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# La Hague visit

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Wednesday, June 9, 2010

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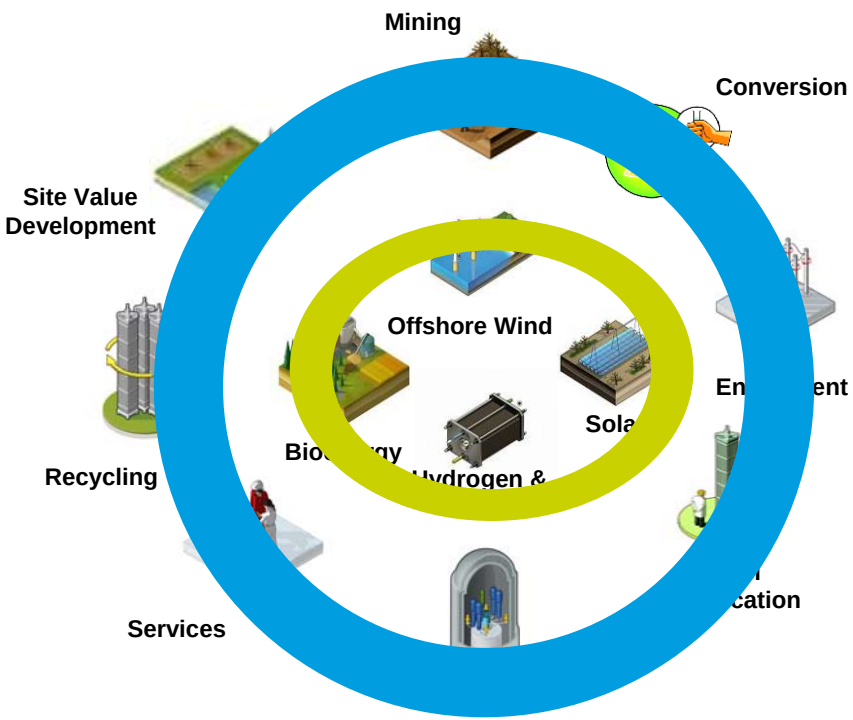
# Content

# AREVA is a global leader in solutions for $CO_2$-free power generation

## AREVA's portfolio of $CO_2$-free solutions




## Nuclear and Renewables key figures in 2009

**€43.3Bn backlog**

**€8,529M sales**

**€647M op. income***

**44,817 people**

## Transmission & Distribution activities sold

**Transaction closed on June 7, 2010**

**Enterprise value: €4,090M**

* Excluding OL3 provision of €550M recorded in H1 2009



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# AREVA will report under Business Groups* in 2010

**Before 2010**

**Divisions**

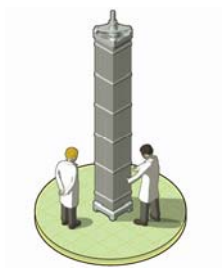
- Front-End Division
- Reactors & Services Division
- Back-End Division

**Starting in 2010**

**Business Groups**

## BG Mining / Front-End

- Mining : Uranium mines exploration and operation activities



- Front-End : Conversion and enrichment of the uranium and design of the fuel for the nuclear reactors

## BG Reactors & Services

- Design and construction of nuclear reactors
- Maintenance and modernization of the nuclear power plants

## BG Renewable Energies

- Development of wind energy, bio-energy, solar power and hydrogen power solutions

## BG Back-End

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

* AREVA's Transmission and Distribution activities ("T&D") remain an additional Business Group of AREVA until closing of the divestment transaction



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# Key Figures in 2009
## Nuclear and Renewable Energy scope

| *In millions of euros* | 2008 | 2009 | Δ 09/08 |
|---|---|---|---|
| **Backlog** | **42,531** | **43,302** | +1,8% |
| **Revenue** | **8,089** | **8,529** | +5,4% |
| **Operating income before OL3** | **606** | **647** | +6,8% |
| **Additional OL3 provisions** | **(749)** | **(550)** | |
| **Operating income** | **(143)** | **97** | +€240 M |
| Net Earnings of discontinued operations (T&D) | 371 | 267 | €(104) M |
| **Net income attributable to equity holders of the parent** | **589** | **552** | €(37)M |
| **Operating cash flow before investments** | **230** | **375** | +€145M |
| **Free operating cash flow (*)** | **(900)** | **(919)** | €(19)M |
| **Net debt** | **5,499** | **6,193** | +€694M |
| **Proforma net debt post sale of T&D (**)** | **5 499** | **3 022** | €(2 477)M |
| **Dividend per share (in euros per share)** | **€ 7.05** | ***** € 7.06** | - |
| **Pay-out ratio (%)** | **42%** | **45%** | - |

* EBITDA +/- proceeds from sale of capital assets and dilution +/- variation in operating WCR - operating capex net of disposals
** Proforma net debt 31/12/2009: Net debt at 31/12/2009 - T&D selling price (value of the T&D shareholders' equity + redemption of T&D's net debt financed by AREVA i.e. internal debt)
*** Pending decision by the Annual General Meeting of Shareholders of 29 April 2010



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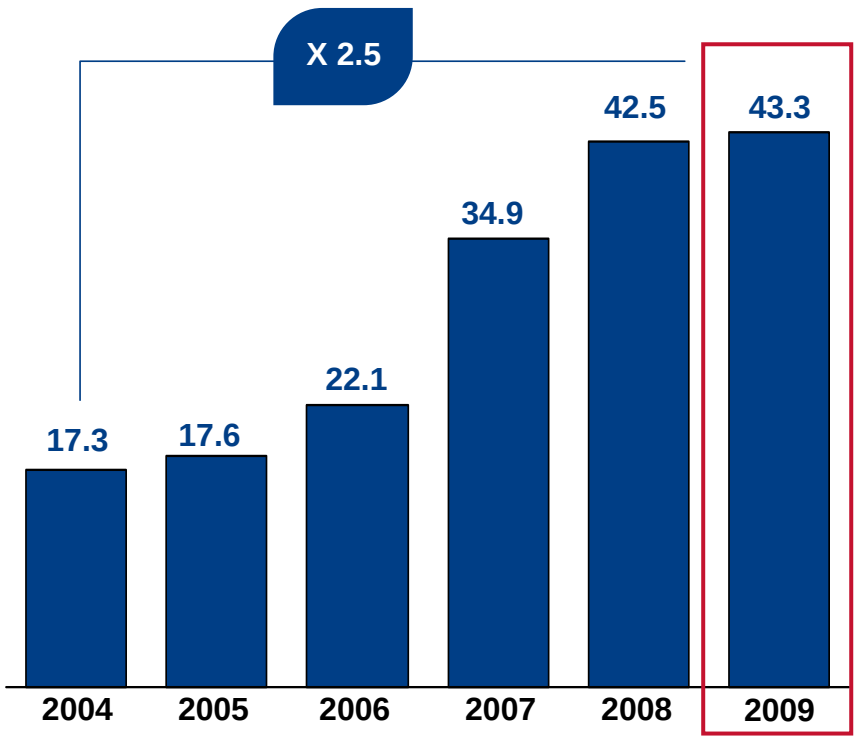
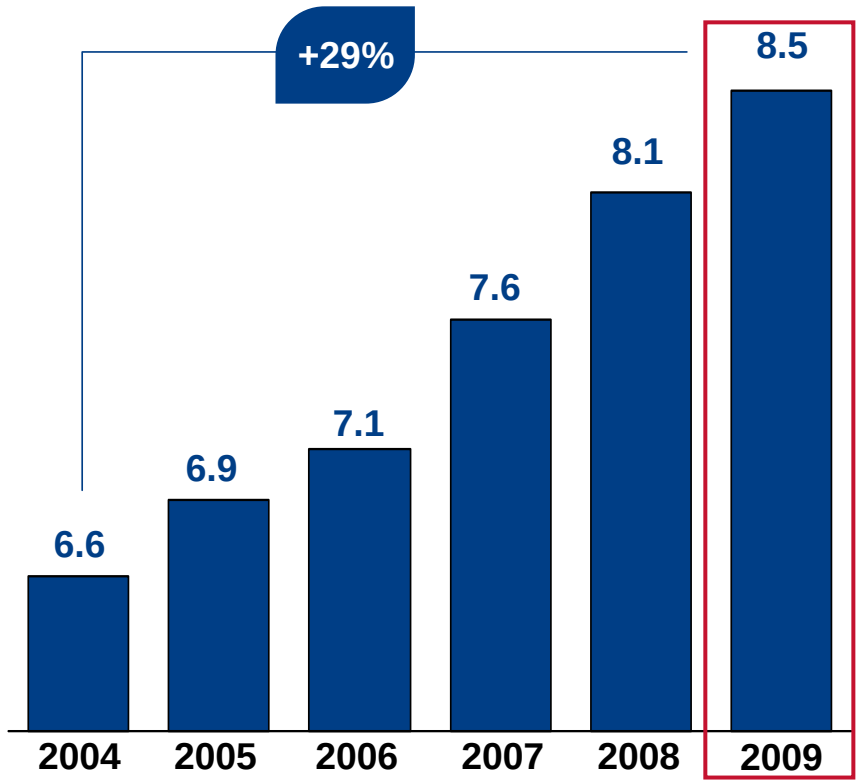
# Sustained growth

## Backlog (€Bn)




## Revenue (€Bn)




**Strong visibility and predictability of the business**

# Content

- Overall presentation
- **Sustainable development and continuous improvement at AREVA**
- Overview of the Back-end Business Group
- Site presentation

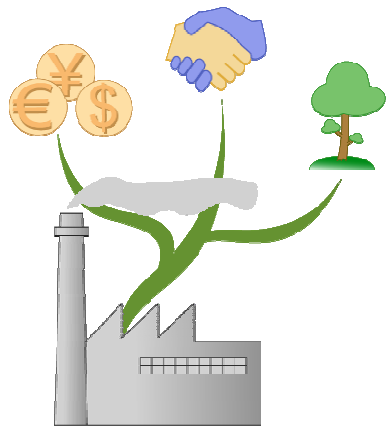
# *Sustainable Development drives AREVA's Business strategy as well as its industrial practices*

***What we offer*** ***and*** ***How we operate***

**Energy security**
**Securing access to the resource**

**Competitive energy**
**Providing energy at a competitive price**

**Low $CO_2$ emission energy**



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# Sustainable Development is made operational within AREVA

## AREVA WAY

**A WAY TO BE**

- It drives our **behavior**

  A state of mind, values that guide our behavior

**A WAY TO GO**

- It drives our **commitments**

  A clear target set by our 10 commitments covering the 3 pillars of sustainable development

**A WAY TO ACT**

- It drives our vision of **performance and progress**, what we measure and report

