Half Year Financial Report

June 30, 2012

This is a free translation into English of the AREVA group half year 2012 consolidated financial statements which is issued in French language, and is provided solely for the convenience of English speaking readers.

General comments

This financial report contains statements on the objectives, prospects and growth areas for the AREVA group. This information is not meant as a presentation of past performance data and should not be interpreted as a guarantee that events or data set forth herein are assured or that objectives will be met. The statements of prospects in this financial report also address known and unknown risks, uncertainties and other factors that may, if they happen, have the effect that future income, performance and achievements of the AREVA group might be significantly different from the objectives set and put forward. Those factors may include, in particular, changes in international, economic or market conditions, as well as risk factors presented in section 2.1. AREVA has no obligation to update the information on prospects contained in this document, subject to the ongoing disclosure obligations applicable to companies whose stock is admitted to trading on regulated markets.

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1 Person responsible

1.1 Person responsible for the half year report

Mr. Luc Oursel, Chief Executive Officer of AREVA.

1.2 Certification of the half year report by the person responsible

"I certify, to the best of my knowledge, that the condensed financial statements for the first half of 2012 are prepared in accordance with applicable accounting standards and give a true and fair view of the net worth, financial position and income of the company and all the companies included in consolidation, and that the half year financial report herewith presents a fair view of the major events that occurred during the first six months of the fiscal year, of their effect on the financial statements and of the main transactions between related parties and gives a description of the main risks and main uncertainties for the remaining six months of the financial year.”

Paris, July 26, 2012

Luc Oursel
Chief Executive Officer of AREVA

2 Half year business report

2.1 Significant events

2.1.1 Highlights of the period

The information provided in this section concerns the AREVA group as a whole. Highlights concerning commercial operations are presented in the business review in section 2.8.

Concerning business strategy and capital expenditures

Group

- On January 30, 2012, AREVA sold its 20% interest in Sofradir. The Thales and Safran groups, both 40% shareholders of Sofradir, each acquired an additional 10% of the share capital, bringing their respective interests to 50%. Sofradir develops and manufactures infrared detectors for defense, civilian and space applications. This sale of AREVA's non-strategic minority interest is part of the Group's financing plan, announced in the "Action 2016" strategic action plan.
- EDF and AREVA agreed on February 10, 2012, on the principles of a long-term partnership for the supply of natural uranium over the 2014-2030 period, benefitting security of supply and the competitiveness of the French nuclear fleet. This partnership follows the February 21, 2011 decisions by the French nuclear policy council (*Conseil de politique nucléaire*). It bolsters the legacy of cooperation between AREVA and EDF for nuclear fuel supply and AREVA's determination to strengthen its ties with key customers.
- On March 2, 2012, AREVA announced the signature of an agreement to sell its shares in the Millennium mining project in Canada to Cameco Corporation, which already holds a 41.96% interest in the project. The transaction, that provided for the sale of AREVA's 27.94% stake in Millennium for 150 million Canadian dollars (more than 112 million euros) and the payment of royalties in the event that additional uranium resources are discovered at the mine, has been finalized on June 11, 2012.This sale, which comes under AREVA's "Action 2016" strategic action plan, will be used to finance its other strategic projects.
- On March 8, 2012, AREVA launched and priced a bond issue for a total of 400 million euros through an increase of its existing bond issue maturing on October 5, 2017, with an annual coupon of 4.625%. This bond issue comes in addition to the first issues, with maturities of 7 and 15 years, launched on September 11, 2009, the 10-year issue launched on October 23, 2009, the 10-year issue launched on September 8, 2010, and the 6-year issue launched on September 28, 2011, bringing total AREVA bond issues outstanding to 4.65 billion euros. It supplements the Group's long-term financing program, in addition to the asset disposal program called for in the "Action 2016" plan.
- On March 21, 2012, AREVA completed the private placement of a 10-year, 200-million-euro bond issue pursuant to the interest expressed by institutional investors.
- AREVA and the French strategic investment fund FSI (*Fonds stratégique d'investissement*) finalized on May 16, 2012, the sale of AREVA's shareholding in Eramet, representing approximately 26% of that company's capital, to FSI. Amounting to 776 million euros, this transaction makes a significant contribution to the Group's objective of 1.2 billion euros in asset disposals by 2013 as part of its "Action 2016" strategic action plan. It also reduces the Group's debt and helps fund its program of strategic investments in nuclear safety.
- AREVA's Direction and its social partners CFDT, CGT-FO and UNSA/SPAEN have signed on May 31, 2012, an agreement regarding the continuous development of life quality at work. As a priority for the social policy of the group, this agreement stems from a multidisciplinary, partnership and joint initiative and completes the contractual policy of AREVA regarding the social dialog.

Governance

- On January 4, 2012, Stefan vom Scheidt was appointed Director of AREVA NP GmbH, the wholly owned subsidiary of AREVA in Germany.
- On March 9, 2012, Olivier Wantz was appointed Senior Executive Vice President, Mining Business Group, replacing Sébastien de Montessus, who decided to leave the Group. Olivier Wantz remains a member of the Executive Board and reports to Luc Oursel, Chief Executive Officer. Carolle Foissaud was appointed Senior Executive Vice President, Operations Support, replacing Olivier Wantz. She reports to Philippe Knoche, Chief Operating Officer. She is a member of AREVA's Executive Management Board (EMB). Both appointments became effective March 31, 2012.
- AREVA held its first Annual General Meeting open to all shareholders on May 10, 2012.

Nuclear

- On January 4, 2012, AREVA signed a unique integrated fuel supply and related services contract with Xcel Energy in the United States for the Monticello nuclear power plant in Minnesota. This contract, estimated at 500 million dollars, includes the supply of uranium, conversion and enrichment services, fuel design and fabrication, and related engineering services. It is the first agreement of its kind between a nuclear utility and a fuel supplier to be signed in the United States in several decades.
- On February 9, 2012, the ATMEA company received the final report and findings of the review of ATMEA1 reactor safety objectives and options by French nuclear safety authority ASN (*Autorité de sûreté nucléaire*). In concluding its review, conducted in close cooperation with the French institute for radiological protection and nuclear safety IRSN (*Institut de radioprotection et de sûreté nucléaire*) and completed at the end of November 2011, ASN stated that the reactor's safety objectives and options are consistent with French regulations, as is the consideration given to internal and external hazards. In addition, ATMEA's assessment of the Fukushima accident, demonstrating that the ATMEA1 reactor's safety options are such that no design changes are needed at this time, was favorably received by ASN. ATMEA will continue to monitor analyses and findings on this subject worldwide to ensure that the ATMEA1 reactor consistently meets the highest standards of nuclear safety.
- AREVA crossed a major threshold for the construction of EPR™ reactors in the United Kingdom by signing new agreements during the United Kingdom-France summit in Paris on February 17, 2012. AREVA and Rolls Royce signed a memorandum of understanding designed to expand their cooperation, which covers the manufacturing of components for new nuclear power plants and for other nuclear projects in the UK and elsewhere. This agreement follows the industrial cooperation agreement signed by the two companies in March 2011. AREVA and EDF signed a memorandum of agreement concerning the delivery of nuclear steam supply systems and of instrumentation and control systems for the Hinkley Point C project in the United Kingdom. In addition, the agreement confirms the schedule for finalization of contract negotiations.
- On March 27, 2012, FirstEnergy Nuclear Operating Company, a subsidiary of FirstEnergy Corp. based in Akron, Ohio (USA), extended its contract with AREVA. The Group thus continues to supply fuel to the Davis Besse nuclear power plant in the northwestern part of the state. Under this amendment to the contract signed in 2006, AREVA will supply six batches of fuel and related engineering services starting in 2014. The six batches constitute firm orders and will be delivered to Davis Besse through 2026.
- On April 13, 2012, AREVA and EDF signed an agreement for the supply of fuel assemblies and related services for 2013 and 2014. The two groups also decided to negotiate a mid- to long-term umbrella agreement concerning fuel element fabrication, thus strengthening the strategic partnership between AREVA and EDF in nuclear fuel supply.

- On April 27, 2012, AREVA has been selected as part of the team by the US Department of Energy (DOE) to manage and operate the Waste Isolation Pilot Plant (WIPP), a disposal site near Carlsbad, New Mexico in the United States The management and operation contract won by the consortium is valued at 1.3 billion dollars (about 990 million euros) and covers an initial period of five years, with an option for another five-year term.
- On May 2, 2012, JAEC (Jordan Atomic Energy Commission) has completed its evaluation to select a technology in order to build the first nuclear reactor in Jordan. JAEC has conducted, since the last two years, a methodical scrutiny of three technologies regarding nuclear power plant technology. The evaluation has been performed with the objective of selecting the most appropriate technology fitting best Jordan needs and most appropriately ensuring the highest possible safety levels. It concluded that ATMEA1 technology, developed by the French-Japanese team, made up of AREVA, Mitsubishi Heavy Industries (MHI) and their 50/50 joint-venture ATMEA, is well fitting Jordan needs and requirements both in technical and economical terms. This decision represents a significant milestone in the technological development of ATMEA 1, a new world-class model of 1,100 MWe nuclear power reactor.
- Through their respective subsidiaries Afmeco Mining and Exploration Pty Ltd (Afmex) and Mitsubishi Development Pty Ltd (MDP), AREVA and Mitsubishi Corporation have decided on May 15, 2012, to join forces in a uranium exploration program in Australia. The exploration efforts will last several years and cover several tens of thousands of square kilometers in unexplored or little-explored areas.
- AREVA signed on June 1st, 2012, a series of agreements with the utility China National Nuclear Corporation (CNNC) covering natural uranium supply over the 2012-2025 period, among other things. With a presence in China for nearly 30 years, AREVA is a leading partner to the Chinese nuclear industry, with which the Group cooperates for natural uranium supply, nuclear fuel delivery, services to existing power plants and the construction of new reactors. With 15 reactors in operation and 26 reactors under construction, the nuclear power sector in China has been growing strongly for several years.
- On June 7, 2012, after 33 years of uninterrupted operation, Eurodif's Georges Besse enrichment plant at the Tricastin site in France's Drôme department, which is operated by AREVA, permanently ceased production on June 7, 2012, at the end of the shutdown process begun on May 14, 2012.
- On June 28, 2012, AREVA submitted its technical and organizational proposals for strengthening nuclear safety at its sites in the event of extreme situations to ASN. Following the accident at the Fukushima Daiichi nuclear power plant, ASN launched a process in mid-2011 of supplementary safety assessments (SSA) calling for nuclear operators in France, including AREVA, to verify the robustness of their existing facilities and the crisis management system to be deployed for events comparable in severity to those that occurred in Japan.

Renewable Energies

- On March 14, 2012, AREVA announced the delivery of twenty out of a total of forty M5000 wind turbines destined for the Borkum wind farm in the German North Sea. Located 45 kilometers off the northern shore of Borkum island, the wind farm is not far from the Alpha Ventus field, where AREVA's M5000 turbines have been operating since 2009. The DOTI consortium, consisting of EWE, E.ON and Vattenfall, recently announced that it had exceeded the 2011 power generation targets for this wind farm by 15%. Trianel, the largest municipal power company in Europe, plans to commission the Borkum wind farm in 2012-2013, following its installation in 2012.
- On April 6, 2012, as part of the request for proposals for offshore wind in France, the government awarded the development of the Saint-Brieuc wind farm in Brittany, where competition was fiercest among the three rival technologies, to the consortium led by Iberdrola and Eole-RES. AREVA will build one hundred 5 MW wind turbines for this field, slated for commissioning from 2017 to 2019, which will supply electricity for the equivalent of a city of 650,000 inhabitants.
- The Indian group Reliance Power Limited chose on April 11, 2012, the AREVA subsidiary AREVA Solar to build a 250 MWe concentrated solar power (CSP) installation in India, the largest in Asia to date. The project comes under India's clean energy program, which calls for 20,000 MW of additional solar power generating capacity by 2022 to avoid the emission of 557,000 metric tons of CO_2 per year compared with a conventional coal-fired power plant.
- AREVA signed on April 24, 2012, a memorandum of understanding with the Technip group, a leader in project management, to cooperate on the use of concentrated solar power solutions (CSP) for the oil and gas industry.

In the industrial field (progress on projects, inaugurations)

- AREVA announced on April 17, 2012, the arrival at the Taishan EPR™ power plant site in China in early April of the first two steam generators and pressurizer for Unit 1. This delivery of the reactor cooling system's heavy components is a major milestone in the construction of China's first EPR™ reactor.
- Coordinated by teams from EDF, CGNPC and AREVA, the construction of the Taishan EPR™ reactor in China met a key milestone in its development on June 15, 2012, with the introduction of the reactor vessel in the unit 1 reactor building, followed by its installation in its final location in the reactor vessel pit.

2.1.2 Related party transactions

Details of the main transactions with related parties are given in note 14 to the consolidated financial statements in this half year report.

