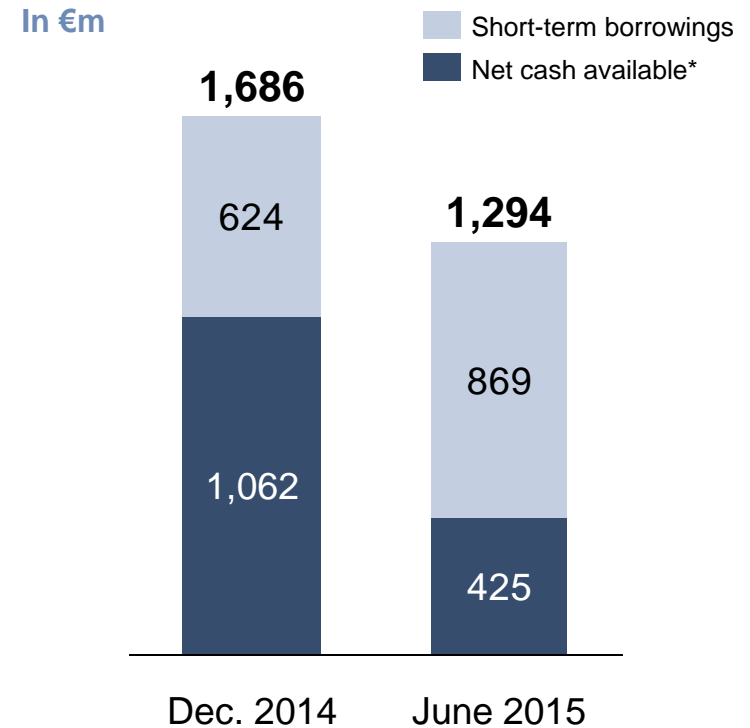
Debt structure and liquidity at June 30, 2015

Maturities of main financial commitments: €6.8bn



Average debt maturity: **4.9 years**

Cash and cash equivalents



Net cash available* : **€0.4bn**

Undrawn lines of credit

- Syndicated credit: €1.25bn, maturing in 2018
- Bilateral lines: €845m, maturing in 2016 (€50m) and 2017 (€795m)

Total lines of credit: **€2.1bn**

* Net cash available: Cash and cash equivalents net of short-term borrowings maturing in less than 1 year, i.e. until June 30, 2016 (including, at June 30, 2015, €21m in commercial paper and €400m maturing in December 2015 and January 2016 relating to the EIB loan)

Financial outlook*

AREVA confirms its objective of net cash flow from company operations for the full year of 2015

**Net cash flow from company
operations**
of €-1.7 to -1.3bn**

**Excluding the competitiveness plan and related
implementation costs**

* At constant consolidation scope and foreign exchange, excluding the impacts of asset sales, equity-based transactions and refinancing

** Change in net debt excluding equity-based transactions

Disclaimer

Forward-looking statements

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