  A continuous improvement initiative to make progress on the 10 commitments



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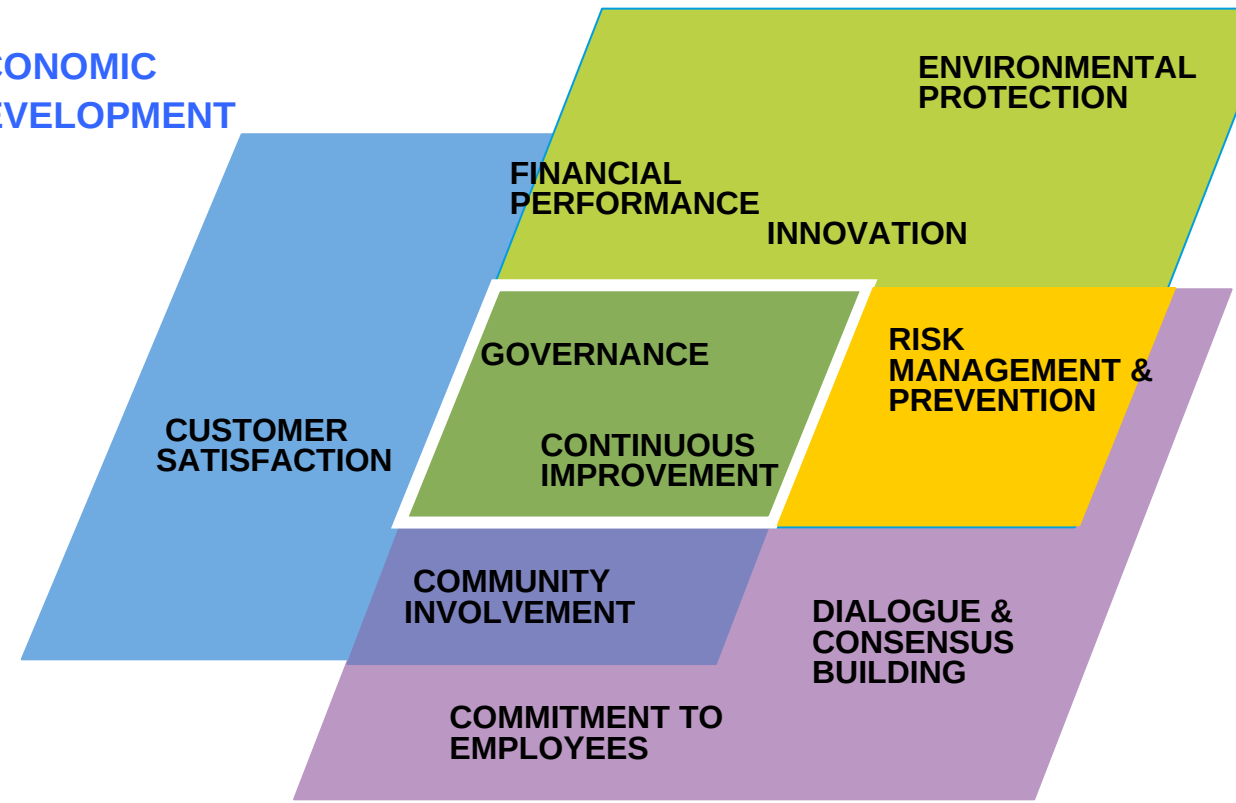
# AREVA's 10 Sustainable Development Commitments



# a continuous improvement process: *AREVA Way*

**Strategy implementation**

**SAP**

**Operational strategy breakdown**

**BUDGET**

# AREVA WAY A comprehensive reference system

A WAY TO ACT

1 Governance

2 Financial performance

3 Customer satisfaction

4 Commitment to employees

5 Risk management and prevention

6 Respect for the environment

7 Innovation

8 Community involvement

9 Dialogue and consensus-building

10 Continuous improvement

**10 commitments…**

**… broken down in 34 improvement goals,**

**and 121 assessment criteria**

61. Environmental policy and issues
62. Environmental management
63. Environmental impact reduction

*611. Environmental approach and objectives*
*612. Regulatory compliance and readiness*
*613. Environmental analysis and risk mapping*
*614. Eco-health impact assessment*

# A *grading scale* to reflect increasing levels of deployment and performance

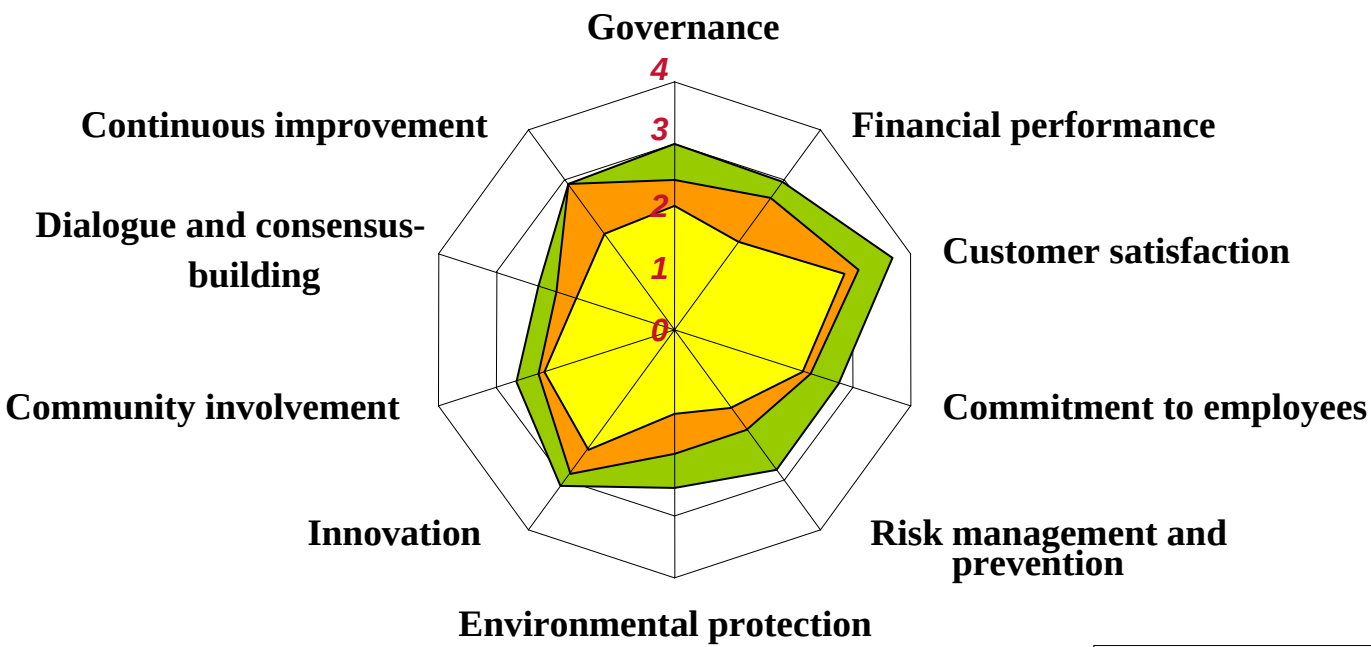
A WAY TO ACT

# Example of an AREVA Way self-assessment result

Unit [ name ]

## Self-assessment year 20XX and targets

## Global unit vision: average score




1 ⇒ *Launch*

2 ⇒ *Deployment*

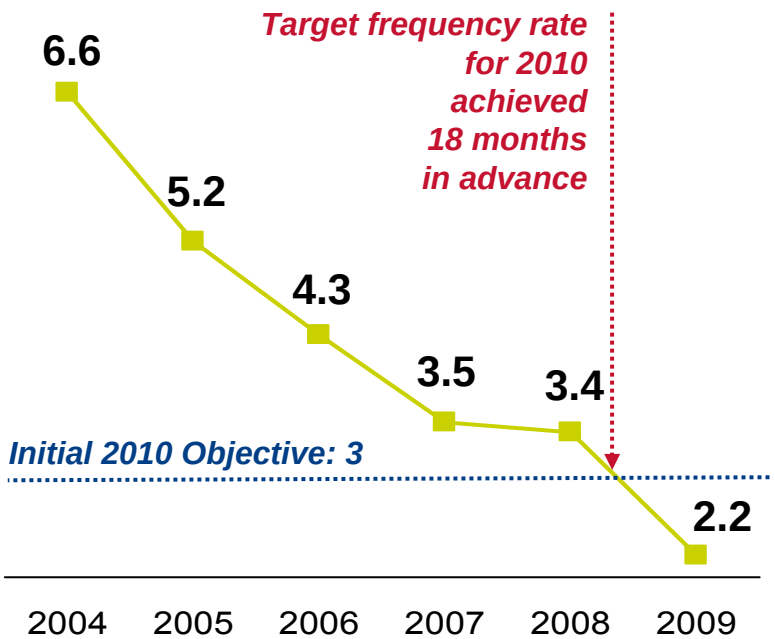
3 ⇒ *Maturity*

4 ⇒ *Excellence*

# Continuing to develop a culture of safety and security

## Security

**Accident frequency rate ***
(Group excl. T&D)




* Number of accidents per million hours worked
NB: The average frequency rate in French industry is 24.2
Source CNAMTS-2008

## Nuclear safety **

- **In France in 2009, AREVA reported 13 of the 105 level 1 incidents (i.e. 12%) identified at national level**
- **Each of the nuclear operators (AREVA, CEA, EDF) recorded one level 2 incident in 2009**

** In basic nuclear facilities and the transportation of radioactive materials
The INES (International Nuclear Event Scale) comprises of 7 levels from 1 (anomaly) to 7 (major incident)
**Detailed definition of levels in appendices**



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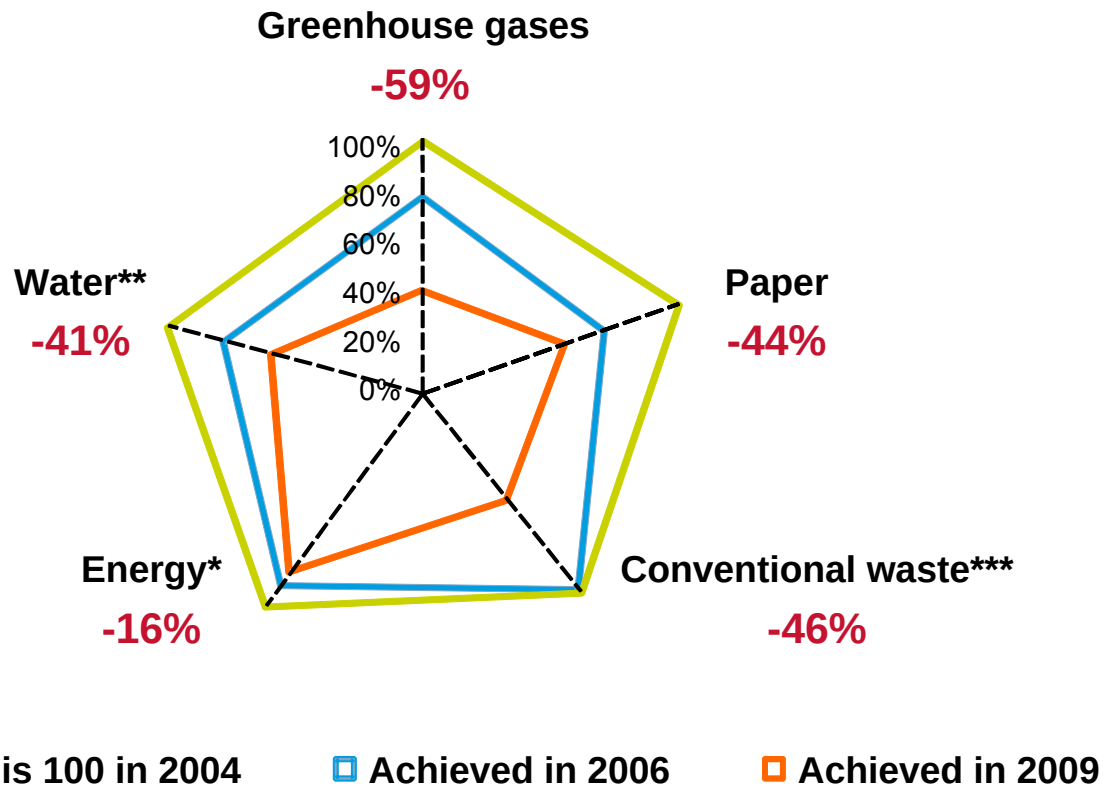
# Minimising the environmental impact of our activities