2.1.3 Risks factors

The significant risks and uncertainties that the Group faces are described in Section 4, “Risk factors”, of the 2011 Reference Document filed with the French financial market regulator AMF (*Autorité des marchés financiers*) on March 29, 2012 and available on latter’s website (www.amf-france.org.), as well as on AREVA’s website (www.areva.com). This description of the main risks remains valid as of the date of publication of this report for the evaluation of major risks and uncertainties that could affect the Group at the end of the current financial year. No significant risks or uncertainties are anticipated other than those presented in the Reference Document.

2.2 Summary of key data

2.2.1 Financial indicators

For comparison purposes and to be able to follow indicators used in the Group's financial outlook, the key financial indicators are restated for the following items:

- In the first half of 2011, AREVA received a 648 million-euro penalty from Siemens. This payment was recognized in operating income and in EBITDA. AREVA also acquired the AREVA NP shares held by Siemens for 1.679 billion euros, with a direct impact on the total amount of capex reported. The net impact of these transactions on free operating cash flow before tax was thus an outflow of 1.031 billion euros in the first half of 2011.
- In the first half of 2012, AREVA proceeded with the disposal of assets in connection with its strategic action plan. These disposals contributed 92 million euros to operating income and EBITDA in the form of capital gains, and 115 million euros to disinvestments.

In millions of euros	H1 2012	H1 2011	*Change 2012/2011*
Backlog	45,190	43,122	*+4.8%*
Revenue	4,329	3,997	*+8.3%*
o.w. nuclear activities	4,004	3,863	*+3.7%*
o.w. renewables activities	253	59	*+328%*
Restated EBITDA*	725	217	*+€508m*
Reported EBITDA	817	865	*-€48m*
Restated free operating cash flow**	(591)	(919)	*+€328m*
Reported free operating cash flow	(476)	(1,950)	*+€1.474bn*
Restated operating income*	349	80	*+€269m*
In percentage of revenue	*8.1%*	*2.0%*	*+6.1pts*
Reported operating income	441	728	*-€287m*
In percentage of revenue	*10.2%*	*18.2%*	*-8.0pts*
Net income attributable to owners of the parent	80	361	*-€281m*
Earnings per share	€0.21	€0.94	*-€0.73*
	06/30/12	**12/31/11**	
Restated net debt (+) / cash (-)***	3,590	3,548	*+€42m*
Reported net debt (+) / cash (-)	3,686	3,548	*+€138m*
Net debt /(net debt + equity)	38.1%	37.3%	+0.8pt

Because the Group had opted for early adoption, at January 1, 2012, of the amended IAS 19 standard, the financial statements for the year ending December 31, 2011 and for the first half of 2011 were restated in accordance with IFRS for purposes of comparison. A detailed description of the impacts of these restatements may be found in note 19 to the consolidated financial statements.

In addition, it should be noted that Business Group revenue and contributions to consolidated income may vary significantly from one half year to the next in the nuclear businesses. Accordingly, half-year data should not be viewed as a reliable indicator of annual trends.

* Restated for the impact related to Siemens (penalty received of 648 million euros) in the first half of 2011 and for the impact of the asset disposal plan (capital gain of 92 million euros) in the first half of 2012

** Restated for impacts related to Siemens (net disbursement of 1.031 billion euros) in the first half of 2011 and for the impact of the asset disposal plan (capital gain of 115 million euros) in the first half of 2012

*** Restated for the reclassification of net debt from La Mancha Resources Inc. to discontinued operations in the amount of 95 million euros.

2.2.2 Definitions of financial indicators

> Operating working capital requirement (Operating WCR)

Operating WCR represents all of the current assets and liabilities related directly to operations. It includes the following items:

- inventories and work-in-process;
- trade accounts receivable and related accounts;
- non-interest-bearing advances;
- other accounts receivable, accrued income and prepaid expenses;
- currency hedges on operating WCR;
- minus: trade accounts payable and related accounts, trade advances and prepayments received (excluding interest-bearing advances), other operating liabilities, accrued expenses, and deferred income.

Note: Operating WCR 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.

> Backlog

The backlog is valued based on 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. The backlog reported for long-term contracts recognized 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.

> Free operating cash flow

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

- EBITDA, excluding end-of-lifecycle operations;
- plus losses or minus gains on disposals of assets included in operating income;
- 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 property, plant and equipment and intangible assets, net of changes in accounts payable related to fixed assets;
- plus sales of property, plant and equipment and intangible assets included in operating income, net of changes in receivables on the sale of fixed assets;
- plus prepayments received from customers during the period on non-current assets;
- plus acquisitions (or disposals) of consolidated companies (excluding equity associates), net of the cash acquired.

> Net debt

This heading includes current and non-current borrowings, which include interest-bearing advances received from customers and put options from minority shareholders, less cash and cash equivalents and other current financial

assets. Shares classified as “available-for-sale securities” are now excluded from the net debt (cash) position.

> Earnings before income tax, 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 restated to exclude the costs of end-of-lifecycle operations for nuclear facilities (dismantling, waste retrieval and packaging) carried out during the year, as well as the full and final payments paid or to be paid to third parties for facility dismantling. It should be noted that the cash flows linked to end-of-lifecycle operations are presented separately.

> Cash flows from end-of-lifecycle operations

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

- income from the portfolio of earmarked assets;
- cash from the sale of earmarked assets;
- minus acquisitions of earmarked assets;
- minus expenses during the period related to end-of-lifecycle operations;
- full and final payments received for facility dismantling;
- minus full and final payments paid for facility dismantling.

> Comprehensive income attributable to owners of the parent

Comprehensive income is the change in equity over a period resulting from transactions and events other than the changes resulting from transactions with the shareholders.

Comprehensive income includes all of the components of “income” and “other comprehensive income items”.

“Other comprehensive income items” include the following components:

(a) profits and losses resulting from the conversion of the financial statements of a foreign business;

(b) profits and losses relating to the revaluation of available-for-sale financial assets;

(c) the effective share of profits and losses on cash flow hedging instruments;

(d) actuarial gains and losses on employee benefits.

2.3 Summary data by business segment

Following the establishment of a separate AREVA SA subsidiary in December 2011 combining all of the Group's mining operations, the Mining Business Group's performance is now assessed separately from that of the Front End Business Group. The business segment information is therefore based on five operational Business Groups (excluding operations sold or in the process of sale): Mining, Front End, Reactors & Services, Back End and Renewable Energies.

First half 2012 (contributions to the Group)

(in millions of euros)	Mining	Front End	Reactors & Services	Back End	Renewable Energies	Corporate and other	Total
Revenue	646	908	1,647	804	253	72	4,329
EBITDA	316	171	153	270	(25)	(67)	817
Percentage of revenue	*48.9%*	*18.8%*	*9.3%*	*33.6%*	*(10.1)%*	*ns*	*18.9%*
Operating income	98	187	(198)	444	(33)	(57)	441
Percentage of revenue	*15.1%*	*20.6%*	*(12.1)%*	*55.3%*	*(13.1)%*	*ns*	*10.2%*
Change in operating WCR	153	12	(347)	20	61	(225)	(327)
Net operating Capex	(226)	(407)	(71)	(56)	(32)	(7)	(800)
Operating cash flow before tax	151	(301)	(264)	233	4	(298)	(476)

First half 2011 (contributions to the Group) *

(in millions of euros)	Mining	Front End	Reactors & Services	Back End	Renewable Energies	Corporate and other	Total
Revenue	514	914	1 604	830	59	75	3,997
EBITDA	164	87	(113)	228	(63)	563	865
Percentage of revenue	*31.9%*	*9.5%*	*(7.1)%*	*27.4%*	*(106.8)%*	*ns*	*21.6%*
Operating income	95	66	(79)	135	(50)	560	728
Percentage of revenue	*18.6%*	*7.3%*	*(4.9)%*	*16.2%*	*(84.9)%*	*ns*	*18.2%*
Change in operating WCR	102	50	(174)	(15)	(10)	(247)	(294)
Net operating Capex	(280)	(361)	(105)	(61)	(20)	(1,696)	(2,521)
Operating cash flow before tax	(13)	(223)	(392)	151	(93)	(1,380)	(1,950)

* Because the Group had opted for early adoption, at January 1, 2012, of the amended IAS 19 standard, the financial statements for the year ending December 31, 2011 and for the first half of 2011 were restated in accordance with IFRS for purposes of comparison. A detailed description of the impacts of these restatements may be found in note 19 to the consolidated financial statements.

2.4 Backlog

The Group had 45.2 billion euros in backlog at June 30, 2012, an increase of 2.068 billion euros in comparison to June 30, 2011. Growth in the backlog for all nuclear Business Groups offset the drawdown of the backlog in the Renewable Energies BG.

Order intake for the first half was up 14% compared with the first half of 2011.

Order cancellations since the Fukushima accident totalled 647 million euros at June 30, 2012, compared with 612 million euros at March 31, 2012.

2.5 Income statement

(in millions of euros)	**H1 2012**	**H1 2011***	***2011****
Revenue	**4,329**	**3,997**	**8,872**
Gross margin	647	712	891
Research and development expenses	(135)	(142)	(343)
Marketing and sales expenses	(118)	(112)	(231)
General and administrative expenses	(202)	(237)	(426)
Other operating expenses	(238)	(160)	(2,444)
Other operating income	487	667	686
Operating income	**441**	**728**	**(1,866)**
Net financial income	(191)	(181)	(555)
Income tax	(149)	(192)	(283)
Share in net income of associates	5	41	62
Net income from continuing operations	106	396	(2,642)
Net income from discontinued operations	-	(6)	(2)
Net income for the period	106	390	(2,644)
Minority interests	26	29	(142)
Net income attributable to owners of the parent	**80**	**361**	**(2,503)**
Comprehensive income	145	216	(2,953)

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2.5.1 Revenue

(in millions of euros)	**H1 2012**	**H1 2011***	***2012/2011 change***
Contribution to consolidated revenue	4,329	3,997	*+8.3%*
Mining BG	646	514	*+25.6%*
Front End BG	908	914	*-0.7%*
Reactors & Services BG	1,647	1,604	*+2.7%*
Back End BG	804	830	*-3.2%*
Renewable Energies BG	253	59	*+328.0%*

The Group reported consolidated revenue of 4.329 billion euros in the first half of 2012, an 8.3% increase compared with the first half of 2011 (+6.7% like for like). Foreign exchange had a positive impact of 79 million euros, primarily in the Mining, Front End and Reactors & Services BGs. Change in the scope of the consolidation had a negative impact of 18 million euros over the period.

Revenue from the nuclear activities was 4.004 billion euros in the first half of 2012, compared with 3.863 billion euros in the first half of 2011, a 3.7% increase (+2.0% like for like). Revenue was led by the Mining BG (+25.6%) and the Reactors & Services BG (+2.7%), offsetting the decrease in the Front End BG (-0.7%) and in the Back End BG (-3.2%).

Revenue from the renewables activities rose 328% to 253 million euros in the first half of 2012, compared with 59 million euros in the first half of 2011.

Internationally, revenue was up 6.8% in the first half of 2012 compared with the first half of 2011, to 2.593 billion euros.

2.5.2 Gross margin

(in millions of euros)	**H1 2012**	**H1 2011***	***Change 2012/2011***
Gross margin	647	712	*-9.2%*
Percentage of revenue	*14.9%*	*17.8%*	*-2.9 pts.*

The Group's gross margin for the first half of 2012 was 647 million euros, or 14.9% of revenue, compared with 712 million euros in the first half of 2011, or 17.8% of revenue. This change is primarily due to the deterioration of gross margin in the Reactors & Services Business Group and is related to the New Builds business and to the EPR project of Olkiluoto 3, for which an additional provision for loss at completion of 300 million euros has been booked at June 30, 2012.

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2.5.3 Research and development

Research and development expenses are capitalized if they meet criteria established by IAS 38 and are expensed if they do not.

In the income statement, research and development expenses appear below gross margin and represent non-capitalizable expenses incurred exclusively by the Group; the expenses relating to programs funded wholly or partly by customers, together with projects carried out in partnership where AREVA has commercial rights of use of the results, are recognized in the cost of sales.

The Group's research and development expenses for its Nuclear and Renewable Energies businesses, excluding mineral exploration and mining study expenses, represented 121 million euros in the first half of 2012, i.e. 2.8% of the revenue contributed for the period. This indicator is stable compared with the same period in 2011.

(in millions of euros)	H1 2012	% of sales	H1 2011	% of sales
Research and development recognized as expenses under gross margin, after RTC[1]	**135**	**3.1%**	**142**	**3.6%**
Of which expenses for mineral exploration and mining studies	15	-	21	-
Research and development recognized as expenses under gross margin, excluding expenses for mineral exploration and mining studies, after RTC[1]	**121**	**2.8%**	**121**	**3.0%**
RTC[1]	25	-	25	-
Research and development recognized as expenses under gross margin, excluding expenses for mineral exploration and mining studies, before RTC[1]	**146**	**3.4%**	**146**	**3.7%**
Capitalized research and development costs	49	1.1%	54	1.3%
TOTAL	**195**	**4.5%**	**200**	**5.0%**
Number of registered patents	**64**	**-**	**47**	**-**

(1) research tax credit

Taking into account capitalized development costs, research and development costs totaled 195 million euros in the first half of 2012, or 4.5% of revenue for the period, slightly down in relation to the same period of the previous year (5.0% of revenue).

