PRESS RELEASE

2011 Annual results

- **Backlog: €45.6bn, +3.1% vs. 2010, i.e +6.7% over 3 months**
- **Revenue: €8.872bn, i.e -2.6% vs. 2010**
- **Operating income: -€1.923bn**
- **Net income attributable to equity owners of the parent: -€2.424bn**
- **EBITDA: €1.068bn (€420m excluding Siemens impact[1])**
- **Free operating cash flow before tax: -€2.397bn (-€1.366bn excluding Siemens impacts[2]), improvement over the second half**
- **Decrease in net debt of €124m for the year**
- **Significant drop in general and administrative expenses, with a noticeable reduction between the first and the second half**
- **Launch of several disposals of minority interests**

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Paris, March 1st, 2012

The Supervisory Board of AREVA met today under the chairmanship of Jean-Cyril Spinetta to examine the financial statements submitted by the Executive Board for the year ended December 31, 2011.

Concerning the results, Luc Oursel, Chief Executive Officer, stated:

"Our backlog established at 45.6 billion euros at the end of 2011, significantly increasing at the end of a year marked by the Fukushima accident, confirms the commercial dynamism of the group alongside its customers and reinforces the visibility on its future business level.

In a difficult context, the slight decline in revenue in 2011 demonstrates the robustness of AREVA's integrated model, resting mainly on recurring business generated in relation to our customers' nuclear installed base, and benefiting from the development of our renewable energies operations.

Free operating cash flow before tax, although down over the whole year in 2011, improved in the second half, showing the first effects of AREVA's stronger focus on cash generation and debt management.

After the success of our bond issue in September 2011, the Group's liquidity remains high at the end of 2011.

The AREVA teams are now dedicating all of their efforts to the deployment of the "Action 2016" strategic action plan, which had already yielded its first positive results at the end of 2011, with an improvement in the cost structure of our operations, an increase in order intake, and the launch of several disposals of minority interests."

[1] Transactions with Siemens had an impact on EBITDA of 648 million euros in 2011 (penalty received from Siemens).
[2] Transactions with Siemens had a net impact of -1.031 billion euros on free operating cash flow before tax (648 million euros penalty received from Siemens, less 1.679 billion euros paid to acquire AREVA NP shares).

I – Consolidated performance

Key figures

Millions of euros	2011	2010	*Change 2011/2010*
Backlog	45,558	44,204	*+3.1%*
Revenue	8,872	9,104	*-2.6%*
Operating income	-1,923	-423	*-€1,500m*
Percentage of revenue	*-21.7%*	*-4.6%*	*-17.1 pts*
Net income attributable to equity owners of the parent	-2,424	883	*-€3,307m*
Earnings per share	-€6.35	€2.49	*-€8.84*
EBITDA (excluding Siemens impact[1])	420	703	*-€283m*
EBITDA (including Siemens impact[1])	1,068	703	*+€365m*
Free operating cash flow before tax (excluding Siemens impacts[2])	-1,366	-1,090	*-€276m*
Free operating cash flow before tax (including Siemens impacts[2])	-2,397	-1,090	*-€1,308m*
	12/31/11	12/31/10	
Net debt (+) or cash (-)	3,548	3,672	*-€124m*
Net debt / (net debt + equity) ratio	35%	28%	

In accordance with the requirements of IFRS 8, AREVA's business segment information is presented for each operating Business Group (BG), which is the level of information examined by the group's governance bodies. Subsequent to the establishment of a dedicated subsidiary combining all of the group's mining operations, data for the Mining Business Group are now reported separately from those of the Front End Business Group. Data used for comparisons with 2010 were restated to reflect this new organization.

The business segment information therefore corresponds to AREVA's five operating Business Groups: Mining, Front End, Reactors & Services, Back End and Renewable Energies.

Backlog and revenue

The consolidated backlog was 45.558 billion euros at December 31, 2011, up 3.1% in relation to December 31, 2010 and up 6.7% in relation to September 30, 2011. The Group reported consolidated revenue of 8.872 billion euros in 2011, a decrease of 2.6% on a reported basis and of 1.2% like for like[3] compared with 2010 *(please refer to press release dated January 26, 2012)*.