## Resource-saving growth

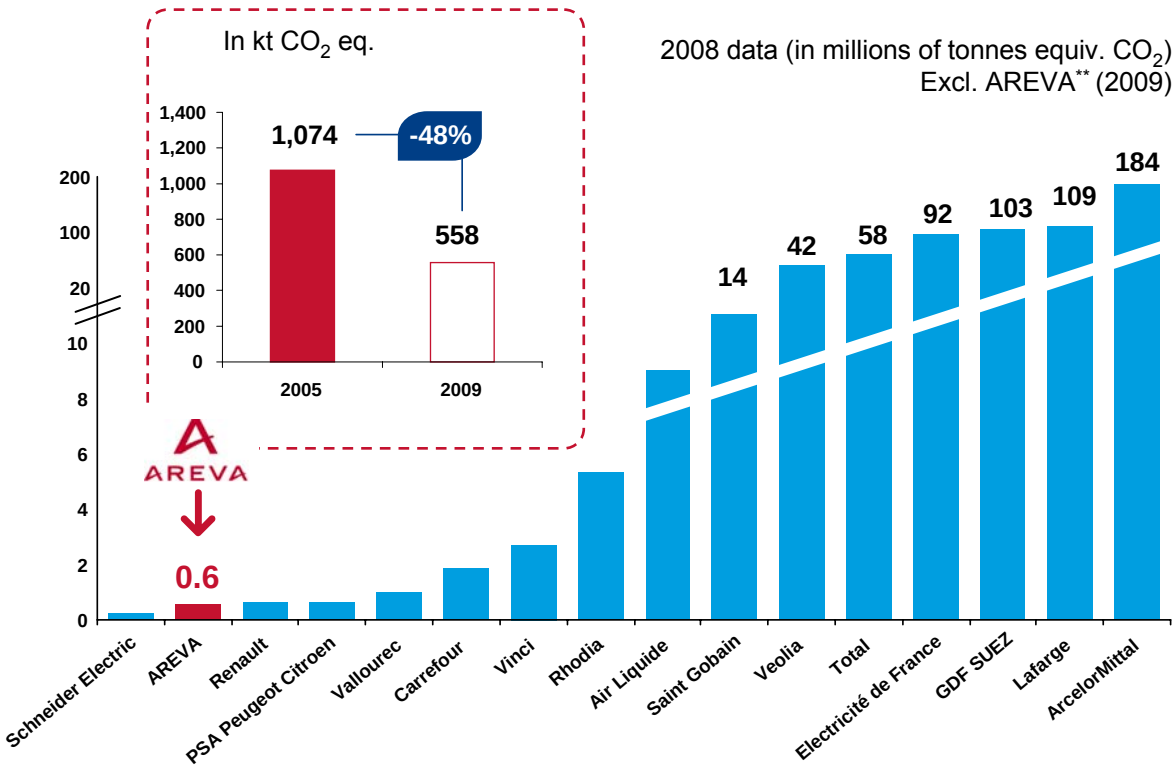
**Reduction in our environmental impact 2004-2009 at constant sales revenue excl. T&D**




** Excl. Eurodif* *** Excl. cooling Eurodif* **** Unrecycled conventional waste*

# Comparatively low greenhouse gas emissions … fully offset

## Direct greenhouse gas emissions*




### AREVA carbon neutral

- Sustained drop in direct emissions of $CO_2$
- Offset by purchasing carbon credits to fund, through EcoAct, environmental and development projects in India, Brazil and China
- Initial contribution from AREVA Bio-Energy activities to carbon credits supply

Nuclear and Renewable Energy emissions

Offset nuclear and Renewable Energy emissions

* Source: Carbon Disclosure Project 2009 ** AREVA Group data excl. T&D and transportation

# Responsible engagement – consensus building and action

## Increasingly in-depth consensus building with stakeholders

- 1st stakeholder session in the United States under the aegis of BSR (Business For Social Responsibility)
- Following three "corporate" sessions since 2004, a 4th *stakeholder session* has just been held in Paris (19-20 May 2010), under the aegis of *Comité 21*
- Local/sites stakeholders mapping: 41 performed to date in 7 countries

"The atmosphere was extremely collegial and constructive, produced several concrete ideas and recommendations, and I think concluded with an openness to ongoing communication and collaboration. " BSR

"Comité 21 praised the high level of mobilisation, very high up the ranks, on the part of Group representatives. Such mobilisation is a guarantee that the challenges of sustainable development have been understood internally"
Comité 21 , comment on the 3rd session (2008)

## Diversity and Equal Opportunities, the key focus of HR policy

- Creation of a Diversity and Equal Opportunities Board
- European Diversity Day:
  - AREVA's 50,000 European employees made aware of and informed about the Group's commitments to promote equal opportunities
  - 55 events organised in 12 European countries
- Diversity Label certified by AFNOR (France)
- 35% of engineers & managers staff recruited are women



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# AREVA's commitment to SD: more concrete initiatives

- Responsible Purchasing
- AREVA Sustainable Development Awards (ASDA)
- Best Ideas and Practices (BIPs) database
- Involvement with local communities
- Human Rights initiatives and WGs (EDH, UNGC HRWG,…)
- HR policies: diversity, equal opportunities, non discrimination
- EITI

**And our external reporting on SD: its quality is acknowledged**

» Report on Responsible Growth

» Carbon Disclosure Project (CDP)

» UN Global Compact «Communication on Progress »



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# AREVA SUSTAINABLE DEVELOPMENT AWARDS 2009

- **ASDA: a competition open to all AREVA employees**
- **Must compete as a team**
- **ASDA reward projects that :**
  - **perform financially,**
  - **yield positive impact on the environment,**
  - **are socially responsible,**
  - **are innovative and replicable;**
- **In its three first editions (2005-2007-2009) the ASDA competition has featured:**
  - **overall, 510 projects entering the competition, from around 20 countries each time,**
  - **participation of more than 2500 employees worldwide,**
  - **18 teams awarded prestigious prizes,**
  - **a special “Green House Gases” prize introduced in 2009;**



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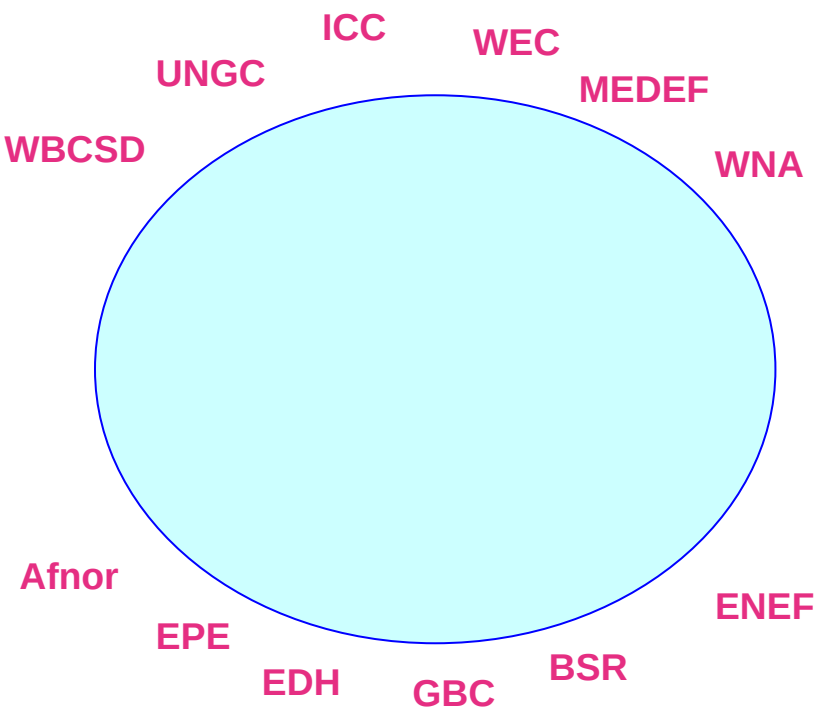
# AREVA's engagement: responsible and informed

**Permanent exchanges, at national and international levels, about societal evolutions and the key challenges of the 21st century**




***AREVA: a partner of the main national and global actors on Sustainable Development***

- UNGC*(UN Global Compact -Pacte Mondial des Nations-Unies)*
- WBCSD *(World Business Council for Sustainable Development)*
- ICC *(International Chamber of Commerce)*
- MEDEF *(Mouvement des Entreprises de France)*
- Afnor *(Association française de normalisation)*
- WNA *(World Nuclear Association)*
- ENEF *(European Nuclear Energy Forum)*
- BSR *(Business for Social Responsibility)*
- EDH *(Entreprise pour les Droits de l'Homme)*
- EPE *(Entreprise pour l'Environnement)*
- WEC *(World Energy Council)*
- GBC *(Global Coalition on HIV/AIDS, Tubercolisis and Malaria)*



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# Content

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- **Overview of the Back-end Business Group**
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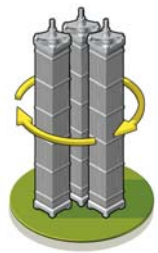
# Back-End BG positioning within AREVA

**€1,637M sales (2009)**
**19% of AREVA group sales**

**11,082 people (2009)**
**23% of AREVA group workforce**

**Back End**



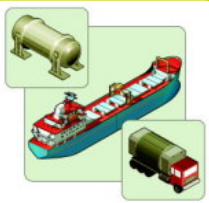
- Recycling
- Logistics
- Nuclear Site Value Development
- Clean-up

# Back End
# Business segments overview

**RECYCLING**

- A full service of fuel recycling, including Mixed Oxide fuel and Reprocessed Uranium fuel production
- Recycling technology and know-how support/assistance

**LOGISTICS**



- A global offering including:
  - Design and supply of casks for the transportation and storage of radioactive materials
  - Safe and secure transportation and logistics services

**NUCLEAR SITE VALUE DEVELOPMENT**

- Performance-based project management for Dismantling and Decommissioning (D&D) programs
- Development of integrated and innovative solutions for both AREVA and external customers

**CLEAN UP**

- Operation of dismantling and waste processing facilities
- Specialized nuclear maintenance
- Logistical support for NPPs during operation and outages
- Human radioactive protection and monitoring services



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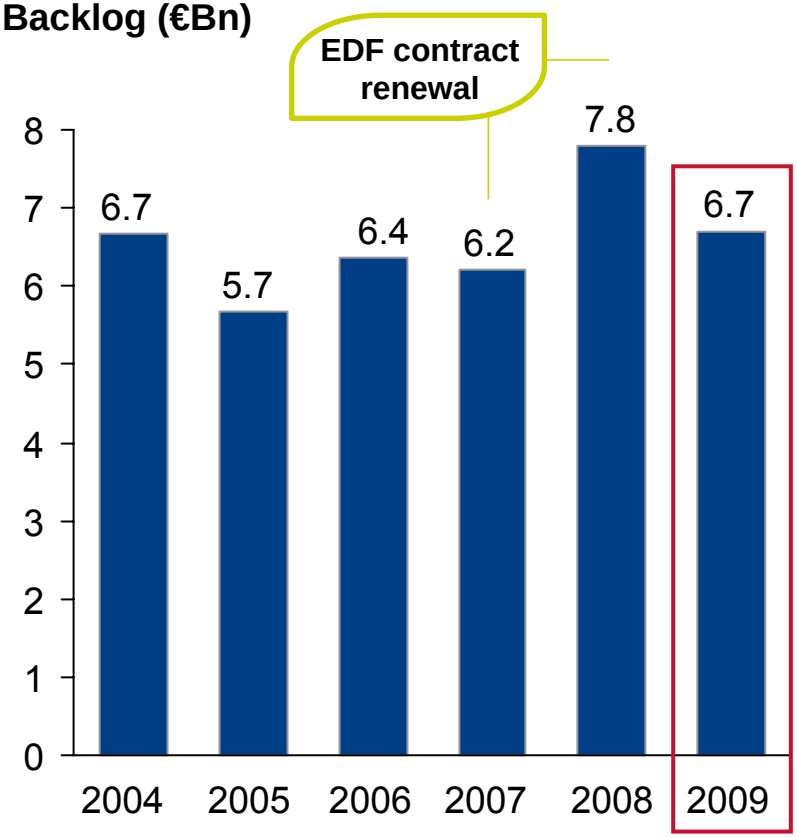
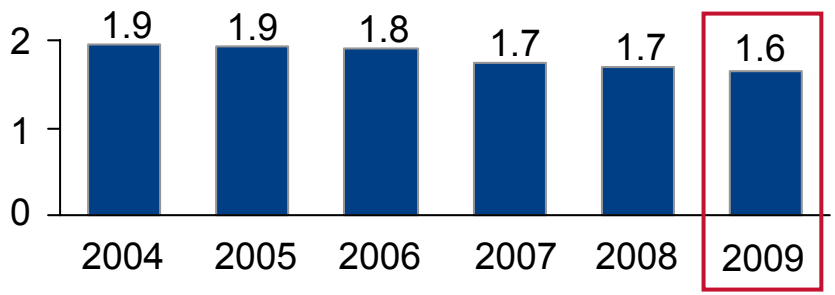
# Back-End Business: Visibility and Predictability