2.5.4 General and administrative, marketing and sales expenses

General and administrative expenses included in operating income came to 202 million euros in the first half of 2012, down 15% compared with the first half of 2011, demonstrating the impact of intensified efforts to reduce operating costs and support function costs as part of AREVA's "Action 2016" strategic action plan.

2.5.5 Other operating income, other operating expenses

- Other operating expenses were -238 million euros, compared with -160 million euros in the first half of 2011. In the first half of 2011, they corresponded in particular to impairment of assets in the Reactors & Services Business Group. In the first half of 2012, they mainly consisted of supplementary impairment of mining projects, reflecting the reduction of their net realizable value, to take into account the change in their environment and in their specific characteristics.
- Other operating income was 487 million euros, compared with 667 million euros in the first half of 2011. In the first half of 2011 other operating income mainly included Siemens' payment of the penalty of 648 million euros following the International Chamber of Commerce arbitration. In the first half of 2012, they primarily include the impact of changes in post-employment benefits resulting from the renegotiation of collective bargaining agreements (see note 16 to the consolidated financial statements).

2.5.6 Operating income

The Group reported operating income of 441 million euros in the first half of 2012, compared with 728 million euros in the first half of 2011.

Restated for the impacts of Siemens and 2012 asset disposals**, it was 349 million euros in the first half of 2012, compared with 80 million euros in the first half of 2011. It benefits, in the Front End and Back End BG, from the one-time impact of the establishment of a new end-of-career program in March 2012, modifying the measures of the main early retirement plan in the one of the Group's subsidiaries.

2.5.7 Net financial income

(in millions of euros)	**H1 2012**	**H1 2011***
Net borrowing costs	**(95)**	**(35)**
Other financial income and expenses	**(95)**	**(146)**
Share related to end-of-lifecycle operations	**8**	**(10)**
Income from the earmarked financial portfolio	133	100
Income from receivables and discount reversal on earmarked assets	23	36
Impact of revised schedules	1	-
Discounting reversal expenses on end-of-lifecycle operations	(149)	(145)
Share not related to end-of-lifecycle operations	**(103)**	**(137)**
Income from disposal of securities and change in value of securities held for trading	29	-
Financial income from pensions and other employee benefits	(42)	(46)
Dividends received	1	6
Other income and expenses	(91)	(97)
Net financial income	**(191)**	**(181)**

Net financial income was -191 million euros in the first half of 2012, compared with -181 million euros in the first half of 2011. Net borrowing costs totalled -95 million euros in the first half of 2012, compared with borrowing costs of -35 million euros in the first half of 2011. This change is largely due to lower income from cash and cash equivalents. Net financial income for the first half of 2012 also includes a capital gain of 26 million euros on the sale of Sofradir shares.

2.5.8 Income tax

The net tax expense for the first half of 2012 was -149 million euros, compared with a net tax expense of -192 million euros in the first half of 2011.

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** Restated for the impact related to Siemens (penalty received of 648 million euros) in the first half of 2011 and for the impact of the asset disposal plan (capital gain of 92 million euros) in the first half of 2012

2.5.9 Share in net income of associates

(in millions of euros)	**H1 2012**	**H1 2011***	***2011****
Eramet	0	47	54
Other	5	(6)	8
Total	**5**	**41**	**62**

The share in net income of associates was 5 million euros in the first half of 2012, compared with 41 million euros in the first half of 2011. This downturn reflects the sale of Eramet shares to the French strategic investment fund FSI (Fonds Stratégique d'Investissement) in May 2012.

2.5.10 Minority interests

The share in net income attributable to minority interests is 26 million euros, slightly down in relation to the first half of 2011.

2.5.11 Net income

Net income attributable to owners of the parent was 80 million euros in the first half of 2012, compared with 361 million euros in the first half of 2011.

2.5.12 Comprehensive income

Comprehensive income was 145 million euros, compared with 216 million euros in the first half of 2011. This change is primarily due to the reduction in net income attributable to owners of the parent.

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2.6 Cash flow and change in net debt

2.6.1 Change in net debt

(in millions of euros)	**H1 2012**
Net debt at beginning of period (December 31, 2011)	(3,548)
EBITDA	817
Percentage of revenue	*18.9%*
Gains or losses on disposals of operating assets	(166)
Change in operating WCR	(327)
Net operating Capex	(800)
Free operating cash-flow before tax	(476)
Cash flows for end-of-lifecycle operations	(21)
Dividends paid to minority shareholders	(108)
Disposal of Eramet	776
Discontinued operations	(95)
Other (net financial assets, taxes, non-operating WCR and net cash from discontinued operations)	(214)
Change in net debt	(138)
	June 30, 2012
Net debt (-) / Net cash (+) at the end of the period	(3,686)

2.6.2 Free operating cash flows of the Group

(in millions of euros)	**H1 2012**	**H1 2011***
EBITDA	**817**	**865**
Percentage of revenue	*18.9%*	*21.6%*
Gains or losses on disposals of operating assets	(166)	-
Change in operating WCR	(327)	(294)
Net operating Capex excluding acquisition of AREVA NP shares	(800)	(842)
Free operating cash flow before tax (excluding acquisition of AREVA NP shares)	(476)	(271)
Free operating cash-flow before tax	**(476)**	**(1,950)**

* Because the Group had opted for early adoption, at January 1, 2012, of the amended IAS 19 standard, the financial statements for the year ending December 31, 2011 and for the first half of 2011 were restated in accordance with IFRS for purposes of comparison. A detailed description of the impacts of these restatements may be found in note 19 to the consolidated financial statements.

2.6.3 Free operating cash flows by business

(in millions of euros)	EBITDA		Change in operating WCR		Operating CAPEX, net of disposals		Free operating cash flow before tax	
	H1 2012	H1 2011*	H1 2012	H1 2011*	H1 2012	H1 2011*	H1 2012	H1 2011*
Mining BG	316	164	153	102	(226)	(280)	151	(13)
Front End BG	171	87	12	50	(407)	(361)	(301)	(223)
Reactors & Services BG	153	(113)	(347)	(174)	(71)	(105)	(264)	(392)
Back End BG	270	228	20	(15)	(56)	(61)	233	151
Renewable Energies BG	(25)	(63)	61	(10)	(32)	(20)	4	(93)
Corporate and other	(67)	563	(225)	(247)	(7)	(1,696)	(298)	(1,380)
Total Group	817	865	(327)	(294)	(800)	(2,521)	(476)	(1,950)
Total Group (excluding Siemens)	817	217	(327)	(294)	(800)	(842)	(476)	(919)

Free operating cash flow before tax went from -1.950 billion euros in the first half of 2011 to -476 million euros in the first half of 2012.

Restated for the impacts of Siemens and 2012 asset disposals***, it went from -919 million euros in the first half of 2011 to -591 million euros in the first half of 2012, an improvement of 328 million euros. This is due to:

- the 508-million-euro increase in restated EBITDA**, which was 725 million euros in the first half of 2012;
- the 61-million-euro increase in gross operating Capex to 919 million euros in the first half of 2012.

The Group reported EBITDA of 817 million euros in the first half of 2012, compared with 865 million euros in the first half of 2011, a downturn of 48 million euros.

Restated for the impacts of Siemens and 2012 asset disposals**, it rose 508 million euros to finish at 725 million euros in the first half of 2012.

The change in operating WCR was unfavorable by -327 million euros, compared with -294 million euros in the first half of 2011.

The Group's gross operating Capex was 919 million euros in the first half of 2012, compared with 2.537 billion euros in the first half of 2011, when it had included the acquisition of AREVA NP shares held by Siemens for a net amount of 1.679 billion euros (858 million euros excluding Siemens).

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** Restated for the impact related to Siemens (penalty received of 648 million euros) in the first half of 2011 and for the impact of the asset disposal plan (capital gain of 92 million euros) in the first half of 2012

*** Restated for impacts related to Siemens (net disbursement of 1.031 billion euros) in the first half of 2011 and for the impact of the asset disposal plan (capital gain of 115 million euros) in the first half of 2012

Asset disposals totaled 120 million euros in the first half of 2012, compared with 16 million euros in the first half of 2011. In the first half of 2012, they mainly included the sale of the Group's interest in the Millennium mining property in Canada as part of the strategic action plan.

Net operating Capex therefore totaled 800 million euros in the first half of 2012, a downturn of 1.721 billion euros in relation to the first half of 2011.

Restated for the impacts of Siemens and 2012 asset disposals, the Group had net operating Capex of 915 million euros in the first half of 2012, an increase compared with the first half of 2011 (842 million euros).

In the first half of 2012, 55% of the Group's capital spending was on sites in France.

2.6.4 Cash flows related to end-of-lifecycle operations

To finance its dismantling commitments, the Group has built a portfolio of assets earmarked to fund the corresponding expenses. It is the Group's policy to offset negative cash flows associated with end-of-lifecycle operations with positive cash flows generated by dividends or sales of securities held in the portfolio.

In the first half of 2012, cash flows related to end-of-lifecycle operations were -21 million euros, compared with -9 million euros at June 30, 2011. The main cash flows break down as follows:

- disbursements related to end-of-lifecycle operations totaling 103 million euros, stable compared with the first half of 2011 (-104 million euros);
- dividends received in the amount of 89 million euros, compared with 42 million euros at June 30, 2011.

2.6.5 Other components of the change in net debt

Other components of the change in net debt totaled 467 million euros. They consisted primarily of income related to the sale of the interest in Eramet in the amount of 776 million euros.

2.7 Balance sheet items

Working capital requirement assets and liabilities, as well as deferred taxes, are offset in the simplified balance sheet, unlike the detailed balance sheet presented in paragraph 4.3.

(in millions of euros)	**June 30, 2012**	**Dec. 31, 2011***
Net goodwill	4,238	4,239
Property, plant and equipment (PP&E) and intangible assets	9,941	9,415
Assets earmarked for end-of-lifecycle operations	5,677	5,513
Equity associates	189	205
Other non-current financial assets	258	217
Deferred taxes (assets – liabilities)	696	705
Operating working capital requirement	69	(184)
Assets of operations held for sale	200	776
Total assets	**21,268**	**20,887**
Equity and minority interests	5,995	5,963
Provisions for decommissioning operations	6,123	6,026
Other provisions and employee benefits	4,442	4,316
Other assets and liabilities	980	1,033
Liabilities of operations held for sale	41	-
Net borrowings	3,686	3,548
Total liabilities and equity of the simplified balance sheet	**21,268**	**20,887**

2.7.1 Net debt at the end of the period

The Group reported total net borrowings of 3.686 billion euros at June 30, 2012, compared with 3.548 billion euros at December 31, 2011. Restated for the reclassification of 95 million euros in net debt from La Mancha Resources Inc. to "discontinued operations", net borrowings were 3.590 billion euros at June 30, 2012. They reflect the execution of the asset disposal program in the amount of 938 million euros in the first half of 2012, including:

- the disposal of AREVA's 20% interest in Sofradir;
- the disposal to the Fonds stratégique d'investissement (FSI) of AREVA's 25.93% interest in Eramet for 776 million euros;
- the disposal to Cameco Corporation of AREVA's interest in the Millennium mining project in Canada for 150 million Canadian dollars;

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The amount of net borrowings should be compared with equity of 5.995 billion euros at June 30, 2012, versus 5.963 billion euros at the end of 2011.

The Group’s gearing ratio thus went from 37% at the end of 2011 to 38% at June 30, 2012.

In addition, the following transactions strengthened the Group's liquidity in the first half of 2012:

- a bond issue for a total of 400 million euros through an increase of the existing bond issue maturing on October 5, 2017, with an annual coupon of 4.625%. This bond issue comes in addition to the first issues, with maturities of 7 and 15 years, launched on September 11, 2009, the 10-year issue launched on October 23, 2009, the 10-year issue launched on September 8, 2010, and the 6-year issue launched on September 28, 2011;
- the private placement of a 10-year, 200-million-euro bond issue pursuant to the interest expressed by institutional investors.

These bond issues bring AREVA’s bond debt to 4.85 billion euros and round out the Group's long-term financing program, supplementing the disposal program. As a result, the Group had net cash, net of current borrowings, of 1.866 billion euros at June 30, 2012. Moreover, the Group has no major reimbursement due before 2016.

2.7.2 Equity

Shareholders’ equity went from 5.963 billion euros at December 31, 2011 to 5.995 billion euros at June 30, 2012.