[1] Transactions with Siemens had an impact on EBITDA of 648 million euros in 2011 (damages received from Siemens).
[2] Transactions with Siemens had a net impact of -1.031 billion euros on free operating cash flow before tax (648 million euros in damages received from Siemens, less 1.679 billion euros paid to acquire AREVA NP shares).
[3] Like for like, i.e. at constant exchange rates and consolidation scope

Operating income

The Group reported an operating income of -1.923 billion euros in 2011, compared with -423 million euros in 2010.

As a reminder, in April 2011, after Siemens' withdrawal as a shareholder of AREVA NP, the arbitration court confirmed that Siemens' behavior was at fault, requiring to pay 648 million euros in penalties to AREVA. The payment was recognized in operating income. This decision is final in nature and ends the arbitration proceedings with Siemens.

The Group's operating income includes impairment of property, plant and equipment and intangible assets for the total amount of 2.056 billion euros in 2011, compared with impairment of 548 million euros in 2010. Impairment recognized in 2011 includes:

- 1.456 billion euros in the Mining BG associated with UraMin's mining projects;
- 474 million euros in the Front End BG for the Chemistry business (283 million euros) and the Enrichment business (191 million euros);
- 125 million euros in the Reactors & Services BG for equipment manufacturing facilities and capitalized development expenses.

Included in operating income, **general and administrative expenses** decreased significantly in 2011 (428 million euros compared to 530 million euros in 2010), with a noticeable reduction between the first (238 million euros) and the second half of the year (190 million euros), demonstrating the effects of the increasing efforts initiated in the second half to reduce overheads and support function costs. These efforts will continue as part of the "Action 2016" strategic action plan.

Analysis of operating income by Business Group:

- The **Mining BG** reported an operating income of -1.169 billion euros, versus -222 million euros in 2010. It includes impairment of property, plant and equipment and intangible assets associated with UraMin's mining projects, whether under development or not yet launched, in Namibia (Trekkopje), in the Central African Republic (Bakouma) and in South Africa (Ryst Kuil) for the total amount of 1.456 billion euros (compared with 426 million euros in 2010). On the Group's consolidated balance sheet at December 31, 2011, the carrying value of property, plant and equipment and intangible assets for these projects was 404 million euros. Excluding impairment, operating income in the Mining BG totaled 287 million euros (22.3% of revenue), compared with 204 million euros in 2010 (18.7% of revenue). This increase is mainly due to the increase in the average uranium sales price from contracts and efficient control over production costs.
- The **Front End BG** reported an operating income of -780 million euros, compared with 85 million euros in 2010. It includes impairment of property, plant and equipment and intangible assets:
    - in the Chemistry business, 71 million euros for the Comurhex facility, mainly in connection with the revision of the estimated dismantling cost for this plant, and 212 million euros for the Comurhex II plant, the Group having decided, after review, to postpone capital expenditures designed to increase capacity to 21,000 metric tons

per year at the Comurhex II plant beyond the "Action 2016" strategic action plan term;

- in the Enrichment business, 191 million euros on decommissioning assets for the Georges Besse I plant following the revision of the estimated dismantling cost for this plant.

In 2010, operating income in the Front End BG included impairment of property, plant and equipement and intangible assets of 120 million euros representing the financial impact of the agreement reached on conditions for closing the Georges Besse I plant following mediation by the French State. Excluding impairment, operating income in the Front End BG was -306 million euros in 2011, compared with 205 million euros in 2010. This sharp drop is explained in particular by:

- a reduction in volumes in the Enrichment business linked to operating conditions at the Georges Besse I plant, where the beginning of the shutdown stage is scheduled by the end of the first half of 2012;
- additional provisions charges in 2011, mainly for:
  - revised cost estimates for end-of-lifecycle operations at some nuclear facilities in the Chemistry business (for the total amount of 50 million euros) on one hand,
  - the anticipated net cost of operations preparatory to the shutdown of industrial facilities in Chemistry and Enrichment businesses (for the total amount of 268 million euros), on the other hand;
- restructuring costs recognized in 2011 in relation to the decision for a phased shutdown of the fuel manufacturing plant in Dessel, Belgium, by 2015, for a total of 70 million euros.