**Backlog (€Bn)**




**Revenue (€Bn)**



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# Key financials

| *in millions of euros* | 2006 | 2007 | 2008 | 2009 |
|---|---|---|---|---|
| **Backlog** | **6,375** | **6,202** | **7,784** | **6,685** |
| **Revenues** | **1,908** | **1,738** | **1,692** | **1,637** |
| **Operating income** | **272** | **203** | **261** | **235** |
| **% Sales** | ***14%*** | ***12%*** | ***15%*** | ***14%*** |
| **Net Investments** | **(77)** | **(81)** | **(88)** | **(128)** |
| **Op. FCF before tax** | **156** | **172** | **422** | **288** |

**The Back End division has shown strong and durable profitability, with an operating margin stable around 15%**



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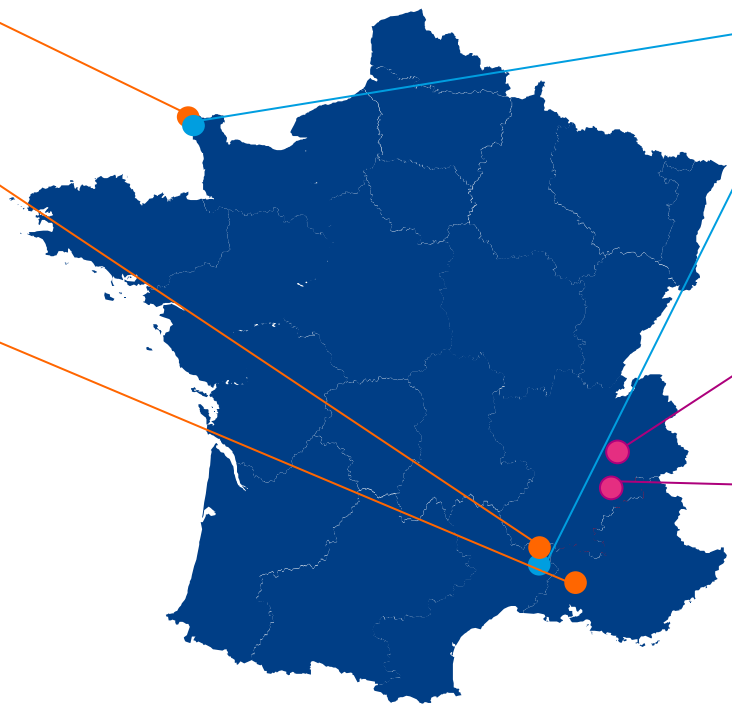
# A strong industrial base

## Plant dismantling

- **La Hague**
  First generation plant dismantling
- **Marcoule**
  UP1 Treatment plant dismantling
- **Cadarache**
  MOX plant dismantling

## Recycling

- **La Hague**
  Fuel treatment
- **MELOX**
  MOX fuel fabrication
- **Romans**
  RepU fuel fabrication
- **Tricastin**
  RepU* Enrichment and Conversion



**Fabrication performed by Front End with recycled uranium supplied by Back End**

## Logistics

* Recycled uranium from the treatment of used fuel



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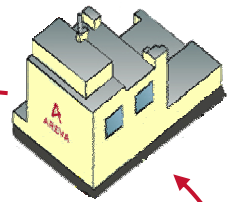
# Overview of recycling process

Nuclear reactor

*Recycled fuel*

*MOX*

*Reprocessed uranium fuel*



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Used Fuel

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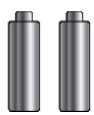
*Waste expedition*

Long-term storage and disposal



*Vitrified Waste*

*Compacted Waste*

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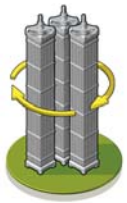

# 96% of a used fuel assembly is recyclable

## Composition of used light water reactor fuel

- 1 LWR = 500 kg uranium before irradiation in the reactor

Recyclable materials — Waste

After irradiation*

| Uranium | Plutonium | Fission Products |
|---|---|---|
| 475 to 480 kg | 5 kg | 15 to 20 kg |
| (94 to 96%) | (1%) | (3 to 5%) |
| UOX Fuel | MOX Fuel | Final Waste |

* Partly dependant on the burn-up rate



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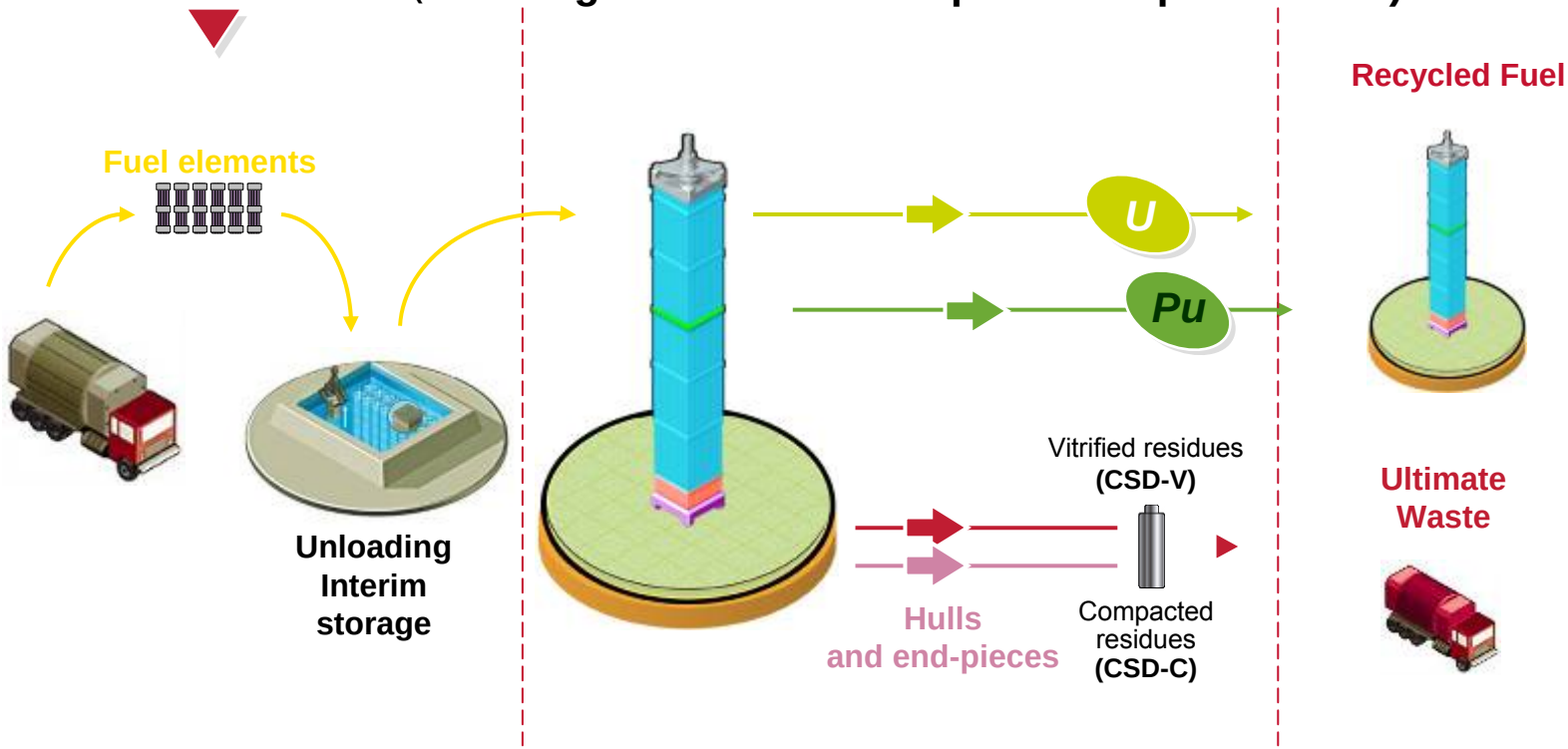
# The main stages in recycling

## Treatment operations

(shearing - dissolution - separation - purification)




***At each stage of the process, nuclear material is accounted for under EURATOM and IAEA safeguards***



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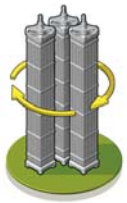

# Recycling, a responsible solution (1/2)

- **Savings in natural resources**
  - **96%** of recyclable material is recovered
  - Savings of up to **25%** in natural uranium

- **Recycling creates available energy reserves**
  - **1 gram** of plutonium or
  - **100 grams** of uranium

  are the equivalent of more than **1 ton** of oil

- **Using recovered Plutonium to produce electricity, recycling used fuel contributes to non-proliferation**



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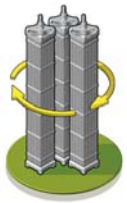
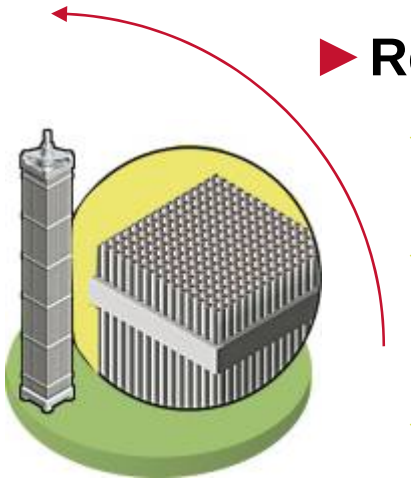


# *Recycling, a responsible solution (2/2)*



- **Recycling doesn't weigh down the nuclear bill**
  - **In France, the recycling process accounts for only 6% of the cost of the kWh**
  - **The uranium price hike makes recycling a more interesting proposition: the price of uranium oxide rose from $20/lb in January 2005 to $40/lb in January 2010**
  - **Proven competitiveness compared to direct disposal**

- **Waste is easier to manage**
  - **The volume of highly radioactive waste is reduced by 5**
  - **The toxicity of highly radioactive waste is reduced by 10**

**All the while protecting mankind and the environment**



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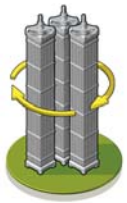
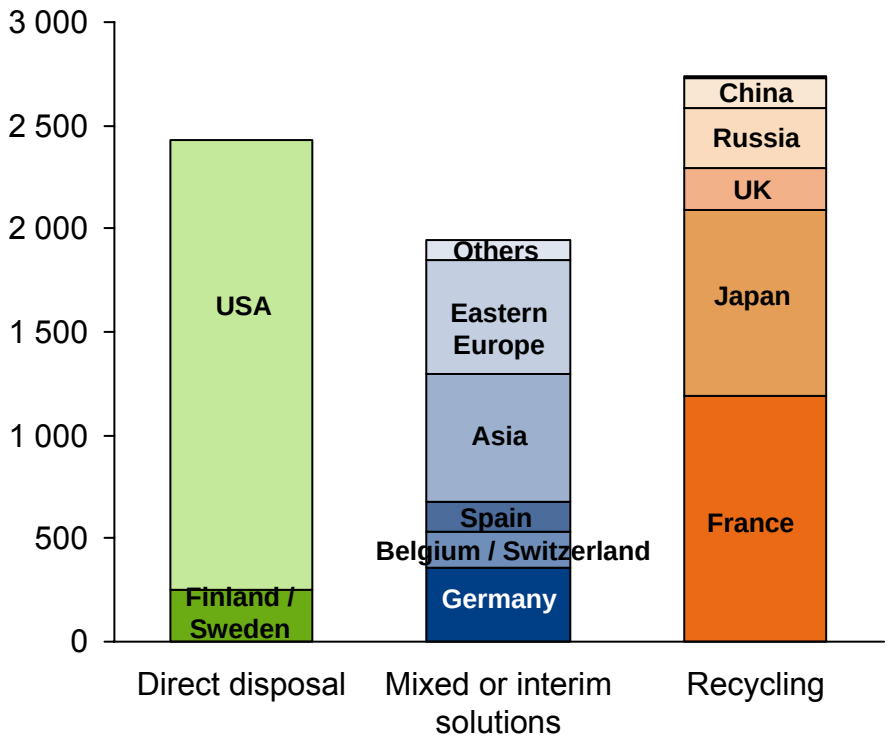


# Recycling of LWR nuclear fuel: Main market figures as of 2009

## Estimated used fuel inventory and annual unloadings by region in 2009

| Region | Current Inventory (tons) | Annual unloadings |
|---|---|---|
| America | 60,000 | ~ 2,200 |
| Europe and South Africa | 46,200 | ~ 2,700 |
| Russia / CIS | 7,300 | ~ 600 |
| Asia | 23,500 | ~ 1,600 |
| Total | 137,000 | ~ 7,000 |