2.7.3 Operating working capital requirement

The Group's operating working capital requirement was 69 million euros at June 30, 2012, compared with -184 million euros at December 31, 2011. In relation to June 30, 2011, it decreased by 162 million euros (231 million euros), benefitting from optimization activities led in every Business Group.

2.7.4 Assets and provisions for end-of-lifecycle operations

The change in the balance sheet from December 31, 2011 to June 30, 2012 with regard to assets and liabilities for end-of-lifecycle operations is summarized in the table below.

(in millions of euros)	**June 30, 2012**	**Dec. 31, 2011**
ASSETS		
End-of-lifecycle assets	328	325
AREVA share (to be amortized in future years)(1)	106	99
Third party share(2)	222	226
Assets earmarked for end-of-lifecycle operations(3)	5,455	5,287
LIABILITIES		
Provisions for decommissioning operations	6,123	6,026
Provisions to be funded by AREVA	5,901	5,800
Provisions to be funded by third parties	222	226

(1) Amount of total provision to be funded by AREVA still subject to amortization.
(2) Amount of the provision to be funded by third parties.
(3) Portfolio of financial assets and receivables earmarked to fund AREVA's share of the total provision.

Provisions for end-of-lifecycle operations at June 30, 2012 totaled 6.123 billion euros, compared with 6.026 billion euros at December 31, 2011.

Earmarked assets relating to these end-of-lifecycle operations totaled 5.677 billion euros at June 30, 2012, including "third party receivables" of 222 million euros and 5.455 billion euros in financial assets earmarked by AREVA to fund these operations (including receivables).

At June 30, 2012, AREVA's coverage of activities subject to the French law of June 28, 2006 was 96.90%.

The nature of the commitments and the calculation of the provision are presented in note 7 to the consolidated financial statements.

2.7.5 Other provisions and employee benefits

The amount of other provisions was 4.442 billion euros, stable compared with December 31, 2011.

The description of other provisions may be found in notes 12 and 16 to the consolidated financial statements.

2.8 Review of the Business Groups

2.8.1 Mining Business Group

(contribution to the Group, in millions of euros)	**H1 2012**	**H1 2011***	***Change 2012/2011***
Backlog	10,472	9,983	*+4.9%*
Revenue	646	514	*+25.6%*
EBITDA	316	164	*+€152m*
Percentage of revenue	*48.9%*	*31.9%*	*+17.0pts*
EBITDA restated**	224	164	*+€60m*
Percentage of revenue	*34.7%*	*31.9%*	*+2.8pts*
Operating income	98	95	*+€2m*
Percentage of revenue	*15.1%*	*18.6%*	*-3.4pts*
Operating income restated**	6	95	*-€89m*
Percentage of revenue	*0.9%*	*18.6%*	*-17.7pts*
Operating cash flow before tax	151	(13)	*+€165m*

The Mining BG had 10.472 billion euros in backlog at June 30, 2012. The Group signed several long-term contracts in the first half of 2012 with US and Asian utilities, most notably with the Chinese utility CNNC.

The Mining BG reported revenue of 646 million euros in the first half of 2012, a 25.6% increase compared with the first half of 2011 (+18.9% like for like). Foreign exchange had a positive impact of 29 million euros. This sharp upturn is due to the increase of the average uranium sales price and of volumes sold over the half year period.

The restated operating income of the Mining BG was 6 million euros in the first half of 2012, compared with 95 million euros in the first half of 2011. This includes a total of 164 million euros for impairment of property, plant and equipment and intangible assets associated with the Bakouma mining site in the Central African Republic and the Ryst Kuil mining site in South Africa. Restated operating income excluding impairment totaled 170 million euros, an increase of 75 million euros compared with the first half of 2011. This increase is mainly due to the upturn in the average uranium sales price from contracts and of volumes sold, despite a less favorable resource mix.

In the Mining BG, restated EBITDA** was 224 million euros in the first half of 2012, compared with 164 million euros in the first half of 2011. EBITDA was boosted by the increase in the average uranium sales price from contracts and by volumes sold.

The change in operating WCR in the Mining BG was positive by 153 million euros, compared with a positive contribution of 102 million euros in the first half of 2011, primarily due to the decrease in inventories over the period.

The Mining BG had 226 million euros in net operating Capex, compared with 280 million euros in the first half of 2011. Restated for the impact of asset disposals in 2012, net operating Capex was 341 million euros in the first half of 2012,

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** Restated for the impact of the asset disposal plan (capital gain of 92 million euros) in the first half of 2012.

an increase compared with the first half of 2011 (280 million euros), mainly due to the restart of work at the Imouraren site in Niger.

2.8.2 Front End Business Group

(contribution to the Group, in millions of euros)	**H1 2012**	**H1 2011***	***Change 2012/2011***
Backlog	18,711	17,719	*+5.6%*
Revenue	908	914	*-0.7%*
EBITDA	171	87	*+€84m*
Percentage of revenue	*18.8%*	*9.5%*	*+9.3pts*
Operating income	187	66	*+€121m*
Percentage of revenue	*20.6%*	*7.3%*	*+13.3pts*
Operating cash flow before tax	(301)	(223)	*-€78m*

The Front End BG had 18.711 billion euros in backlog at June 30, 2012. The Group signed several significant contracts in the first half of 2012, including:

- several contracts with US utilities in the Enrichment business;
- a contract with EDF for the supply of fuel assemblies and related services for the 2013-2014 period;
- contracts for the supply of fuel assemblies to EDF Energy and to the German utilities RWE and EnBW.

The Front End BG reported revenue of 908 million euros, for a limited decrease of 0.7% (-2.6% like for like).

- Revenue was stable in the Fuel business despite the less favorable schedule for deliveries in France during the half year and the impact of the shut-down of seven reactors in Germany, offset by the contribution of fuel-related services;
- Revenue in the Enrichment business suffered from a drop in export volumes and from the last impacts of the expiration of the longstanding contract with EDF for enrichment services from the Eurodif plant.

The Front End BG reported operating income of 187 million euros, compared with 66 million euros in the first half of 2011, an increase of 121 million euros. This change is primarily due to:

- ramp-up of production at the Georges Besse II plant and optimization of expenses related to the transition from Eurodif to Georges Besse II in the Enrichment business;
- the positive impact of industrial rationalization plans in the Fuel business.

In the Front End BG, EBITDA was 171 million euros in the first half of 2012, compared with 87 million euros in the first half of 2011. This change is primarily due to:

- ramp-up of production at the Georges Besse II plant and optimization of transition costs from Eurodif to Georges Besse II in the Enrichment business;
- the positive impact of industrial rationalization plans in the Fuel business.

The change in the Front End BG's operating WCR was positive by 12 million euros, compared with 50 million euros in

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the first half of 2011, mainly due to lower trade payables.

The Front End BG had net operating Capex of 407 million euros, an increase from the first half of 2011 (361 million euros), reflecting continuing construction of the Georges Besse II enrichment plant, which represented more than 71% of the Business Group's Capex for the period, and of the Comurhex II conversion plant.

2.8.3 Reactors & Services Business Group

(contribution to the Group, in millions of euros)	**H1 2012**	**H1 2011***	***Change 2012/2011***
Backlog	8,302	7,316	*+13.5%*
Revenue	1,647	1,604	*+2.7%*
EBITDA	153	(113)	*+€266m*
Percentage of revenue	*9.3%*	*(7.1)%*	*16.4pts*
Operating income	(198)	(79)	*-€120m*
Percentage of revenue	*(12.1)%*	*(4.9)%*	*-7.2pts*
Operating cash flow before tax	(264)	(392)	*+€127m*

The Reactors & Services BG had 8.302 billion euros in backlog at June 30, 2012. The BG's marketing efforts led to the signature of several contracts in the first half of 2012, including:

- a contract with EDF for vessel inspections in all 58 nuclear reactors in France;
- among others a contract with Canadian company SNC-Lavalin Nucléaire for the supply of ventilation systems in the frame of the "Safety Alliance" program;
- a contract for the supply and installation of our TELEPERM XS digital instrumentation and control system for VVER-type reactors in Russia.

The Reactors & Services BG reported revenue of 1.647 billion euros, an increase of 2.7% (+2.1% like for like).

- Revenue from Installed Base services was boosted by buoyant business in France with EDF and in North America (United States and Canada), offsetting a drop in demand in Germany;
- Revenue was down in the New Builds business following an accounting adjustment to revenue from the OL3 project (due to the constitution of an additional provision for the half year), despite increased contributions from the Taishan and Hinkley Point projects;
- The Nuclear Measurements business continued to benefit from growing demand for radioactivity measurement systems in Japan.

The Reactors & Services BG reported an operating loss of 198 million euros, compared with a loss of 79 million euros in the first half of 2011. This decrease of 120 million euros is principally due to a 300-million-euro provision for losses at completion related to the OL3 EPR project, constituted as a matter of prudence, in particular to offset insufficient preparation and commitment on the part of the customer for the performance and validation of tests and the completion of the operating license application, which are key milestones required before the reactor may be started. Still, the constitution of this additional provision does not materially affect the Group's previous cash spending

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forecasts regarding this project's costs over the 2012-2013 period. The profitability of Installed Base services is progressing in line with the level of activity.

EBITDA in the Reactors & Services BG was 153 million euros in the first half of 2012, up sharply from the first half of 2011 (-113 million euros), reflecting improved operating performance in Installed Base services and Nuclear Measurements, as well as early collection of the indemnity of 300 million euros awarded to the Group in the first half for the OL3 project in connection with the insurance policy subscribed to cover losses at completion from EPR reactor export contracts.

The change in operating WCR in the Reactors & Services BG was negative by -347 million euros (compared with -174 million euros in the first half of 2011) due to a very high level of customer prepayments received in 2011.

Net operating Capex in the Reactors & Services BG was down, at 71 million euros, compared with 105 million euros in the first half of 2011. This Capex mainly includes development expenses to expand the Group's range of reactors and industrial Capex in the Equipment business, in particular for a new press and manipulator at the Creusot Forge site.

2.8.4 Back End Business Group

(contribution to the Group, in millions of euros)	**H1 2012**	**H1 2011**[*]	***Change 2012/2011***
Backlog	6,181	6,178	*+0.1%*
Revenue	804	830	*-3.2%*
EBITDA	270	228	*+€42m*
Percentage of revenue	*33.6%*	*27.4%*	*+6.2pts*
Operating income	444	135	*+€310m*
Percentage of revenue	*55.3%*	*16.2%*	*+39.1pts*
Operating cash flow before tax	233	151	*+€82m*

The Back End BG had 6.181 billion euros in backlog at June 30, 2012. Among significant contracts won in the first half is a contract with a foreign utility for the supply of MOX fuel assemblies.

The Back End BG reported revenue of 804 million euros, a downturn of 3.2% (-3.9% like for like). This change is due to following adverse effects:

- the increase in the level of activity at the La Hague and Melox plants compared with the first half of 2011, with a weekly production record achieved in March 2012 at Melox;
- the drop in activity in Nuclear Site Value Development, which had recognized sales associated with the contract for the recycling of contaminated water at the Fukushima Daiichi site in Japan in the first half of 2011.

The Back End BG reported operating income of 444 million euros in the first half of 2012, compared with 135 million euros in the first half of 2011. This significant increase is due in particular to:

- increased production in the recycling plants;

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- the deployment of performance improvement plans

In the Back End BG, EBITDA was 270 million euros in the first half of 2012, compared with 228 million euros in the first half of 2011. This change reflects increased production in Recycling.

The change in the Back End BG's operating WCR was positive by 20 million euros, compared with a negative contribution of -15 million euros in the first half of 2011, mainly due to the receipt of customer prepayments.

In the Back End BG, net operating Capex totaled 56 million euros, essentially unchanged in relation to the first half of 2011 (61 million euros). Capital spending concerned the La Hague and Melox plants in France (Recycling business) and the development of international projects.

2.8.5 Renewable Energies Business Group

(contribution to the Group, in millions of euros)	**H1 2012**	**H1 2011***	***Change 2012/2011***
Backlog	1,428	1,849	*-22.8%*
Revenue	253	59	*+328.0%*
EBITDA	(25)	(63)	*+€38m*
Percentage of revenue	*(10.1)%*	*(106.8)%*	*+96.7pts*
Operating income	(33)	(50)	*+€17m*
Percentage of revenue	*(13.1)%*	*(84.9)%*	*+71.7pts*
Operating cash flow before tax	4	(93)	*+€97m*

The Renewable Energies BG had 1.428 billion euros in backlog at June 30, 2012. Noteworthy contracts in the first half include a contract signed by AREVA and its local partner ENSYS with U-Thong Bio Power, an independent power producer in Thailand, for the construction of a biomass power plant.

The Renewable Energies BG reported revenue of 253 million euros in the first half of 2012, four times more than in the first half of 2011, reflecting:

- strong growth in Offshore Wind operations connected with the performance of Global Tech I and Borkum West II contracts in Germany;
- growing revenue from the Biomass business, particularly due to the deployment of projects in Europe;
- the first contribution to the BG's revenue from the Solar business, with the deployment of the Kogan Creek project in Australia and the Indian project with Reliance.