- The **Reactors & Services BG** reported an operating income of -512 million euros, compared with a loss of 251 million euros in 2010. Operating income for 2011 includes 125 million euros for impairment of property, plant and equipment and intangible assets mainly attributable to the forecast reduction in workload at some equipment manufacturing sites following the Fukushima accident. Excluding impairment, the operating income in the Reactors & Services BG was -387 million euros in 2011, compared with -251 million euros in 2010. This change is primarily explained :
  - in the Installed Base business, by costs recognized in 2011 and additional provisions for losses at completion for several power plant construction and modernization projects, and by a drop in the services activity in connection with Germany's decision to phase out nuclear power;
  - in the New Builds business, by a lower provision for losses at completion for the OL3 EPR project (220 million euros in 2011 compared with 367 million euros in 2010), which only partly offset the impacts described above.
- The **Back End BG** reported operating income of 191 million euros in 2011 (12.0% of revenue), down compared to 2010 (280 million euros ie 16.4% of revenue). This change is particularly explained by:
  - the drop of activity at the La Hague and Melox facilities due to production interruptions occurring in the first half of the year (resolved in the third quarter);
  - a lower activity level in the Recycling business for Japanese customers in the aftermath of the Fukushima accident, partially offset by an increase in MOX fuel production for German customers;

- a higher level of provisions for end-of-lifecycle operations after completion of the three-year review of dismantling cost estimates for the La Hague facilities. Net provisions for end-of-lifecycle operations were 53 million euros in 2011.

- The **Renewable Energies BG** reported an operating income of -78 million euros in 2011, compared with -123 million euros in 2010. This improvement was mainly due to the ramp-up of production capacity in the offshore wind business.

Net income attributable to equity owners of the parent

Net income attributable to equity owners of the parent is -2.424 billion euros in 2011, compared with 883 million euros in 2010.

- Net income from discontinued operations was -2 million euros in 2011, compared with 1.226 billion euros in 2010 mostly for the gain on the disposal of the Transmission & Distribution business during that period.
- The share in net income of associates was 62 million euros in 2011, compared with 153 million euros in 2010. This drop reflects the disposal of STMicroelectronics shares to the Fonds Stratégique d'Investissement in March 2011.
- Net financial income came to -548 million euros in 2011, compared with -314 million euros in 2010. In 2011, it was affected by a capital loss of 48 million euros on Eramet shares (with the prospect of the Eramet shares' disposal to the Fonds Stratégique d'Investissement (the strategic investment fund, FSI)) and by lasting impairment of available-for-sale securities in the amount of -113 million euros, -86 million euros of which relates to funds earmarked for end-of-lifecycle operations. In 2010, net financial income included a capital gain of 213 million euros on the disposal of Safran shares and a capital loss of 101 million euros on the disposal of STMicroelectronics shares. Net borrowing costs totaled -72 million euros in 2011, compared with -158 million euros in 2010. This improvement is largely due to the increase in income from cash and cash equivalents.
- The net tax expense was -156 million euros in 2011, compared with a net tax income of 334 million euros in 2010. The Group did not recognize deferred tax income in connection with the negative current income before tax for the year.

Free operating cash flow before tax

It should be noted that in connection with Siemens' withdrawal from the capital of AREVA NP, the independent expert tasked with determining the value of Siemens' 34% minority interest in AREVA NP put that value at 1.62 billion euros, which was paid by AREVA in March 2011. The total purchase price for the AREVA NP shares came to 1.679 billion euros. This amount was recognized as a capital expenditure in 2011, bringing net operating Capex for the year to 3.653 billion euros. After recognition of damages awarded by the arbitration court to AREVA for the amount of 648 million euros, net impact of Siemens effects on free operating cash flow before tax was -1.031 billion euros.

Free operating cash flow before tax (including Siemens impacts) went from -1.090 billion euros in 2010 to -2.397 billion euros in 2011.

Excluding Siemens impacts, free operating cash flow before tax was -1.366 billion euros in 2011, with -447 million euros in the second half of the year, a significant improvement compared with -919 million euros in the first half of 2011.