## Treatment option of used fuel in nuclear countries in 2009 (Tons)




Note: tons refer to metric tons of Heavy Metal



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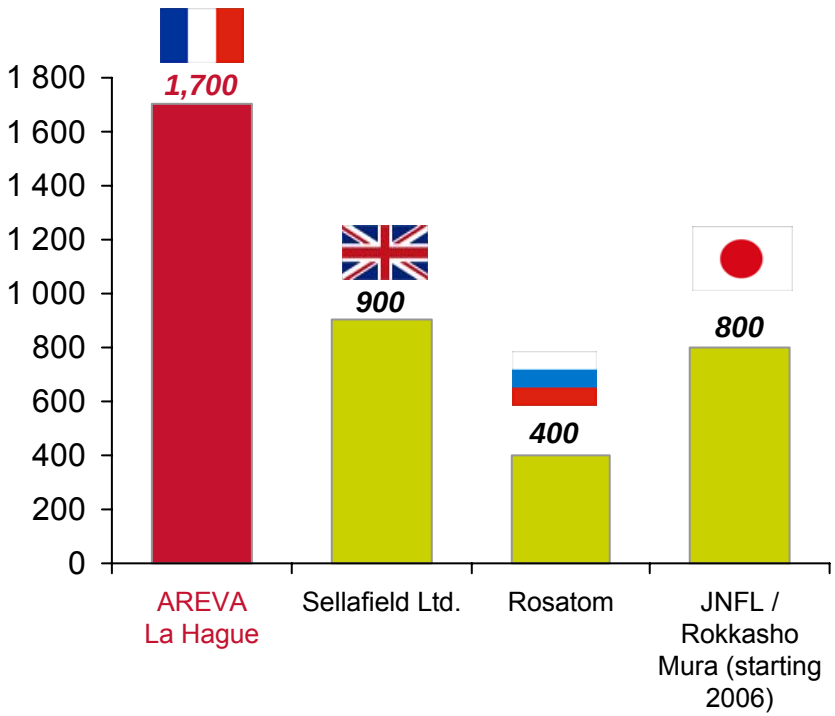
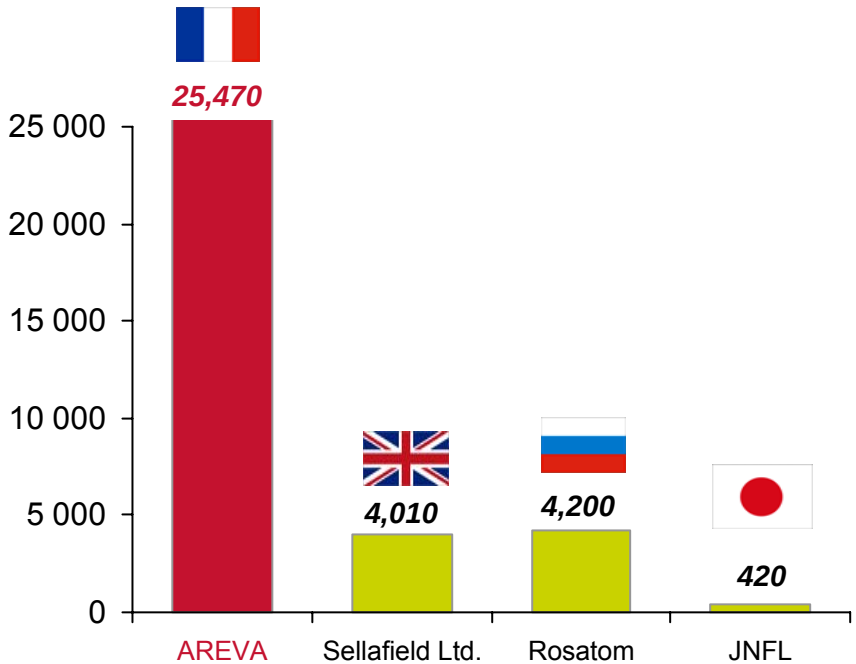
# AREVA: N°1 worldwide in treatment of nuclear fuel

## Treatment capacity for light water reactors fuel (tons/year)




## Cumulative production, as of dec. 2009 (tons/year)

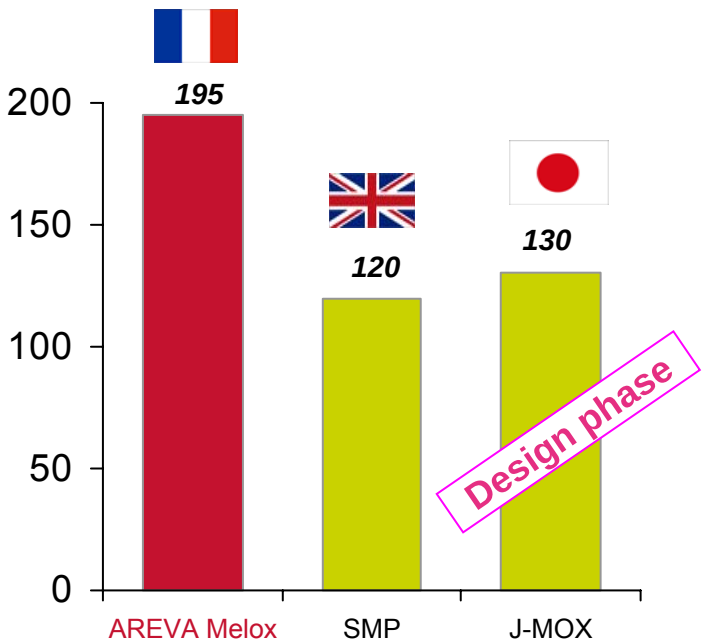



**As of today, AREVA treated ~75% of the fuel worldwide, i.e 25 470 tons out of 33 170 tons**

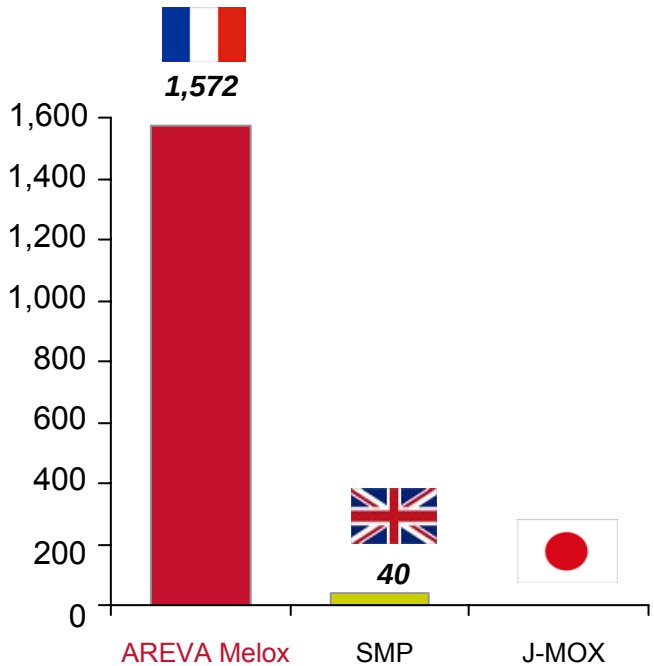
Source: AREVA, World Nuclear Association

# AREVA: N°1 worldwide in MOX fuel fabrication

## MOX fuel production capacity
**(tons of MOX)**




## Cumulative production, as of dec. 2009
**(tons of MOX)**



# A unique presence in key recycling projects worldwide

**M&O of the Savannah River vitrification facility**

- AREVA-URS-Bechtel consortium
- $400m / yr*

United States

**On-going construction of a MOX Fuel Fabrication Facility**

- AREVA-Shaw consortium
- $5bn*

**Sellafield site M&O**

- AREVA-URS-AMEC consortium
- £1.3bn / yr*

United Kingdom

Japan

**Rokkasho-Mura partnership**

- Technology and know-how transfer for the reprocessing plant
- J-MOX plant design

Management and Operations

Engineering Project Construction

Note : *Total M&O or Investment cost of the facility



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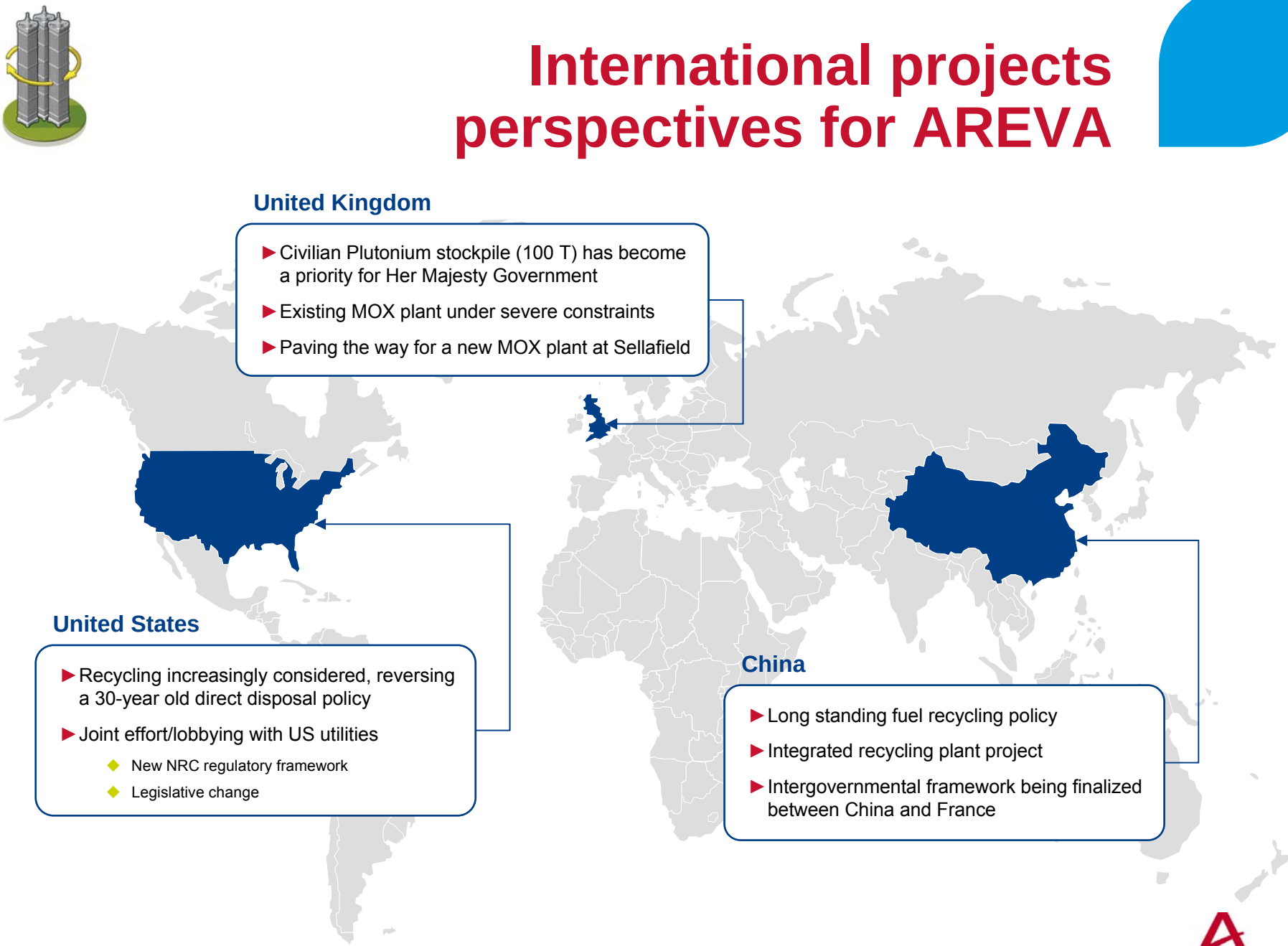
# International projects perspectives for AREVA



## United Kingdom

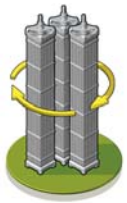
- Civilian Plutonium stockpile (100 T) has become a priority for Her Majesty Government
- Existing MOX plant under severe constraints
- Paving the way for a new MOX plant at Sellafield