Operating income for the Renewable Energies BG was -33 million euros in the first half of 2012, up from -50 million euros in the first half of 2011, reflecting the increase in activity level and the positive impacts of performance improvement plans, in particular the restructuring plan in Biomass in Brazil implemented at the end of 2011.

EBITDA for the Renewable Energies BG was -25 million euros in the first half of 2012, up 38 million euros compared with the same period in 2011 (-63 million euros), which had been negatively impacted by technical issues at the Alpha Ventus offshore wind farm. In the Renewable Energies BG, EBITDA for the Offshore Wind and Biomass businesses was at breakeven.

* Because the Group had opted for early adoption, at January 1, 2012, of the amended IAS 19 standard, the financial statements for the year ending December 31, 2011 and for the first half of 2011 were restated in accordance with IFRS for purposes of comparison. A detailed description of the impacts of these restatements may be found in note 19 to the consolidated financial statements.

The change in the Renewable Energy BG's operating WCR was positive by 61 million euros, compared with a negative contribution of -10 million euros in the first half of 2011, mainly due to the level of customer payments received.

Net operating Capex in the Renewable Energies BG was up at 32 million euros, compared with 20 million euros in the first half of 2011. Capital spending mainly concerned the development of Offshore Wind and Solar.

2.8.6 Corporate and other

(contribution to the Group, in millions of euros)	**H1 2012**	**H1 2011***	***Change 2012/2011***
Revenue	*72*	*75*	*ns*
EBITDA	*(67)*	*563*	*ns*
EBITDA restated**	*(67)*	*(85)*	*ns*
Operating income	*(57)*	*560*	*ns*
Operating income restated**	*(57)*	*(88)*	*ns*
Operating cash flow before tax	*(298)*	*(1,380)*	*ns*

* Because the Group had opted for early adoption, at January 1, 2012, of the amended IAS 19 standard, the financial statements for the year ending December 31, 2011 and for the first half of 2011 were restated in accordance with IFRS for purposes of comparison. A detailed description of the impacts of these restatements may be found in note 19 to the consolidated financial statements.

** Restated for the impact related to Siemens (penalty received of 648 million euros) in the first half of 2011.

2.9 Events subsequent to closing

The main events subsequent to the period ended June 30, 2012 are as follows:

- On July 5, 2012, the International Court of Arbitration of the International Chamber of Commerce (ICC) constituted to settle the dispute between the AREVA-Siemens Consortium and its customer, the Finnish operator TVO, in connection with the construction of the EPR™ nuclear reactor of the Olkiluoto 3 (OL3) power plant in Finland, rendered a partial verdict on July 6, 2012 enjoining TVO to release 100 million euros due to the AREVA-Siemens Consortium retained in contravention of contractual provisions. Together with interest due, TVO paid a total sum of 125 million euros as well as the Consortium's legal expenses.
- On July 6, 2012, the AREVA group won the request for proposals launched by the city of La Croix Valmer (Var department of France) to supply an energy storage system. AREVA will install a Greenergy Box™, an innovative industrial process for storing energy developed with assistance from OSEO, the public organization that finances and supports technology innovation, as part of the Horizon Hydrogène Energie (H2E) program.
- National utility Nucleoeléctrica Argentina (NASA) informed ATMEA on July 12, 2012 of its decision to pre-certify the ATMEA1 technology for the upcoming request for proposals to be launched for the construction of Argentina's fourth nuclear power plant. The pre-selection of the ATMEA1 technology confirms that this reactor's design meets the most stringent nuclear safety standards as well as the operating requirements of NASA.
- AREVA announced on July 13, 2012, that its 63%-owned subsidiary, La Mancha Resources Inc. ("La Mancha" or "the Company"), had signed an agreement ("Support Agreement") with Weather II Investments ("Weather II") to purchase all of the shares issued by La Mancha. Under this agreement, Weather II is planning to launch a takeover bid at a price per share of 3.50 Canadian dollars ("the Offer"), recommended by the board of directors of La Mancha. The disposal of AREVA's interest in La Mancha Resources Inc. comes under the Group's "Action 2016" strategic action plan, launched in December 2011. The sale of shares is estimated at CAD 315 million; once concluded, it will enable AREVA to reduce its debt and finance part of its program of strategic and nuclear safety investments.
- On July 18, 2012, AREVA CEO Luc Oursel and Sergey Kirienko, Director General of Rosatom, signed a memorandum of understanding formalizing the establishment of working groups to study ways of increasing cooperation between the two groups in the nuclear field.
- On July 23, 2012, the AREVA group, a major player in renewable energies, has announced the acquisition of a technology enabling the production of bio-coal. Based on the Thermya[*] torrefaction process, this unique technology, currently being deployed commercially, produces plant fuel from biomass which can replace fossil coal used in the production of thermal energy and electricity. This operation enables AREVA to consolidate its position as a solutions provider for energy with less CO2. It is in line with the group's strategy to broaden its offer in the field of renewable energies by placing a stronger emphasis on technology.

[*] The torrefaction (or depolymerization) of biomass is a thermo-chemical process aiming to eliminate water and alter part of the organic matter of biomass to break down its fibers. Torrefied biomass (or bio-coal) offers a number of benefits, including high energy density, hydrophobia, and increased grindability.

2.10 Outlook

With results exceeding expectations in the first half of 2012, the Group revised its financial outlook for 2012 upwards as follows:

- revenue growth in the range of 4 to 6% in the nuclear business (versus 3 to 6% indicated previously);
- revenue of approximately 600 million euros in the renewables business;
- EBITDA of more than 950 million euros, restated for the impacts of the asset disposal program (compared with 750 million euros previously);
- free operating cash flow before tax negative by less than 1.25 billion euros (compared with negative by less than 1.5 billion euros previously);
- proceeds from asset disposals for at least 1.2 billion euros.

The financial outlook for 2013 and the 2015-2016 period remains unchanged.

3 Statutory Auditors' report on the half-year financial information for the period ended June 30, 2012

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75009 PARIS

Statutory auditors' report on the first half-year financial information

For the period from January 1 to June 30, 2012

This is a free translation into English of the statutory auditors'report on the condensed consolidated information for the period January 1 to June 30, 2012 issued in French language and is provided solely for the convenience of English speaking readers. This report includes information specifically required by French law in such report, whether qualified or not.Such report should be read in conjunction with, and construed in accordance with, French law and French auditing standards.

To the Shareholders,

In accordance with our appointment as statutory auditors at your Annual General Meeting and in compliance with Article L. 451-1-2 of the French Monetary and Financial Code (*Code Monétaire et Financier*), we hereby report to you on:

- The limited review of the condensed consolidated financial statements of AREVA for the period January 1 to June 30, 2012, as attached to this report;
- The verifications of the information provided in the half-year management report.

These condensed half-year consolidated financial statements have been prepared under the responsibility of the Executive Board. Our role is to express a conclusion on these financial statements based on our limited review.

I. Conclusion on the financial statements

We have conducted our limited review in accordance with professional standards applicable in France. A limited review consists primarily in inquiries of members of the executive management team responsible for financial and accounting matters, and the implementation of analytical procedures. A limited review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France. Accordingly, a limited review provides a moderate assurance that the financial statements taken as a whole are free of material misstatements, to a lesser extent that would result from an audit.

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying condensed half-year consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34, standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Without qualifying our conclusion, we draw your attention to the following matters disclosed in the notes to the condensed half-year consolidated financial statements:

- Note 12, in addition to Notes 1.1 and 1.8 included in the notes to the consolidated financial statements for the year ended December 31, 2011, as approved by the May 10, 2012 Shareholders' Meeting, which describes the conditions for carrying out the OL3 contract and the sensitivity of profit and loss to completion to contractual risks,and operating procedures for completion of construction and testing, up until the reactor is connected to the grid;
- Note 7, in addition to Notes 1.1, 1.13 and 1.18 included in the notes to the consolidated financial statements for the year ended December 31, 2011, as approved by the May 10, 2012 Shareholders' Meeting, which describes the procedures for measuring end-of-lifecycle assets and liabilities and their sensitivity to assumptions adopted with regard to estimates, timing of cash outflows and discount rates;
- Note 1.2, in addition to Notes 16 and 19, which sets out the change in the method of accounting for employee benefits

II. Specific procedures

We have also verified the information provided in the half-year management report in respect of the condensed half-year consolidated financial information, which were subject to our limited review.

We have no matters to report on the fairness of this information and its consistency with the condensed half-year consolidated financial statements.

Paris-La-Défense and Neuilly-sur-Seine,

July 26, 2012

The Statutory Auditors

MAZARS		**DELOITTE & ASSOCIES**	
Jean-Luc BARLET	Juliette DECOUX	Patrice CHOQUET	Pascal COLIN

4 Condensed consolidated financial statements June 30, 2012

Consolidated statement of income

(in millions of euros)	Note	1st half 2012	1st half 2011*	2011*
Revenue		**4,329**	**3,997**	**8,872**
Other income from operations		37	13	40
Cost of sales		(3,719)	(3,298)	(8,020)
Gross margin		**647**	**712**	**891**
Research and development expenses		(135)	(142)	(343)
Marketing and sales expenses		(118)	(112)	(231)
General and administrative expenses		(202)	(237)	(426)
Other operating expenses	*3*	(238)	(160)	(2,444)
Other operating income	*3*	487	667	686
Operating income		**441**	**728**	**(1,866)**
Income from cash and cash equivalents		22	67	121
Gross borrowing costs		(117)	(101)	(193)
Net borrowing costs		**(95)**	**(35)**	**(72)**
Other financial expenses		(267)	(294)	(730)
Other financial income		172	148	248
Other financial income and expenses		**(95)**	**(146)**	**(483)**
Net financial income	*4*	**(191)**	**(181)**	**(555)**
Income tax	*5*	**(149)**	**(192)**	**(283)**
Net income of consolidated businesses		**101**	**355**	**(2,703)**
Share in net income of associates	*8*	5	41	62
Net income from continuing operations		**106**	**396**	**(2,642)**
Net income from discontinued operations	*11*	-	(6)	(2)
Net income		**106**	**390**	**(2,644)**
Including:				
Group:				
Net income from continuing operations		80	367	(2,500)
Net income from discontinued operations		-	(6)	(2)
Net income attributable to owners of the		**80**	**361**	**(2,503)**
Minority interests:				
Net income from continuing operations		26	29	(142)
Net income from discontinued operations		-	-	-
Net income attributable to minority interests		**26**	**29**	**(142)**
Number of AREVA shares and investment certificates outstanding		383,204,852	383,204,852	383,204,852
Average number of AREVA shares and investment certificates outstanding		383,204,852	383,060,114	383,133,278
Average number of treasury shares		1,205,250	1,035,426	1,121,271
Average number of AREVA shares and investment certificates outstanding, excluding treasury shares		381,999,602	382,024,688	382,012,007
Earnings per share from continuing operations (in euros)		0.21	0.96	-6.54
Basic earnings per share		0.21	0.94	-6.55
Consolidated net income per diluted share(1)		0.21	0.94	-6.55

(1) AREVA has not issued any instruments with a dilutive impact on share capital

* : Because the Group had opted for early adoption, at January 1, 2012, of the amended IAS 19 standard, the financial statements for the year ended December 31, 2011 and for the first half of 2011 were restated in accordance with IFRS for purposes of comparison.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in millions of euros)	1st half 2012	1st half 2011*	2011*
Net income	**106**	**390**	**(2,644)**
Other comprehensive income items			
Items not recyclable to the income statement			
Actuarial gains and losses on employee benefits	(162)	(85)	(112)
Income tax related to non-recyclable items	52	28	12
Items recyclable to the income statement			
Currency translation adjustments on consolidated companies	41	(89)	(22)
Change in value of available-for-sale financial assets	152	(28)	(305)
Change in value of cash flow hedges	(21)	16	(32)
Income tax related to recyclable items	(21)	(41)	106
Other comprehensive income items from discontinued operations			-
Share in other net comprehensive income items from associates	0	(28)	12
Non-current assets held for sale	**0**	**53**	**30**
Total other comprehensive income items (net of income tax)	**39**	**(174)**	**(309)**
Comprehensive income	**145**	**216**	**(2,953)**
- Attributable to equity owners of the parent	116	199	(2,817)
- Attributable to minority interests	29	17	(137)

* : Because the Group had opted for early adoption, at January 1, 2012, of the amended IAS 19 standard, the financial statements for the year ended December 31, 2011 and for the first half of 2011 were restated in accordance with IFRS for purposes of comparison. The impacts of these restatements are detailed in note 19.