Excluding Siemens impacts, the change in free operating cash flow before tax is attributable to:

- a decrease in EBITDA from 703 million euros in 2010 to 420 million euros in 2011;
- a slightly less favorable change in operating working capital requirement (WCR), (187 million euros in 2011 compared to 239 million euros in 2010);
- a decrease in net operating Capex, from 2.013 billion euros in 2010 to 1.974 billion euros in 2011, which partly offsets these effects.

Analysis of EBITDA by Business Group:

EBITDA went from 703 million euros in 2010 to 1.068 billion euros in 2011 (including 648 million euros for penalty paid by Siemens), up 365 million euros. Excluding Siemens penalty, EBITDA for 2011 came to 420 million euros.

- EBITDA in the **Mining BG** was 450 million euros in 2011, compared with 342 million euros in 2010. It benefited from the increase in the average uranium sales price from contracts and efficient control over production costs.
- EBITDA in the **Front End BG** was 179 million euros in 2011, compared with 432 million euros in 2010. It was heavily impacted by the end of the SWUs sales to EDF in France. This was partly offset by the positive impact of performance improvement plans in the Chemistry, Enrichment and Fuel businesses.
- EBITDA for the **Reactors & Services BG** was -378 million euros in 2011, compared with -218 million euros in 2010. It was impacted by the costs' unfavorable evolution of several power plant construction and modernization projects on one hand, and by a drop in Installed Base services activity in connection with Germany's decision to phase out nuclear power, on the other hand.
- EBITDA for the **Back End BG** was 406 million euros in 2011, compared with 446 million euros in 2010. This downturn is attributable in part to lower volumes in the Recycling business due to production interruptions occurring at the end of the first half of the year and a lower level of activity for Japanese customers following the Fukushima accident
- EBITDA for the **Renewable Energies BG** was -85 million euros in 2011, stable compared with 2010 (-83 million euros). Ramp-up of the offshore wind business translated into increased operating costs, covered in part by provisions recognized in 2010 following the technical difficulties encountered on the Alpha Ventus offshore wind farm, which have since been resolved.

Analysis of change in operating working capital requirement (Operating WCR) by Business Group:

The change in operating WCR was a favorable 187 million euros in 2011, compared with 239 million euros in 2010.

- The change in operating WCR in the **Mining BG** was -34 million euros (compared with +252 million euros in 2010), due to an increase in inventory linked to an increase in activity.
- The change in operating WCR in the **Front End BG** came to +161 million euros (compared with +78 million euros in 2010), reflecting cash flow optimization plans deployed mainly in the Fuel and Enrichment businesses.
- The change in operating WCR in the **Reactors & Services BG** came to +191 million euros (compared with -187 million euros in 2010), reflecting cash provided by customer advances.
- The change in operating WCR in the **Back End BG** came to -56 million euros in 2011 (compared with +112 million euros in 2010), reflecting in particular the collection of multiyear customer advances in 2010.
- The change in operating WCR in the **Renewable Energies BG** was +35 million euros (compared with +18 million euros in 2010), reflecting in particular cash provided by customer advances.

Analysis of Capex by Business Group:

Excluding acquisition of AREVA NP shares in 2011, gross operating Capex went from 2.176 billion euros in 2010 to 2.054 billion euros in 2011; the impact of acquisitions in the Renewable Energies BG in 2010 (for the amount of 210 million euros) was partly offset in 2011 by the ramp-up of construction of the Georges Besse II enrichment plant (Front End BG).

In 2011, almost 62% of the Group's capital spending (excluding acquisition of AREVA NP shares) was on sites located in France.

- Gross operating Capex in the **Mining BG** was 599 million euros in 2011, slightly down compared to 2010 (634 million euros), mainly due to the decision to revise downward and then suspend capital expenditures at the Trekkopje site (Namibia).
- Gross operating Capex in the **Front End BG** came to 952 million euros in 2011, up compared to 2010 (833 million euros), reflecting progress on the Georges Besse II plant construction program, which accounted for more than 75% of the Business Group's Capex in 2011.
- The **Reactors & Services BG** reported gross operating Capex of 252 million euros in 2011, comparable to the 2010 level (251 million euros). Gross operating Capex mainly includes developments for the Group's range of reactors and industrial Capex in the Equipment business.
- Gross operating Capex for the **Back End BG** totaled 145 million euros in 2011, identical to that of 2010. The increase in Capex in the Recycling business in connection with repairs at the La Hague facilities following incidents occurring at the end of the first half of the year was offset by a decrease in Capex in the Logistics business.
- Gross operating Capex in the **Renewable Energies BG** was 66 million euros in 2011, a sharp drop from 2010 (245 million euros), when the BG had made acquisitions of 210 million euros (100% of Ausra and an additional 49% of Multibrid).