## United States

- Recycling increasingly considered, reversing a 30-year old direct disposal policy
- Joint effort/lobbying with US utilities
  - New NRC regulatory framework
  - Legislative change

## China

- Long standing fuel recycling policy
- Integrated recycling plant project
- Intergovernmental framework being finalized between China and France



# R&D and Continuous Improvement (1/4)

- **AREVA is continuously improving its processes and technologies**
  - **To reduce the amount of primary and secondary waste**
    - Ex: large effort at La Hague to suppress low and intermediate level effluent processing and associated waste packages (all liquid waste now goes to the glass)
  - **To segregate the waste at the source, further reducing expensive treatment and disposal**
  - **To simplify customer's waste handling**
    - Ex: standardization of HLW canisters
  - **To reduce occupational exposure by extensive use of remote maintenance**
  - **To increase cost effectiveness**
    - Ex: adaptation to the continuous increase of fuel burnup



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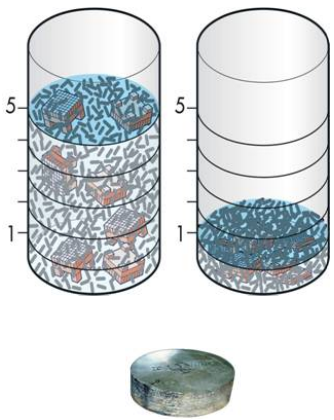
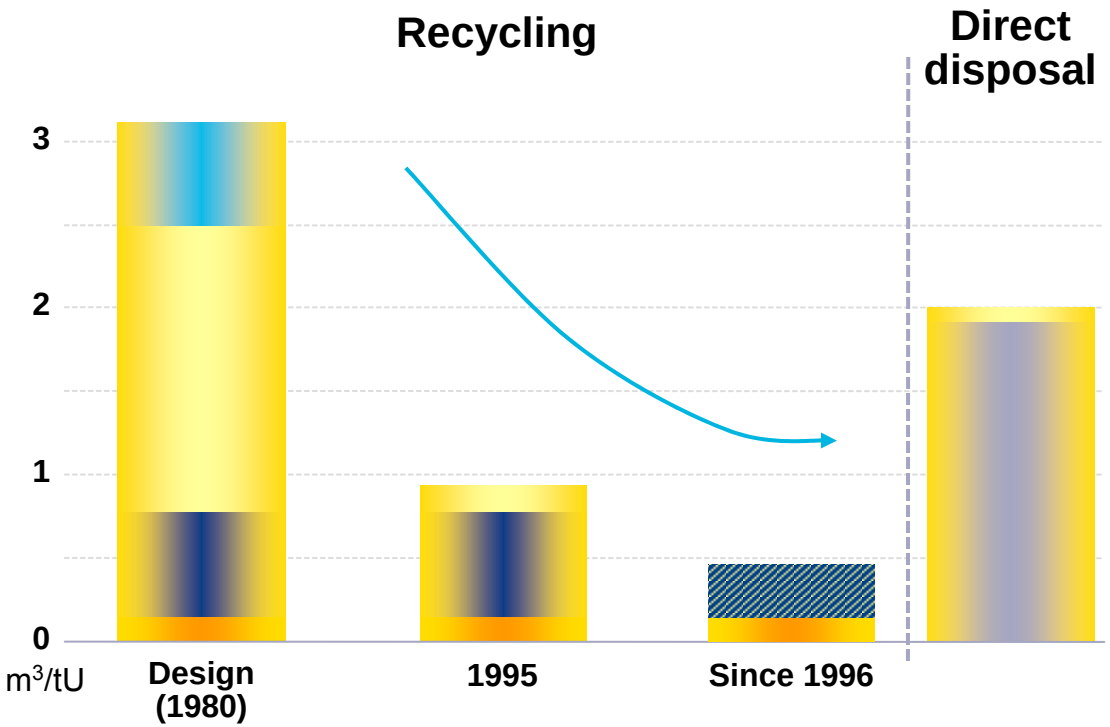
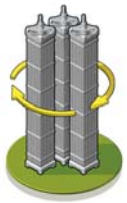
# R&D and Continuous Improvement (2/4)

## Ex : Continuous Volume Reduction Over Time





# R&D and Continuous Improvement (3/4)

- **AREVA has established a long time partnership with R&D**
  - **Cooperation with CEA (Atomic Energy Commission) to develop the new processes and prepare the future**
    - AREVA invests 100 M€ in R&D every year
  - **Work through integrated team between R&D, Engineering and Operations from day one on critical projects**

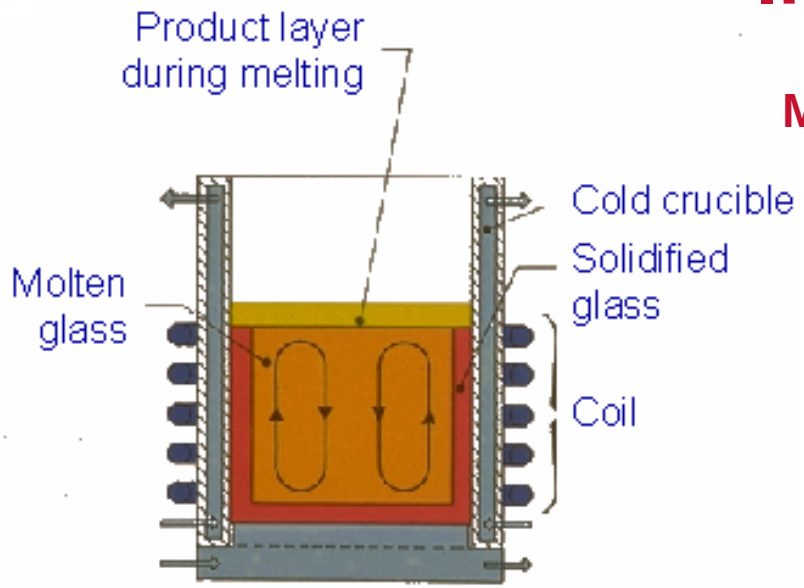
- **COEX$^{TM}$: U and Pu Co-Management *(since mid 90's)***
  - **Almost perfect (U-Pu)$O_2$ powder, further enhancing MOX characteristics**
  - **Enhanced non proliferation resistance**
  - **Evolutionary process**
- **The Cold Crucible Induction Melter *(since mid 80's)***
  - **Enlarge acceptance spectrum of vitrification process Used fuel burnup increase**
  - **Legacy waste**
  - **Vitrification capacity increase**

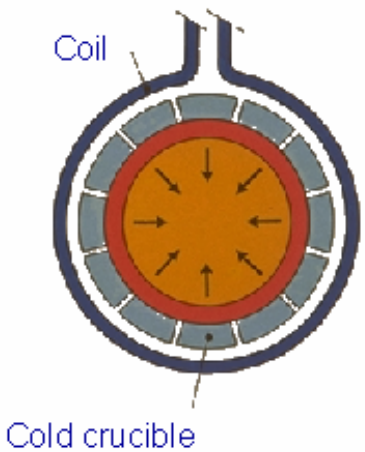
**Two examples**

AREVA cea

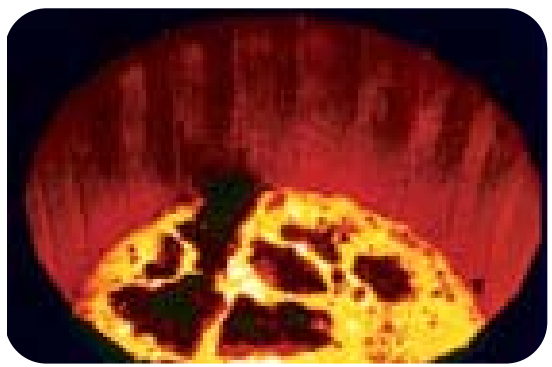
# R&D and Continuous Improvement (4/4)

## Cold Crucible Melter
## Main Technological Features




- **Induction Heating Principle**
- **Water-cooled Structures**
- **High Operating Temperatures**



***Implementation at La Hague R7 in 2010***



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# Nuclear site value development market

- **The emerging French market is the exclusive short-term target**
  - 30 G€ of financial provisions for nuclear power plants and fuel cycle facilities dismantling & decommissioning
  - Annual average market size for the next 10 years: 400 M€/y

- **60% market share targeted through the project & site management of all the major fuel cycle facilities**
  - 100% of AREVA nuclear sites
  - Reference partner for CEA's main legacy sites

- **A unique set of experience, on a still emerging market, giving a high development potential for future international markets**

# Drivers of the Clean-up market

- **Clean-up has become an important component of a sustainable nuclear energy**
  - Demonstrating the reversibility of nuclear sites and therefore enhancing nuclear acceptance
  - Nuclear sites have become very valuable assets that must be fully utilized (in particular as main candidates for new-build reactor locations)

- **Significant economic drivers**
  - Controlling the cost and duration of Clean-up operations for both AREVA and its external clients

- **A significant growth potential**
  - Nuclear Renaissance context

# Summary of strategic objectives
# Back End

| | |
|---|---|
| 1 | Develop our relations with customers (existing and new) in the recycling business to increase level of activity at the La Hague and Melox facilities |
| 2 | Confirm AREVA's position as a leading partner for the construction and operation of recycling plants in the main nuclear countries |
| 3 | Dismantle facilities safely and in a cost-effective manner |
| 4 | Provide highly safe and secure logistics and operations solutions for the whole nuclear fuel cycle, be it for internal or external customers |
| 5 | Become a worldwide benchmark in management culture and practices |



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# Content

- Overall presentation
- Sustainable development and continuous improvement at AREVA
- Overview of the Back-end Business Group
- **Site presentation**

# La Hague :
# a recycling site

# La Hague site
# The largest reprocessing-recycling plant in the world

- **Two production units with the same output**
  - **UP3,** commissioned in 1990
  - **UP2 800,** commissioned in 1994
  - **Two adjoining plants**
  - **A total annual capacity of 1700 tons of used fuel**
- **The original production unit will be decommissioned**

*A flexible, high-performance industrial tool*
*An appropriate organizational structure*

- Surface area : **300 hectares**
- Direct jobs : **3100 direct jobs** + sub-contractors (5000 in all)
- The largest employer in North-Cotentin area

- Purchasing : around **€ 350 Million** invested each year in local economy
- Taxes and duties : **€ 175 Million per year**
- *Investment :* **€ 90 million in 2010**



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# More than 25,000 tons of used fuel treated at la Hague plant

| *At 1st January 2010* | Tons treated |
|---|---|
| EDF *France* | ***15,110*** |
| *German* utilities | ***5,479*** |
| *Japanese* utilities | ***2,944*** |
| *Swiss* utilities | ***771*** |
| Synatom *(Belgium)* | ***672*** |
| EPZ *(The Netherlands)* | ***336*** |
| SOGIN *(Italy)* | ***161*** |

# Nuclear Safety : our top priority

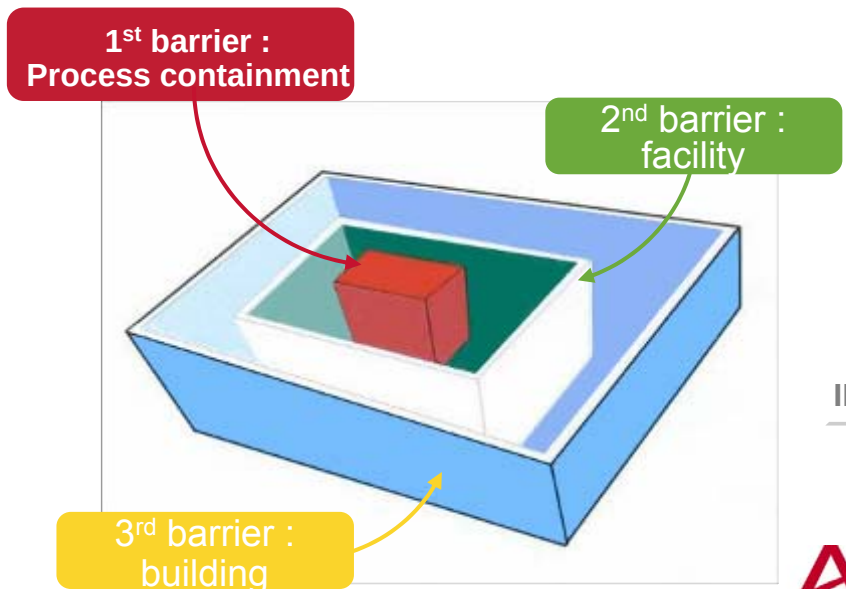
# Safety without compromise

- **The safety of a reprocessing plant is based on :**
  - Design bases
  - Operating procedures