CONSOLIDATED BALANCE SHEET

ASSETS

(in millions of euros)	Note	June 30, 2012	Dec. 31, 2011*
Non-current assets		**21,188**	**20,451**
Goodwill on consolidated companies	6	4,238	4,239
Intangible assets	6	2,908	2,929
Property, plant and equipment	6	7,033	6,487
End-of-lifecycle assets (third party share)	7	222	226
Assets earmarked for end-of-lifecycle operations	7	5,455	5,287
Equity associates	8	189	205
Other non-current financial assets	9	258	217
Pension fund assets		0	0
Deferred tax assets		885	861
Current assets		**10,739**	**10,781**
Inventories and work-in-process		2,866	2,579
Trade accounts receivable and related accounts		2,215	2,544
Other operating receivables		2,589	2,136
Current tax assets		91	66
Other non-operating receivables		136	133
Cash and cash equivalents	10	2,157	2,347
Other current financial assets		484	199
Assets of discontinued operations	11	200	776
Total assets		**31,926**	**31,232**

* : Because the Group had opted for early adoption, at January 1, 2012, of the amended IAS 19 standard, the financial statements for the year ended December 31, 2011 were restated in accordance with IFRS for purposes of comparison.

LIABILITIES AND EQUITY

(in millions of euros)	Note	June 30, 2012	Dec. 31, 2011*
Equity and minority interests		**5,995**	**5,963**
Share capital		1,456	1,456
Consolidated premiums and reserves		3,700	6,320
Deferred unrealized gains and losses on financial instruments		178	71
Currency translation reserves		138	104
Net income attributable to equity holders of the parent		80	(2,503)
Minority interests		443	514
Non-current liabilities		**13,916**	**13,261**
Employee benefits	16	1,921	2,003
Provisions for decommissioning operations	7	6,123	6,026
Other non-current provisions	12	132	126
Long-term borrowings	13	5,551	4,949
Deferred tax liabilities		189	156
Current liabilities		**12,015**	**12,008**
Current provisions	12	2,389	2,187
Short-term borrowings	13	777	1,144
Advances and prepayments received		3,884	4,148
Trade accounts payable and related accounts		1,740	1,763
Other operating liabilities		2,955	2,623
Current tax liabilities		62	58
Other non-operating liabilities		168	85
Liabilities of discontinued operations	11	41	-
Total liabilities and equity		**31,926**	**31,232**

* : Because the Group had opted for early adoption, at January 1, 2012, of the amended IAS 19 standard, the financial statements for the year ended December 31, 2011 were restated in accordance with IFRS for purposes of comparison.

CONSOLIDATED CASH FLOW STATEMENT

(in millions of euros)	1st half 2012	1st half 2011*	2011 *
Net income for the period	**106**	**390**	**(2,644)**
Minus: income from discontinued operations	-	6	2
Net income from continuing operations	**106**	**396**	**(2,642)**
Share in net income of associates	(5)	(41)	(62)
Net amortization, depreciation and impairment of PP&E and intangible assets and marketable securities maturing in more than 3 months	435	320	2,754
Goodwill impairment losses			-
Net increase in provisions	(151)	(284)	97
Net effect of reverse discounting of assets and provisions	202	196	397
Income tax expense (current and deferred)	149	192	283
Net interest included in borrowing costs	94	36	85
Loss (gain) on disposals of fixed assets and marketable securities maturing in more than 3 months; change in fair value	(240)	(58)	(53)
Other non-cash items	13	24	34
Cash flow from operations before interest and taxes	**602**	**780**	**893**
Net interest received (paid)	(31)	32	(60)
Income tax paid	(115)	(51)	(149)
Cash flow from operations after interest and tax	**455**	**762**	**683**
Change in working capital requirement	(264)	(186)	221
NET CASH FROM OPERATING ACTIVITIES	**192**	**576**	**904**
Investment in PP&E and intangible assets	(919)	(841)	(2,038)
Loans granted and acquisitions of non-current financial assets	(1,204)	(1,748)	(2,920)
Acquisitions of shares of consolidated companies, net of acquired cash	-	(6)	(5)
Disposals of PP&E and intangible assets	120	7	53
Loan repayments and disposals of non-current financial assets	1,205	1,771	3,345
Disposals of shares of consolidated companies, net of disposed cash	598	696	714
Dividends from equity associates	0	29	31
NET CASH USED IN INVESTING ACTIVITIES	**(200)**	**(92)**	**(821)**
Share issues subscribed by minority shareholders in consolidated subsidiaries and purchases of treasury shares	5	23	21
Transactions with minority interests	-	(1,681)	(1,681)
Dividends paid to shareholders of the parent company	-	-	-
Dividends paid to minority shareholders of consolidated companies	(108)	(51)	(51)
Increase in borrowings	300	321	712
NET CASH USED IN FINANCING ACTIVITIES	**196**	**(1,389)**	**(999)**
Decrease (increase) in marketable securities maturing in more than 3 months	(276)	3	0
Impact of foreign exchange movements	3	(6)	21
NET CASH FLOW FROM DISCONTINUED OPERATIONS AND IMPACT OF RECLASSIFICATION OF ASSETS AND LIABILITIES HELD FOR SALE	**(91)**	**(3)**	**4**
CHANGE IN NET CASH	**(177)**	**(911)**	**(891)**
Net cash at the beginning of the year	**2,273**	**3,164**	**3,164**
Cash at the end of the year	2,157	2,311	2,347
Minus: short-term bank facilities and non-trade current accounts (credit balances)	(61)	(58)	(74)
Net cash from discontinued operations			-
Net cash at the end of the year	**2,096**	**2,253**	**2,273**

* : Because the Group had opted for early adoption, at January 1, 2012, of the amended IAS 19 standard, the financial statements for the year ended December 31, 2011 and for the first half of 2011 were restated in accordance with IFRS for purposes of comparison.

"Net Cash" taken into account in establishing the Cash Flow Statement consists of:

- "Cash and cash equivalents" (see note 10), which includes:
  - cash balances and non-trade current accounts, and
  - risk-free marketable securities initially maturing in less than three months, and money market funds;
- after deduction of short-term bank facilities and non-trade current accounts included in current borrowings (see note 13).

STATEMENT OF CHANGE IN CONSOLIDATED SHAREHOLDERS' EQUITY

(in millions of euros)	Number of shares and investment certificates	Share capital	Premiums and consolidated reserves	Currency translation reserves	Deferred unrealized gains and losses on financial instruments	Actuarial gains and losses on employee benefits	**Equity attributable to equity holders of the parent**	Minority interests	**Total equity**
January 1, 2011*	***381,265,427***	**1,452**	**6,387**	**46**	**346**	**-**	**8,231**	**883**	**9,114**
Net income for the first half of 2011			361				**361**	29	**390**
Other comprehensive income items				(70)	(37)	(55)	**(162)**	(12)	**(174)**
Comprehensive income			**361**	**(70)**	**(37)**	**(55)**	**199**	**17**	**216**
Dividends paid (**)			-				**-**	(51)	**(51)**
Treasury shares acquired	*(351,360)*		(15)				**(15)**		**(15)**
Share issue	*1,085,535*	4	28				**32**		**32**
Other transactions with shareholders			21				**21**	(181)	**(160)**
June 30, 2011*	***381,999,602***	**1,456**	**6,782**	**(24)**	**309**	**(55)**	**8,468**	**669**	**9,137**
Dec. 31, 2011*	***381,999,602***	**1,456**	**3,916**	**104**	**71**	**(99)**	**5,449**	**514**	**5,963**
Net income for the first half of 2012			80				**80**	26	**106**
Other comprehensive income items				34	107	(105)	**36**	4	**39**
Comprehensive income			**80**	**34**	**107**	**(105)**	**116**	**29**	**145**
Dividends paid (**)								(108)	**(108)**
Treasury shares acquired									
Share issue									
Other transactions with shareholders			(13)				**(13)**	8	**(5)**
June 30, 2012	***381,999,602***	**1,456**	**3,984**	**138**	**178**	**(204)**	**5,552**	**443**	**5,995**

* : Because the Group had opted for early adoption, at January 1, 2012, of the amended IAS 19 standard, the financial statements for the year ended December 31, 2011 and for the first half of 2011 were restated in accordance with IFRS for purposes of comparison.

(**) Dividend paid out per share (in euros):	
in 2011 on 2010 net income	none
in 2012 on 2011 net income	none

SEGMENT INFORMATION

For comparison purposes, segment information provided for the first half of 2011 and for 2011 as a whole was restated to reflect first-time adoption of amended IAS 19 in the financial statements at June 30, 2012.

DATA BY BUSINESS SEGMENT

First half of 2012

	(in millions of euros)	Mining	Front End	Reactors & Services	Back End	Renewable Energies	Other and eliminations	Total Group
Results	Gross sales revenue	723	951	1 669	968	253	(236)	4 329
	Inter-segment sales	(77)	(43)	(22)	(165)	0	308	0
	Contribution to consolidated sales	646	908	1 647	804	253	72	4 329
	EBITDA	316	171	153	270	(25)	(67)	817
	Contribution to operating income	98	187	(198)	444	(33)	(57)	441
	% of gross revenue	*13.5%*	*19.7%*	*(11.9)%*	*45.9%*	*(13.1)%*	*n.a.*	*10.2%*

First half of 2011

	(in millions of euros)	Mining	Front End	Reactors & Services	Back End	Renewable Energies	Other and eliminations	Total Group
Results	Gross sales revenue	519	933	1 623	968	59	(105)	3,997
	Inter-segment sales	(5)	(18)	(19)	(138)	0	180	0
	Contribution to consolidated sales	514	914	1 604	830	59	75	3,997
	EBITDA	164	87	(113)	228	(63)	563	865
	Contribution to operating income	95	66	(79)	135	(50)	560	728
	% of gross revenue	*18,4%*	*7,1%*	*(4,8)%*	*13,0%*	*(84,9)%*	*n.a.*	*18,2%*

2011

	(*in millions of euros)*	Mining	Front End	Reactors & Services	Back End	Renewable Energies	Other and eliminations	Total Group
Results	Gross sales revenue	1,304	2,342	3,306	1,909	299	(289)	8,872
	Inter-segment sales	(15)	(60)	(45)	(316)	(2)	437	0
	Contribution to consolidated sales	1,289	2,282	3,262	1,594	297	148	8,872
	EBITDA	450	179	(378)	406	(85)	496	1,068
	Contribution to operating income	(1,167)	(765)	(511)	225	(78)	430	(1,866)
	% of gross revenue	*(89.5)%*	*(32.7)%*	*(15.4)%*	*11.8%*	*(26.1)%*	*n.a.*	*(21.0)%*

The “Other and eliminations” column includes Corporate, Consulting & Information Systems operations and inter-segment sales eliminations.

More than 10% of the Group’s consolidated revenue is received from one customer, the EDF group.

EBITDA is equal to operating income plus net amortization, depreciation and operating provisions (except for provisions for impairment of working capital items). EBITDA excludes the cost of end-of-lifecycle operations performed in nuclear facilities during the year (facility dismantling, waste retrieval and packaging).

CONTRIBUTION TO CONSOLIDATED REVENUE BY BUSINESS SEGMENT AND CUSTOMER LOCATION

			1st half 2012				
(In millions of euros)	Mining	Front End	Reactors & Services	Back End	Renewable Energies	Other	**Group total**
France	188	352	584	536	9	67	**1,735**
Europe (excluding France)	46	293	273	126	166	1	**905**
North & South America	144	122	367	91	44	4	**773**
Asia-Pacific	215	125	383	49	34	0	**806**
Africa / Middle East	54	16	39	2	0	0	**111**
Total	**646**	**908**	**1,647**	**804**	**253**	**72**	**4,329**

			1st half 2011				
(In millions of euros)	Mining	Front End	Reactors & Services	Back End	Renewable Energies	Other	**Group total**
France	101	355	546	496	1	70	**1,568**
Europe (excluding France)	39	269	422	134	37	2	**903**
North & South America	129	164	313	68	20	4	**697**
Asia-Pacific	213	122	292	130	1	0	**758**
Africa / Middle East	33	4	31	2	0	0	**70**
Total	**514**	**914**	**1,604**	**830**	**59**	**75**	**3,997**

			2011				
(In millions of euros)	Mining	Front End	Reactors & Services	Back End	Renewable Energies	Other	**Group total**
France	315	629	1,098	1,003	13	139	**3,197**
Europe (excluding France)	110	757	840	286	207	2	**2,203**
North & South America	234	398	647	133	57	7	**1,476**
Asia-Pacific	523	489	618	168	20	-	**1,818**
Africa / Middle East	107	8	59	3	-	-	**177**
Total	**1,289**	**2,282**	**3,262**	**1,594**	**297**	**148**	**8,872**

Supplementary information on Germany and Japan

(in millions of euros)	**1st half 2012**	**1st half 2011**	**2011**
Germany	445	343	839
Japan	185	273	732

All amounts are presented in millions of euros unless otherwise indicated. Certain totals may include rounding differences.