Disposals were 80 million euros in 2011, compared with 163 million euros in 2010.

Net operating Capex was 3.653 billion euros in 2011, compared with 2.013 billion euros in 2010, reflecting the purchase in 2011 of AREVA NP shares held by Siemens for the amount of

1.679 billion euros. Excluding acquisition of AREVA NP shares, net operating Capex came to 1.974 billion euros in 2011.

Net debt

The Group's net financial debt is 3.548 billion euros, compared with 3.672 billion euros at December 31, 2010. This decrease of 124 million euros, even though free operating cash flow before tax was negative for the year, is mainly due to the positive impact of:

- the outcome of procedures involving Siemens, for a total of 1.082 billion euros, including:
  - penalty collected for 648 million euros in connection with arbitration proceedings;
  - a 434 million euros reduction in net debt linked to the value assigned by the independent expert to Siemens' share, which was less than the amount recognized in the financial statements at December 31, 2010;
- the disposal of AREVA's stake in STMicroelectronics for 696 million euros.

The amount of net financial debt should be compared with equity of 6.606 billion euros at December 31, 2011, compared with 9.578 billion euros at year-end 2010.

Thus the Group's gearing went from 28% in 2010 to 35% in 2011.

In addition, in 2011, the Group's liquidity was reinforced by a fifth bond issue of 500 million euros. As a result, the Group recognized a cash position, net of current borrowings, of 1.203 billion euros at December 31, 2011. Moreover, the Group has no major debt reimbursement due before 2016.

In view of the net loss recognized for the year, the Supervisory Board of AREVA will propose to the Annual General Meeting of Shareholders that no dividend payment be made for 2011.

II – Outlook

As indicated during the presentation of its “Action 2016” strategic action plan on December 13, 2011, AREVA has set the following objectives:

Over the 2012-2013 period,

- organic revenue growth of about 3-6% per year over the period 2012-2013 in the nuclear business and revenue above 750 million euros in renewable energies in 2013 (compared with 297 million euros in 2011);
- EBITDA above 750 million euros in 2012 and above 1.25 billion euros in 2013;
- annual gross Capex of 1.9 billion euros per year on average;
- free operating cash flow before tax negative by less than 1.5 billion euros in 2012, and reaching break-even in 2013.

The Group’s objectives also include a minimum of 1.2 billion euros in proceeds from asset disposals over the 2012-2013 period. In this regard:

- on December 14, 2011, AREVA announced the disposal of 01dB-Metravib, a subsidiary of AREVA TA, to the 01dB-Metravib management team in partnership with the Lyon-based investment fund EVOLEM;
- on December 27, 2011, AREVA and the Fonds Stratégique d’Investissement (the strategic investment fund, FSI) announced starting exclusive negociations regarding the disposal of AREVA’s stake in Eramet. AREVA has agreed with FSI on the principles for the disposal of this stake for an amount of 776 million euros. The legal formalization of this agreement should take place over the following days.
- on January 30, 2012, AREVA announced the disposal of its 20% stake in Sofradir;
- on February 10, 2012, EDF and AREVA have reached an agreement on the principles of a long-term partnership which open up the possibility of EDF part-funding the development of the Imouraren mining project in exchange for a share of its future production.

Over the 2015-2016 period,

- organic revenue growth of about 5-8% per year in the nuclear business and revenue above 1.25 billion euros in renewable energies by 2015;
- gross Capex reduced to approximately 1.3 billion euros on average per year over the period 2014-2016;
- free operating cash flow before tax positive by more than 1 billion euros per year beginning in 2015.