Facilities designed to be **2/3 underground**

**The plant is highly automated**

- **There are two predominant safety features:**
  - Containment (three barriers)
  - Cooling




INES



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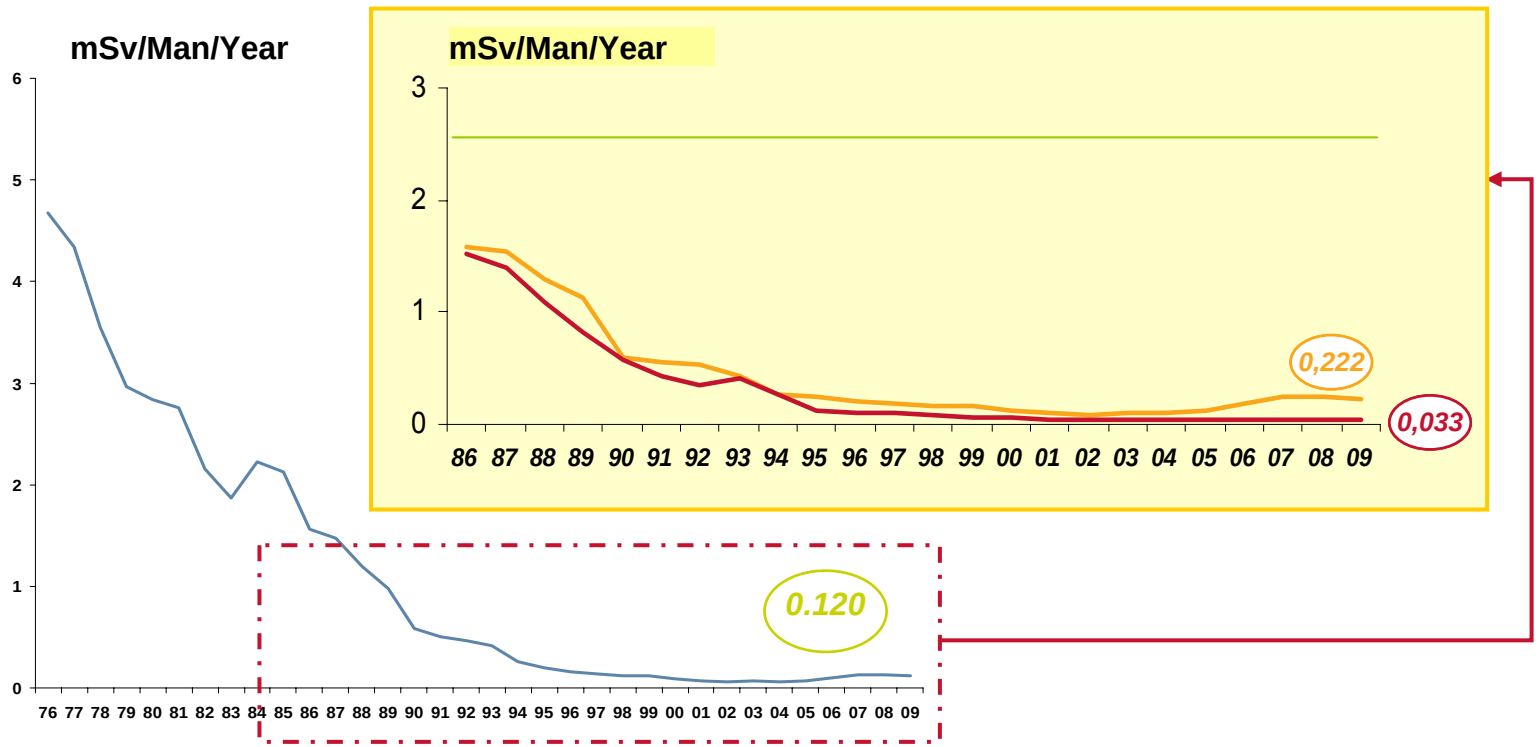
# A completely controlled impact on health and the environment

# A high priority : employees

- **Taking radioprotection into account from the original design has allowed us to achieve extremely low personnel exposure levels**




***Average annual dose per person (AREVA NC and subcontractors)***

SITE *(2009 : 0,120 mSv /Man/year)*

SUBCONTRACTORS *(2009 : 0,222 mSv /Man/year)*

AREVA NC *(2009 : 0,033 mSv /Man/year)*

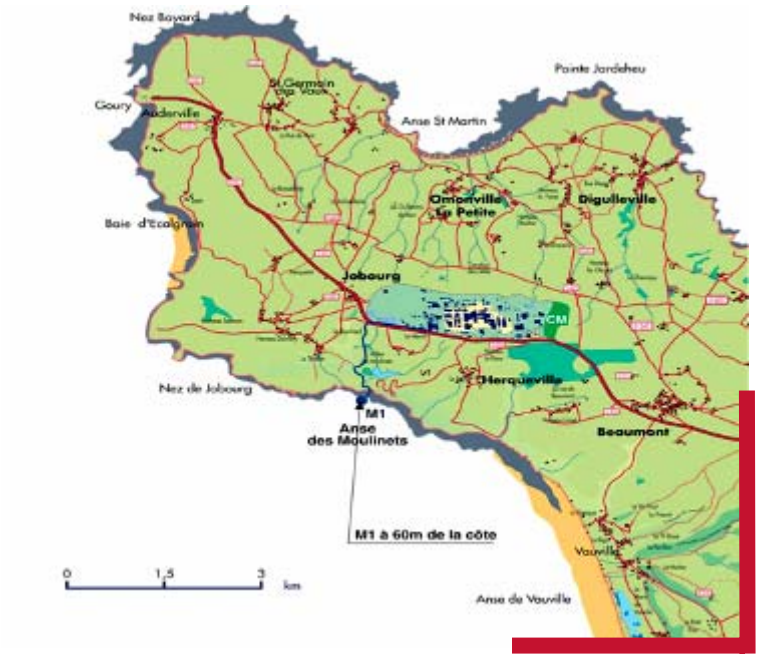
NATURAL RADIOACTIVITY

# No impact on health

- **From a radioecological perspective, the impact of the site is 100 times lower than natural exposure**

**Natural Exposure**
**2.4 mSv / year**

**Areva La Hague**
**< 0.02 mSv / year**



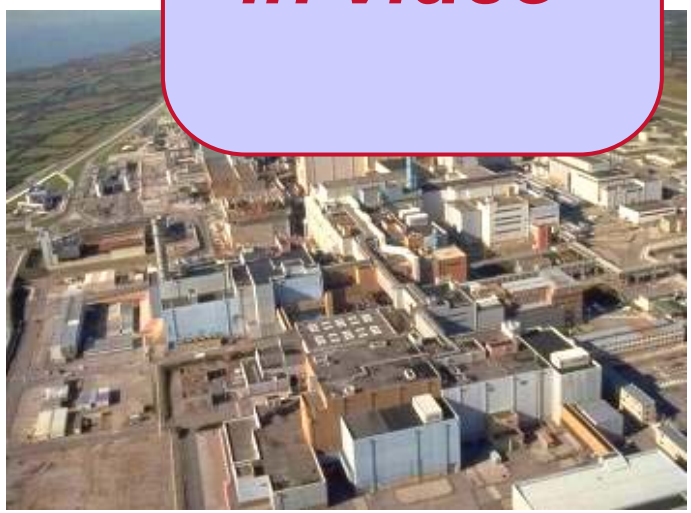

***Impact calculated since 2004 using a model produced by the GRNC, making allowance for the results of the AREVA NC public enquiry (1998), for a reference group: population likely to be the most highly exposed due to its position and lifestyle.***

mSV

# Comparison of approximate annual doses

| | |
|---|---|
| Average **natural exposure** in France : | 2.4 mSv per person |
| **Natural exposure** in Limousin : | 6 mSv per person |
| A **medical X-ray** of the abdomen : | 1 mSv |
| A **medical X-ray** of the lungs : | 0.1 mSv |
| Consumption of one litre of **mineral water** per day during one year | 0.03 mSv |
| A **Transatlantic flight** from Paris : | 0.02 mSv |
| **A 400-meter increase in altitude** : | 0.02 mSv |
| **Consumption of 200 grams of mussels**: | 0.02 mSv |

***AREVA La Hague in video***





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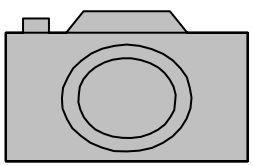
# Your health, your security are our priorities

**Welcome to the AREVA La Hague Plant.**

**Here are our rules…**

**which during your visit should be yours !**

- **Follow your guide at all times**
- **Hold on to the handrail**
- **Use the pedestrian walkways**



- **Cameras, video cameras and computers are subject to authorisation**

# Appendices

# Key Figures in 2009
## Nuclear and Renewable Energy scope

| *In millions of euros* | 2008 | 2009 | Δ 09/08 |
|---|---|---|---|
| **Backlog** | **42,531** | **43,302** | +1,8% |
| **Revenue** | **8,089** | **8,529** | +5,4% |
| **Operating income before OL3** | **606** | **647** | +6,8% |
| **Additional OL3 provisions** | **(749)** | **(550)** | |
| **Operating income** | **(143)** | **97** | +€240 M |
| Net Earnings of discontinued operations (T&D) | 371 | 267 | €(104) M |
| **Net income attributable to equity holders of the parent** | **589** | **552** | €(37)M |
| **Operating cash flow before investments** | **230** | **375** | +€145M |
| **Free operating cash flow (*)** | **(900)** | **(919)** | €(19)M |
| **Net debt** | **5,499** | **6,193** | +€694M |
| **Proforma net debt post sale of T&D (**)** | **5 499** | **3 022** | €(2 477)M |
| **Dividend per share (in euros per share)** | **€ 7.05** | ***** € 7.06** | - |
| **Pay-out ratio (%)** | **42%** | **45%** | - |

* EBITDA +/- proceeds from sale of capital assets and dilution +/- variation in operating WCR - operating capex net of disposals
** Proforma net debt 31/12/2009: Net debt at 31/12/2009 - T&D selling price (value of the T&D shareholders' equity + redemption of T&D's net debt financed by AREVA i.e. internal debt)
*** Pending decision by the Annual General Meeting of Shareholders of 29 April 2010



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# Income Statement

| *In millions of euros* | 31 December 2009 | 31 December 2008 |
|---|---|---|
| **Revenue** | **8 529** | **8 089** |
| **Other business income** | **61** | **28** |
| **Cost of products and services sold** | **(7,508)** | **(7,221)** |
| **Gross Margin** | **1 082** | **896** |
| Research and development expenses | (346) | (303) |
| Marketing and sales expenses | (286) | (258) |
| General and administrative expenses | (620) | (635) |
| Other operating income and expenses | 266 | 157 |
| **Operating Income** | **97** | **(143)** |
| Income from cash and cash equivalents | 14 | 36 |
| Gross cost of financial debt | (128) | (105) |
| **Net cost of debt capital** | **(113)** | **(69)** |
| **Other financial income and expenses** | **301** | **75** |
| **Financial Income** | **187** | **6** |
| **Income tax** | **138** | **109** |
| **Net income for all consolidated companies** | **422** | **(28)** |
| **Share in Income of Associated Companies** | **(152)** | **156** |
| **Net income from continuing activities** | **270** | **127** |
| **Net income from discontinued operations** | *267* | *371* |
| *Net income for the period* | *537* | *498* |
| *including minority interests* | *(15)* | *(91)* |
| **Net income attributable to equity holders of the parent** | **552** | **589** |