NOTE 1 – ACCOUNTING PRINCIPLES

1. PREPARATION OF THE FINANCIAL STATEMENTS

The consolidated financial statements at June 30, 2012, approved by the Executive Board on July 25, 2012, were prepared in accordance with the accounting standard IAS 34 on interim financial data. These summary financial statements do not contain all of the information to be provided for year-end financial statements prepared in accordance with International Financial Reporting Standards (IFRS). They must be read in conjunction with the consolidated financial statements at December 31, 2011.

Material events for the period are described in the half-year activity report.

2. ACCOUNTING PRINCIPLES

The accounting principles used to prepare the summary consolidated financial statements for the period ended June 30, 2012 are identical to those described in note 1 to the consolidated financial statements for the year ended December 31, 2011, except for the following points resulting from first-time adoption of amended IAS 19 (“Employee benefits”), which AREVA elected to adopt on an anticipated basis at January 1, 2012.

First-time adoption of amended IAS 19

This amended standard, which applies retroactively, has the following consequences:

- The Group’s commitments to its employees are recognized in their entirely at the end of each accounting year; the "corridor" option is eliminated, as well as the possibility of amortizing actuarial gains and losses and past service costs resulting from changes in retirement plans over the remaining period of activity of the employees concerned.
- Actuarial gains and losses and past service costs for which no provision had been recognized at December 31, 2010, were recognized as an offset to consolidated reserves in their after-tax amount at January 1, 2011;
- Actuarial gains and losses arising after January 1, 2011 are recognized under "Other comprehensive income items" (non-recyclable to the income statement);
- The impacts of changes in retirement plan after January 1, 2011, are fully recognized through profit and loss for the period in which they arise, under the heading "Other operating income and expenses”.
- The anticipated yield of assets earmarked for retirement plans is calculated using the same rate as the discount rate for retirement liabilities.

Due to the retroactive nature of amended IAS 19, the financial statements for the year ended December 31, 2011 and the first half of 2011 were restated in accordance with the new rules for purposes of comparison.

The detailed impacts of the first-time adoption of amended IAS 19 are presented in notes 16 and 19.

Specific methods used to prepare interim financial statements

- AREVA uses the method prescribed by IAS 34 to determine the tax expense for the interim period. This is calculated by applying the estimated average effective tax rate for the year to before-tax income for this period. However, a different tax rate was used for income items subject to a specific tax rate, such as gains on disposals of securities eligible for long-term capital gain tax treatment.
- Interim period expenses regarding retirement obligations and other employee benefits are calculated based on the discount rate determined at the end of the previous year, adjusted to reflect changes in plans and reductions, liquidations and other important non-recurring events. In applying this method to the first half of 2012, AREVA calculated the expense of the cost of services rendered during the period, the expense for

discounting reversal of the provision, and the income related to the expected return on plan assets using the discount rate established at December 31, 2011.

NOTE 2 – CONSOLIDATION SCOPE AND HIGHLIGHTS OF THE PERIOD

"Action 2016" plan

Following the impact of the Fukushima accident on 2011, the Group's operations in the first half of 2012 reflect the implementation of the "Action 2016" strategic action plan adopted on December 12, 2011.

The economic environment and changes over the period in market indicators relevant to the Group's main operations, in particular prices for natural uranium, conversion services and enrichment services, did not indicate impairment that would call into doubt the carrying value of the Group's assets at June 30, 2012, except for certain mining assets, for which impairment was recognized due to specific circumstances (see note 3).

The sensitivity analyses produced in the notes to the consolidated financial statements for the year ended December 31, 2011 remain relevant. At June 30, 2012, the assessment of the recoverable value of certain of the Group's property, plant and equipment and intangible assets remains largely conditioned on execution of the strategic action plan (PAS). The recoverable value of these assets remains sensitive to the assumptions selected for the impairments tests at December 31, 2011. They mainly concern intangible assets related to the development of the Group's Enrichment and New Builds businesses in the United States, as well as the property, plant and equipment of the Chemistry BU.

Sale of the interest in Eramet

AREVA and the French strategic investment fund FSI (*Fonds stratégique d'investissement*) entered into exclusive negotiations on December 27, 2011 concerning the sale of AREVA's 25.93% interest in the mining group Eramet.

With this in mind, AREVA set aside a provision in the financial statements for the year ended December 31, 2011 for a potential capital loss in the amount of 48 million euros. The interest in Eramet, previously reported on the balance sheet under the heading "Investments in associates", was reclassified to "Non-current assets held for sale" as of that date.

The sale closed on May 16, 2012. The sale price was 776 million euros and the total consolidated capital loss was 46.8 million euros (including the recycling of other comprehensive income items to profit and loss).

Sale of the interest in Sofradir

In connection with the Group's financing plan, announced in its "Action 2016" strategic action plan, AREVA sold its 20% interest the Sofradir group.
The Thales and Safran groups, both 40% shareholders of the Sofradir group, each acquired an additional 10% of the share capital, bringing their respective interests to 50%.
The sale price was 48 million euros and the consolidated capital gain was 27.2 million euros.

NOTE 3 – OTHER OPERATING EXPENSES AND OTHER OPERATING INCOME

Other operating expenses

(in millions of euros)	1st half 2012	1st half 2011*	2011 *
Restructuring and early retirement costs	(4)	(7)	(89)
Goodwill impairment losses	-	-	-
Impairment of other assets	(165)	(68)	(2,056)
Other operating expenses	(69)	(85)	(298)
Total other operating expenses	**(238)**	**(160)**	**(2,444)**

* : Because the Group had opted for early adoption, at January 1, 2012, of the amended IAS 19 standard, the financial statements for the year ended December 31, 2011 and for the first half of 2011 were restated in accordance with IFRS for purposes of comparison.

In 2011, impairment of property, plant and equipment and intangible assets resulting from impairment tests carried out following the Fukushima accident mainly concerned:

- 1.456 billion euros in the Mining segment for UraMin mining projects;
- 474 million euros in the Front End segment;
- 124 million euros in the Reactors & Services segment.

In the first half of 2012, the impairment of other assets mainly consisted of supplementary impairment of the Bakouma and Ryst Kuil mining projects, reflecting the reduction of their net realizable value, to take into account the change in their environment and in their specific characteristics.

Other operating income

(in millions of euros)	1st half 2012	1st half 2011*	2011 *
Income on sales of non-financial assets	167	0	-
Other operating income	319	667	686
Total other operating income	**487**	**667**	**686**

* : Because the Group had opted for early adoption, at January 1, 2012, of the amended IAS 19 standard, the financial statements for the year ended December 31, 2011 and for the first half of 2011 were restated in accordance with IFRS for purposes of comparison.

In 2011 and in the first half of 2012, “other operating income” primarily includes the 648-million-euro penalty received in connection with the dispute between AREVA and Siemens concerning the violation of the shareholders’ agreement pertaining to AREVA NP.

In the first half of 2012, “other operating income” mainly includes the impact of the establishment of a new end-of-career program modifying the provisions of an early retirement plan in one the Group’s subsidiaries (see note 16).

In the first half of 2012, “Income on sales of non-financial assets” includes in particular the capital gain on the disposal of the Millennium mining project in Canada and capital gains on disposals of property, plant and equipment in connection with the shut-down of production at the Georges Besse enrichment plant.

NOTE 4 – NET FINANCIAL INCOME

(in millions of euros)	1st half 2012	1st half 2011*	2011 *
Net borrowing costs	**(95)**	**(35)**	**(72)**
Income from cash and cash equivalents	22	67	121
Gross borrowing costs	(117)	(101)	(193)
Other financial income and expenses	**(95)**	**(146)**	**(483)**
Share related to end-of-lifecycle operations	***8***	***(10)***	***(152)***
Income from disposal of securities earmarked for end-of-lifecycle operations	44	58	111
Dividends received	89	42	54
Income from receivables and discount reversal on earmarked assets	23	36	60
Impairment of securities	-	-	(86)
Impact of amended schedules	1	-	-
Discounting reversal expenses on end-of-lifecycle operations	(149)	(145)	(291)
Share not related to end-of-lifecycle operations	***(103)***	***(137)***	***(331)***
Foreign exchange gain (loss)	0	(16)	(16)
Income from disposals of securities and change in value of securities held for trading	3	-	1
Income from equity associates	26	-	(48)
Dividends received	1	6	8
Impairment of financial assets	(10)	(2)	(23)
Interest on contract prepayments	(32)	(14)	(37)
Other financial expenses	(62)	(71)	(141)
Other financial income	13	6	14
Financial income from pensions and other employee benefits	(42)	(46)	(88)
Net financial income	**(191)**	**(181)**	**(555)**

* : Because the Group had opted for early adoption, at January 1, 2012, of the amended IAS 19 standard, the financial statements for the year ended December 31, 2011 and for the first half of 2011 were restated in accordance with IFRS for purposes of comparison.

The gain on sales of securities included in the share related to end-of-lifecycle operations includes 7 million euros, corresponding to the recapture of lasting impairment allocated to securities sold, compared with no recapture at June 30, 2011 and 14 million euros at December 31, 2011.

The AREVA group recognized lasting impairment on available-for-sale securities in the amount of 6 million euros at June 30, 2012 for the share not related to end-of-lifecycle operations (compared with 4 million euros at June 30, 2011 for the share not related to end-of-lifecycle operations and 113 million euros at December 31, 2011, including 86 million euros for the funds earmarked for dismantling and 27 million euros for the share not related to end-of-lifecycle operations).

Income from disposals of investments in associates mainly includes:

- the capital loss on the disposal of Eramet shares in 2011; and

- the capital gain on the disposal of Sofradir shares in the first half of 2012.

NOTE 5 - INCOME TAXES

Income tax expense was 149 million euros in the first half of 2012.

The tax expense for the first half of 2012 was calculated by applying the estimated effective tax rate for the year to earnings before tax for the period, excluding disposals of securities. That rate was 42.6%, including the CVAE business tax. Excluding the CVAE, the Group's estimated effective tax rate for the year is 36.3%.

Changes in deferred taxes for the first half of 2012 in the amount of 30 million euros, resulting from changes in the fair value of financial instruments and actuarial differences on employee benefits recognized in retained earnings, were recognized directly in equity.

NOTE 6 – GOODWILL AND PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

In the tables below, “Assets held for sale” correspond to assets of the La Mancha Resources Inc. group (Canada), as explained in note 11.

GOODWILL

Goodwill at June 30, 2012 was as follows:

(in millions of euros)	**Dec. 31, 2011**	Additions	Disposals	Discontinued operations	Currency translation adjustments and other	**June 30, 2012**
Nuclear operations	**3,954**		(21)	(17)	36	**3,952**
Business Renewable Energies	**285**					**285**
TOTAL	**4,239**		(21)	(17)	36	**4,238**

INTANGIBLE ASSETS

(in millions of euros)	**Net carrying amount Dec. 31, 2011**	Additions	Net increase in depreciation / Impairment	Currency translation adjustments	Discontinued operations	Other changes	**Net carrying amount June 30, 2012**
Pre-mining expenses	**1,104**	91	(129)	21	(27)	10	**1,070**
R&D expenses	**694**	49	(20)	8		10	**741**
Mineral rights	**66**		(66)	0			**0**
Other	**1,064**	68	(25)	10	(6)	(15)	**1,097**
TOTAL	**2,929**	**209**	**(240)**	**39**	**(33)**	**(5)**	**2,908**

“Net depreciation / impairment” includes 165 million euros in impairment on mining projects (see note 3).

PROPERTY, PLANT AND EQUIPMENT

(in millions of euros)	**Net carrying amount Dec. 31, 2011**	Additions	Net increase in depreciation / Impairment*	Currency translation adjustments	Discontinued operations	Other changes	**Net carrying amount June 30, 2012**
Land	**106**		(1)	1	(2)		**104**
Buildings	**870**	7	(29)	5	(1)	69	**921**
Plant, equipment and tooling	**2,820**	23	(115)	13	(13)	406	**3,134**
End-of-lifecycle asset	**99**		(3)			10	**106**
Other	**402**	66	(38)	5	(9)	5	**431**
In process	**2,190**	600		9		(460)	**2,338**
TOTAL	**6,487**	**696**	**(187)**	**32**	**(25)**	**30**	**7,033**

*: no impairment of PPE was recognized in the first half of 2012

NOTE 7 – END-OF-LIFECYCLE OPERATIONS

The table below summarizes the AREVA balance sheet accounts affected by the treatment of end-of-lifecycle operations and their financing.