The presentation of AREVA's annual results will be available live on the Internet on March 2nd, 2012, at 10:00 CEST.
To access the webcast, please click on the following links:

French version: http://webcast.areva.com/20120302/resultats_annuels_2011/
English version: http://webcast.areva.com/20120302/2011_annual_results/

Upcoming events and publications

April 26, 2012 – 17:45 CEST: Press release - First quarter 2012 revenue

May 10, 2012: Annual General Meeting of Shareholders

July 26, 2012 – 17:45 CEST: Telephone conference and webcast – Half-year results 2012

Note:

- Status of audit of the 2011 financial statements:

The audit has been completed and the audit report relating to certification of the financial statements has been issued. The financial statements have been certified without reservation. The report makes five observations, two of which are new and draw the reader's attention to, respectively, the consequences of the Fukushima accident and certain decisions of the new strategic action plan on estimating the impairment of property, plant and equipment and of intangible assets, and the procedures for recognizing impairment of mineral rights and property, plant and equipment related to UraMin mining projects, and three of which are recurring and unchanged from previous years, drawing the reader's attention to procedures for valuing end-of-lifecycle assets and liabilities, the performance conditions for the OL3 contract, and changes in accounting rules and methods.

- 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, and 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 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 means that future results and developments may 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 March 30, 2011 and updated with the 2011 half-year report (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.

Appendix 1 – Income Statement

(millions of euros)	2011	2010	Change 11/10
Revenue	**8,872**	**9,104**	*-2.6%*
Other income from operations	40	45	*-€5m*
Cost of sales	(8,058)	(7,824)	*-€234m*
Gross margin	**854**	**1,326**	*-€472m*
Research and development expenses	(343)	(354)	*+€11m*
Marketing and sales expenses	(231)	(253)	*+€22m*
General and administrative expenses	(428)	(530)	*+€102m*
Other operating income and expenses	(1,775)	(612)	*-€1,163m*
Operating income	**(1,923)**	**(423)**	*-€1,500m*
Income from cash and cash equivalents	121	37	*+€84m*
Gross borrowing costs	(193)	(195)	*+€2m*
Net borrowing costs	**(72)**	**(158)**	*+€86m*
Other financial income and expenses	(477)	(156)	*-€321m*
Net financial income	**(548)**	**(314)**	*-€234m*
Income tax	(156)	334	*-€490m*
Share in net income of associates	62	153	*-€91m*
Net income from continuing operations	**(2,565)**	**(250)**	*-€2,315m*
Net income from discontinued operations	(2)	1,236	*-€1,238m*
Net income for the period	**(2,567)**	**986**	*-€3,553m*
Minority interests	(143)	103	*-€246m*
Net income attributable to equity owners of the parent	**(2,424)**	**883**	*-€3,307m*
Comprehensive income	**(2,775)**	1,408	*-€4,183m*
Average number of shares outstanding, excluding treasury shares	382,012,007	353,890,531	*ns*
Basic earnings per share (in euros)	**(6.35)**	**2.49**	*-€8.84*

Appendix 2 – Consolidated Cash Flow Statement

(millions of euros)	2011	2010	Change 11/10
Cash flow from operations before interest and taxes	893	538	*+€355m*
Net interest and taxes paid	(209)	(184)	*-€25m*
Cash flow from operations after interest and tax	**683**	**354**	*+€329m*
Change in working capital requirement	221	234	*-€13m*
Net cash flow from operating activities	**904**	**588**	*+€316m*
Net cash flow from investing activities	**(821)**	**(621)**	*-€200m*
Net cash flow from financing activities	**(999)**	**(531)**	*-€468m*
Increase (decrease) in securities recognized at fair value through profit and loss	0	(8)	*+€8m*
Impact of foreign exchange movements	21	12	*+€9m*
Net cash from discontinued operations	**4**	**2,243**	*-€2,239m*
Increase (decrease) in net cash	**(891)**	**1,683**	*-€2,574m*
Net cash at the beginning of the period	3,164	1,481	*+€1,683m*
Cash at the end of the year	**2,273**	**3,164**	*-€891m*

Appendix 3 – Simplified balance sheet[1]