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# Non-Operating Components

| *In millions of euros* | 2008 | 2009 | Δ 09/08 |
|---|---|---|---|
| **Operating Income** | **(143)** | **97** | +€240M |
| **Net financial income** | **6** | **187** | +€181M |
| **Share in net income of equity associates** | **156** | **(152)** | €(308)M |
| **Taxes** | **109** | **138** | +€29M |
| *Effective tax rate* | *N/A* | *N/A* | N/A |
| **Minority Interests** | **91** | **15** | €(76)M |
| **Income from Discontinued Operations activities (T&D)** | **371** | **267** | €(104)M |
| **Net income (attributable to equity holders of the parent)** | **589** | **552** | €(37)M |
| *Net earnings per share (euros per share)* | *€16.62* | *€15.59* | *€(1.03)* |



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# Financial Income

| *In millions of euros* | **2008** | **2009** | Δ 09/08 |
|---|---|---|---|
| **End-of-life-cycle operations** | **(57)** | **10** | +€67M |
| ***including:*** | | | |
| *Income from the earmarked financial portfolio* | *87* | *62* | *€(25)M* |
| *Income from receivables and from discount reversal on earmarked end-of-life-cycle assets* | *183* | *122* | *€(61M)* |
| *Discounting reversal expenses* | *(327)* | *(174)* | *+€153M* |
| **Cost of debt capital** | **(69)** | **(113)** | €(44)M |
| **Income from disposal of securities** | **347** | **381** | +€34M |
| **Discount reversal on retirement and benefits** | **(60)** | **(79)** | €(19)M |
| **Other income and expenses** | **(154)** | **(12)** | +€142M |
| **Financial Income** | **6** | **187** | €181M |



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# Change in Net Debt

| *In millions of euros* | 2008 | 2009 |
|---|---|---|
| **Operating EBITDA (excl. end-of-life-cycle costs)** | **593** | **584** |
| *% of revenue* | *7.3 %* | *6.9%* |
| Income from disposal of operating assets | (190) | (314) |
| Change in operating WCR | (173) | 105 |
| Net operating capex. | (1,130) | (1,294) |
| **Free operating cash flow before tax** | **(900)** | **(919)** |
| End-of-life-cycle obligations | (115) | (124) |
| Dividends paid | (315) | (309) |
| Change in net debt from activities held for sale* | (177) | (351) |
| Other (net financial investment, taxes, non-operating WCR, etc.) | 11 | 1,009 |
| **Change in net cash & cash equiv. (debt)** | **(1,496)** | **(694)** |
| **Net debt (31.12)** | **(5,499)** | **(6,193)** |

* Including dividends paid by AREVA T&D to AREVA SA



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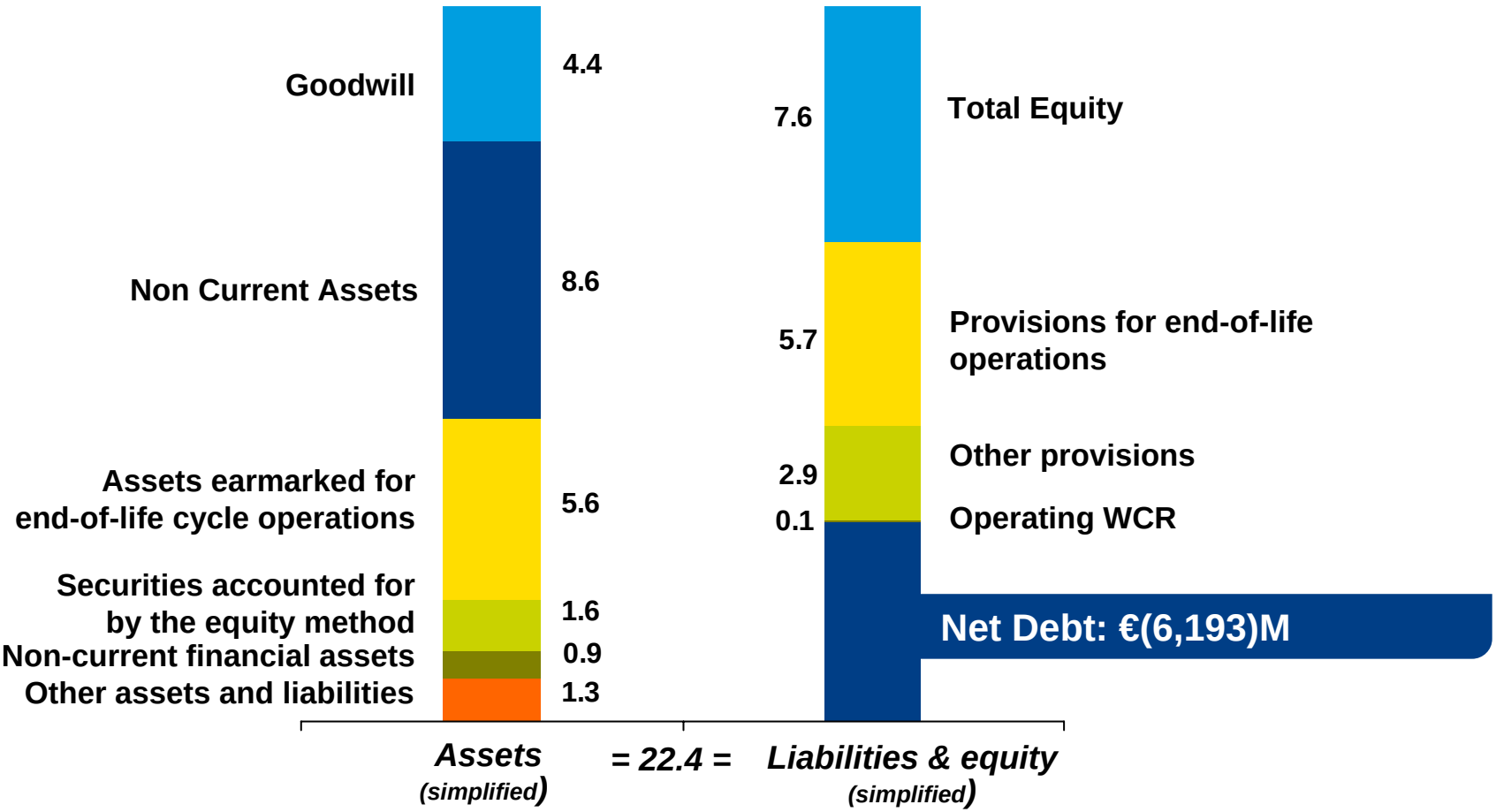
# Simplified Balance Sheet at 31.12.09

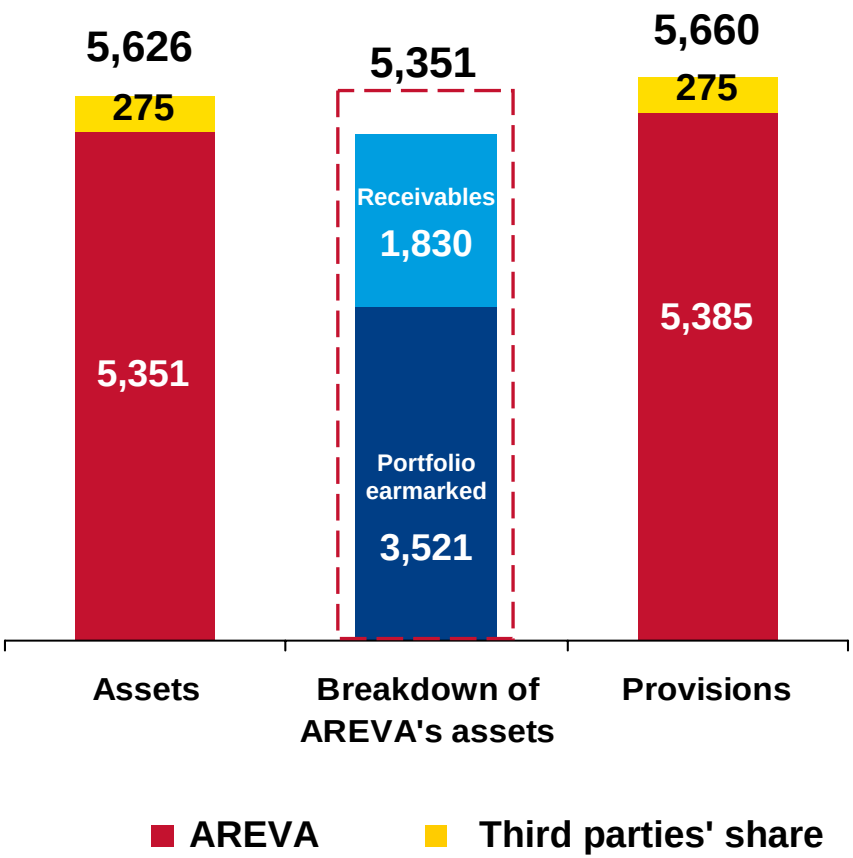
**In billion of euros**




* Net debt including the SIEMENS debt at its 2007 value, i.e. 2,049 million euros, plus interest accrued

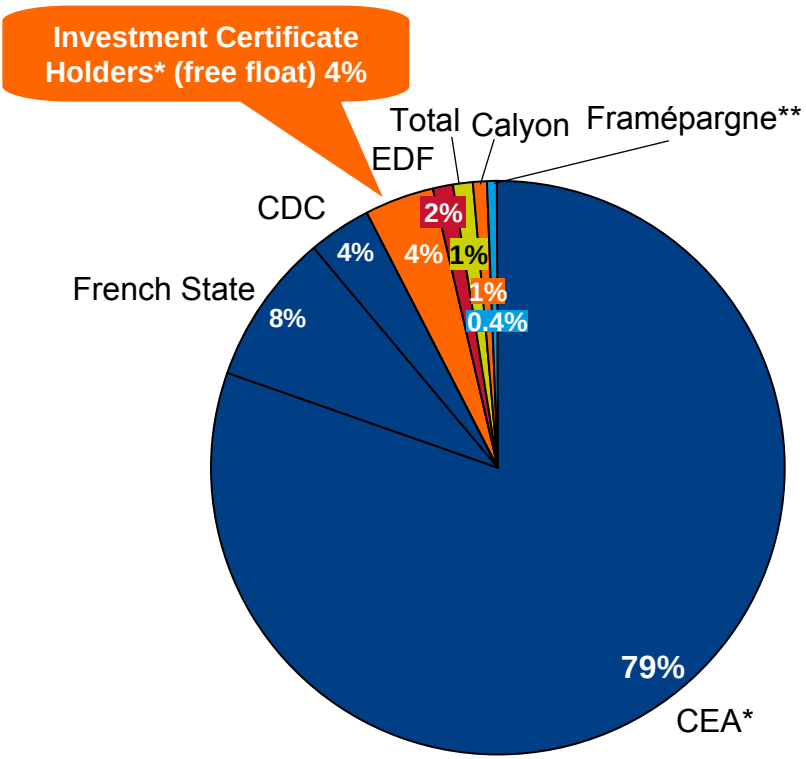
# Balance Sheet at 31.12.09 - End-of-Life Cycle Operations

**End-of-life Cycle Operations at 31.12.09 (€M)**




- The law of June 28, 2006 on the sustainable management of radioactive materials and waste requires dedicated assets to fully cover end-of-life-cycle liabilities (100% coverage ratio) by June 28, 2011
- At 31/12/2009, on the basis of the scope laid down by the Law of 28/06/2006, the coverage ratio was 101.3%
- On the full scope of end-of-life-cycle liabilities, the Group's coverage ratio was 99.4%

# AREVA current ownership structure




**Total French State: 92%**

***CEA 79%***

- **French Atomic Energy Research Organization, public body established in 1945**
- **Active in three main fields : Energy, information and health technologies, defense and national security**
- **By law, CEA must retain the majority of AREVA's capital**
- **€3.4Bn annual spending** *(2007)*

***CDC 4%***

- **French financial organization created in 1816, part of the Government institutions under the control of the Parliament**
- **Invests in long-term projects to serve France's public interests and economic development; supports public policies, companies and local authorities**
- **AAA/Aaa with a consolidated balance sheet of €221Bn**

Note: Shareholding structure as at 29/10/2009

1. CEA owns all of the voting rights certificates
2. Employees' shareholding in AREVA



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