(millions of euros)	Dec. 31, 2011	Dec. 31, 2010
ASSETS		
Goodwill	4,239	4,625
Property, plant and equipment (PP&E) and intangible assets	9,415	9,901
Assets earmarked for end-of-lifecycle operations	5,513	5,834
Equity associates	205	988
Other non-current financial assets	217	477
Deferred taxes (assets – liabilities)	610	474
Operating working capital requirement	(184)	(92)
Net assets from discontinued operations*	776	832
SHAREHOLDERS' EQUITY AND LIABILITIES		
Equity	6,606	9,578
Provisions for end-of-lifecycle operations	6,026	5,815
Other provisions	3,579	3,064
Other assets and liabilities	1,032	909
Net debt**	3,548	3,672
Liabilities of operations held for sale	-	-
Total – Simplified balance sheet	**20,791**	**23,039**

* Excluding equity from discontinued operations
** Including in 2010 the debt to Siemens at its December 31, 2007 value, i.e. 2.049 billion euros, plus accrued interest

[1] Assets and liabilities, including operating working capital, net debt and deferred taxes, are offset in the simplified balance sheet. These items are not offset in the detailed balance sheet presented in the consolidated financial statements.

Appendix 4 – Definitions

Backlog: The backlog is valued on the basis of economic conditions at the end of the period. It includes firm orders and excludes unconfirmed options. Orders in hedged foreign currencies are valued at the rate hedged. Non-hedged orders are valued at the rate in effect on the last day of the period. Natural uranium orders are valued at the closing price of applicable spot and long term indices. The backlog reported for long-term contracts recorded under the percentage of completion method and partially performed as of the reporting date is equal to the difference between (a) the projected sales revenue from the contract at completion and (b) the sales revenue already recognized for this particular contract. Accordingly, the backlog takes into account escalation and price revision assumptions used by the Group to determine the projected revenue at completion.

Cash flow from end-of-lifecycle operations: This indicator encompasses all of the cash flows linked to end-of-lifecycle obligations and to assets earmarked to cover those obligations. It is equal to the sum of the following items:

- income from the portfolio of earmarked assets
- plus cash from the sale of earmarked assets
- minus acquisitions of earmarked assets
- minus cash spent during the year on end-of-lifecycle operations
- plus full and final payments received for facility dismantling
- minus full and final payments paid for facility dismantling.

Earnings before interest, taxes, depreciation and amortization (EBITDA): EBITDA is equal to operating income plus net amortization, depreciation and operating provisions (except for provisions for impairment of working capital items). EBITDA is adjusted so as to exclude the cost of end-of-life-cycle operations for nuclear facilities during the year (dismantling, retrieval and packaging of waste).

Free operating cash flow represents the cash flow generated by operating activities. It is equal to the sum of the following items:

- EBITDA, before end-of-lifecycle obligations;
- plus losses or minus capital gains included in operating income on sales of property, plant and equipment (PPE) and intangible assets
- plus the decrease or minus the increase in operating working capital requirement between the beginning and the end of the period (excluding reclassifications, currency translation adjustments and changes in consolidation scope)
- minus acquisitions of PPE and intangible assets, net of changes in accounts payable related to fixed assets
- plus sales of PPE and intangible assets included in operating income, net of changes in receivables on the sale of fixed assets
- plus customer prepayments received during the period

- plus acquisitions (or disposals) of consolidated companies (excluding equity associates)

Gearing: Net debt / (net debt + equity) ratio.

Net cash (debt): Net cash (debt) is defined as the sum of cash and cash equivalents plus other current financial assets minus current and non-current borrowings. Current and non-current borrowings include the current value of minority put options.

Operating margin: Operating income divided by sales revenue.

Operating working capital requirement (OWCR): OWCR represents all of the current assets and liabilities directly related to operations and includes the following items:

- Inventories and work-in-process,
- Trade accounts receivable and related accounts,
- Advances paid,
- Other accounts receivable, accrued income and prepaid expenses,
- Less: trade accounts payable and related accounts, trade advances and prepayments received (excluding interest-bearing advances), other operating liabilities, accrued expenses, and deferred income.
- Note: OWCR does not include non-operating receivables and payables such as income tax liabilities, amounts receivable on the sale of non-current assets, and liabilities in respect of the purchase of non-current assets.