ASSETS *(in millions of euros)*	**June 30, 2012**	**Dec. 31, 2011**	**LIABILITIES**	**June 30, 2012**	**Dec. 31, 2011**
End-of-lifecycle assets – AREVA share [1]	106	99			
Assets earmarked for end-of-lifecycle operations	5,677	5,513	Provisions for decommissioning operations	6,123	6,026
- End-of-lifecycle asset – third party share (2)	*222*	*226*	- funded by third parties (2)	*222*	*226*
- Assets earmarked for end-of-lifecycle operations (3)	*5,455*	*5,287*	- funded by AREVA	*5,901*	*5,800*

[1]: *Amount of total provision to be funded by AREVA still subject to amortization*

[2]: *Amount of the provision to be funded by third parties*

[3]: *portfolio of financial assets and receivables earmarked to fund AREVA's share of the total provision*

ASSETS EARMARKED FOR END-OF-LIFECYCLE OPERATIONS

This heading consists of the following:

(in millions of euros)	**June 30, 2012**	**Dec. 31, 2011**
Receivables related to end-of-lifecycle operations	663	646
Earmarked assets	4,792	4,641
Total	**5,455**	**5,287**

Receivables related to end-of-lifecycle operations correspond in particular to receivables resulting from the signature of a contract in December 2004 under which the CEA agreed to fund a share of facility dismantling costs at the La Hague and Cadarache plants and a share of waste retrieval and packaging costs at the UP2-400 plant.

The portfolio of assets earmarked to fund end-of-lifecycle expenses includes the following:

(in millions of euros)	**June 30, 2012**	**Dec. 31, 2011**
At market value		
Publicly traded shares	1,339	1,201
Equity mutual funds	777	754
Bond and money market mutual funds	2,188	2,321
Unlisted mutual funds	57	,-
Sub-total	**4,361**	**4,276**
At amortized cost		
Bonds and bond mutual funds held to maturity	**431**	**365**
Total	**4,792**	**4,641**

PROVISIONS FOR END-OF-LIFECYCLE OPERATIONS

(in millions of euros)	**June 30, 2012**	**Dec. 31, 2011**
Dismantling of nuclear facilities	4,429	4,382
Waste retrieval and packaging	1,694	1,644
Provisions for decommissioning operations	**6,123**	**6,026**

There were no significant revisions of estimates during the first half.

In accordance with the French law of June 28, 2006, the French department of energy and climate DGEC (*Direction générale de l'énergie et du climat*) designated a working group to perform a new cost assessment for deep geologic disposal. The DGEC-led working group brings together representatives from ANDRA, AREVA, the CEA, EDF and French nuclear safety authority ASN.

When the working group has completed its work, the Minister of Environment, Sustainable Development and Energy may establish and make public the cost of reversible deep disposal.

For information purposes, a 1-billion-euro increase (at 2003 economic conditions) of the cost estimate for the deep disposal center would have an impact of 26 million euros on the Group's end-of-lifecycle provision, assuming the percentage allocation of cost among waste producers remains the same.

NOTE 8 – INVESTMENTS IN ASSOCIATES

	June 30, 2012					Dec. 31, 2011
(in millions of euros)	% of control	Share in net income of equity associates	Investment in associates, excluding goodwill	Goodwill	Investment in associates (including goodwill)	Investment in associates, including goodwill
MNF	30,00%	1	54	85	140	138
Other equity associates		4	44	5	49	67
Total		**5**	**99**	**91**	**189**	**205**

The assessment of the recoverable value of MNF securities was based on MNF forecast data available in the first half of 2012. These data will be updated to reflect the Japanese market environment prevailing in the second half of 2012.

NOTE 9 – OTHER NON-CURRENT FINANCIAL ASSETS

(in millions of euros)	**June 30, 2012**	**Dec. 31, 2011**
Available-for-sale securities	155	111
Loans to equity associates	12	10
Other non-current financial assets	74	82
Derivatives on financing activities	16	14
Total	**258**	**217**

- **Available-for-sale securities**

Available-for-sale securities are as follows:

(in millions of euros)	June 30, 2012	Dec. 31, 2011
Publicly traded shares (at market value)		
- Alcatel	3	3
- Summit	27	28
- Japan Steel	21	26
- Other publicly traded securities	12	18
Investment in privately held companies	91	36
Total	**155**	**111**

NOTE 10 – CASH AND CASH EQUIVALENTS

(in millions of euros)	**June 30, 2012**	**Dec. 31, 2011**
Cash equivalents	1,939	2,115
Cash and current accounts	218	232
Net value	**2,157**	**2,347**

Cash equivalents consist chiefly of short-term marketable securities and mutual funds.

NOTE 11 – ASSETS AND LIABILITIES OF DISCONTINUED OPERATIONS

Plan to sell the AREVA group's interest in La Mancha Resources Inc.

At the request of its majority shareholder, Compagnie française de mines et métaux (a subsidiary of AREVA Mines), La Mancha Resources Inc. formed a special committee in March 2012 to examine the conditions for a possible sale of the company.

The AREVA group has a 63% interest in La Mancha Resources Inc.

La Mancha Resources Inc. is an international gold producer based in Canada with operations, development projects and exploration activities in Africa, Australia and Argentina. In 2011, La Mancha Resources Inc. reported income of 184.7 million Canadian dollars and EBITDA of 83.8 million Canadian dollars.

In early July 2012, La Mancha Resources Inc. signed an agreement with Weather II Investments for the purchase of all La Mancha shares in issue. Under this agreement, Weather II is planning to launch a takeover bid at a price per share of 3.50 Canadian dollars, recommended by the board of directors of La Mancha.

The offer is not conditioned on securing financing and represents a premium of approximately 55.6% above the closing price of the Company's shares at the Toronto Stock Exchange on July 12, 2012, just before the offer was announced, and a premium of 43.1% above the average traded price weighted for trading volumes over the last 20 trading days.

A competitive bidding process had been launched at the request received of La Mancha's majority shareholder, Compagnie française de mines et métaux ("CFMM"), a wholly owned subsidiary of AREVA. After reviewing the bids

from different companies, La Mancha's Board of Directors decided to recommend to the shareholders that they accept the offer. CFMM signed a firm agreement with Weather II pursuant to which it irrevocably agreed to sell its 90 million shares, or approximately 63% of the Company's fully diluted outstanding shares.

The disposal of AREVA's interest in La Mancha Resources Inc. comes under the Group's "Action 2016" strategic action plan, launched in December 2011. The sale of shares is estimated at CAD 315 million; once concluded, it will contribute to AREVA's debt reduction and to the financing of its program of strategic and nuclear safety investments.

The assets and liabilities of La Mancha and its subsidiaries were reclassified as non-current assets and liabilities of discontinued operations, in accordance with IFRS 5.

Assets and liabilities of discontinued operations are as follows:

Non-current assets	**75**
Goodwill on consolidated companies	17
Property, plant and equipment and intangible assets	58
Other non-current financial assets	0
Pension fund assets	-
Deferred tax assets	0
Current assets	**124**
Inventories and work-in-process	16
Trade receivables and other operating receivables	10
Current tax assets	0
Other non-operating receivables	2
Cash and cash equivalents	91
Other current financial assets	5
Total assets of discontinued operations	**200**

Non-current liabilities	**10**
Employee benefits	1
Other non-current provisions	4
Long-term borrowings	0
Deferred tax liabilities	5
Current liabilities	**31**
Current provisions	3
Short-term borrowings	0
Trade payables and other operating liabilities	19
Current tax liabilities	7
Other non-operating liabilities	2
Total liabilities of discontinued operations	**41**

NOTE 12 – OTHER PROVISIONS

(in millions of euros)	June 30, 2012	Dec. 31, 2011
Restoration of mining sites and mill decommissioning	130	125
Other	2	1
Other non-current provisions	**132**	**126**
Restructuring and layoff plans	33	56
Provisions for ongoing cleanup	329	344
Provisions for customer warranties	97	103
Provisions for losses to completion	871	554
Accrued costs	683	724
Other	376	405
Current provisions	**2,389**	**2,187**
Total other provisions	**2,521**	**2,313**

Provisions for losses to completion

Contract to build the Olkiluoto 3 EPR™ reactor

The nuclear island of the OL3 project, for which AREVA is responsible in the AREVA-Siemens consortium, was 82% complete at the end of June 2012.

On-site construction work, including all electro-mechanical installation work, in particular piping, electrical systems and ventilation, and all finishing works, was 75% complete.

The first instrumentation and control cabinets used for power distribution were installed at the site in January 2012 and are currently in the final phase of preparations for testing. The testing period was delayed, mainly because the verification of documentation took much longer than expected.

The most significant event of the half year was the completion of water testing of all the fuel and reactor pools and the installation of all fuel handling systems, a very important project phase for implementation of the mechanical systems.

The installation of piping during the first half was slower than anticipated, mainly because of interface issues, in particular with the platforms in the reactor building.

Installation work continues in the diesel buildings, despite the customer's delay of the delivery of certain components.

Many file transfers are ongoing between the construction teams and the testing teams to start up a certain number of systems using interim instrumentation and control pending receipt of the final cabinets.

The I&C system is still on the project's critical path, although its design has already been accepted by both TVO and the Finish safety authority (STUK). The I&C organization and operations were strengthened significantly at the beginning of 2012 to finalize the I&C system's detailed architecture.

As of this date, TVO has not requested changes since the post-Fukushima stress tests were published.

The reference schedule released in December 2011 calls for the fuel core to be loaded in the reactor at the end of 2013. This schedule is to be updated in the second half of 2012.

Among the next steps, the cooling loop will be filled with sea water over the coming weeks, demonstrating the ability of the operational readiness teams under AREVA's responsibility to integrate the requirements of TVO and of its partner Siemens. The building ventilation system will be started up with a temporary power supply system. Hydraulic testing of the steam lines between the steam generators and the turbine is scheduled to begin in September.

On the legal and contractual level, concerning the arbitration proceedings launched in 2008, the consortium maintained its claim by filing an application in May 2011 for compensation in the amount of 1.9 billion euros for a 22-month extension of the contractual period that ran until the end of 2007. No income has been recognized in this respect.

Similarly, no provision was constituted for the claim filed by TVO with the consortium in the amount of 1.4 billion euros. The consortium and its counsel still consider the allegations made in the counterclaim to be unfounded and without merit with respect to Finnish law.

As part of the arbitration proceeding, TVO was expected to file its “Statement of Defense to the consortium’s Statement of Claims” in June 2012.

At the request of TVO, and for reasons related to TVO, the Court allowed TVO to file its pleadings in September 2012.

On July 5, 2012, after the date of closing of the half-year financial statements, the Court ruled that TVO should reimburse the consortium the amounts specified in the contract terms of payment and withheld in violation of the contract provisions. Together with interest for late payment, TVO paid a total of 125 million euros to the consortium in July, including reimbursement of the consortium’s legal expenses.

On July 6, the AREVA-Siemens consortium notified its customer TVO that the schedule had to be re-estimated and that accordingly TVO would be responsible for all delays that occurred in the spring of 2012.

At the end of June 2012, an additional provision in the amount of 300 million euros was recognized for loss at completion of the OL3 project (bringing the total amount of provisions recognized to 3.1 billion euros), in particular to guard against insufficient preparation and commitment by the customer for the performance and validation of tests and for the completion of the operating license application, which are key milestones before the reactor may be started. The provision is also intended to cover certain remaining contingencies during the final construction phase.

This additional provision is reflected in the net change of the provision for loss at completion.

Remaining uncertainties concerning the estimated income at completion still concern the contract risks and operating procedures for completion of construction and testing, up until the reactor is connected to the grid.

Contract to modernize a nuclear power plant

AREVA is experiencing difficulties in the performance of a contract to extend the lifecycle of a nuclear power plant and upgrade its capacity. A provision in the total amount of 118 million euros has already been recognized for loss at completion for this project in 2009 and 2011. AREVA is currently in discussions with the customer to modify the technical requirements and schedule of the project, in particular to reflect the significant changes to the contract’s scope of work imposed by the customer and for which AREVA is requesting a financial compensation. The outcome of these discussions is uncertain and, at this time, the consequences of a potential agreement cannot be assessed, in particular the impact on the amount of the loss at completion. Given this situation, continuation of the project was assumed for purposes of the financial statements at June 30, 2012, with the cost estimates and income at completion selected at the end of 2011 maintained.

NOTE 13 – BORROWINGS

(in millions of euros)	Non-current borrowings	Current borrowings	June 30, 2012	Dec. 31, 2011
Put options of minority shareholders	18		18	18
Interest-bearing advances	87		87	86
Borrowings from lending institutions and commercial paper	454	511	965	1 102
Bond issues*	4,973	106	5,079	4,420
Short-term bank facilities and non-trade current accounts (credit balances)		61	61	74
Financial derivatives		87	87	134
Miscellaneous debt	19	12	31	260
Total Borrowings	**5,551**	**777**	**6,328**	**6,094**

*: after hedging of the interest rate risk

The heading "Borrowings from lending institutions and commercial paper" includes commercial paper outstanding of 325 million euros at June 30, 2012, compared with 458 million euros at December 31, 2011. The balance of this heading consists primarily of borrowings from the European Investment Bank, half contracted in 2008 and the remainder in 2009, in the total amount of 400 million euros, maturing in 2015 and 2016.

Bond issues

(in millions of euros) Issue date	*Nominal*	*Balance sheet value*	*Currency*	*Nominal rate*	*Maturity*
September 23, 2009	1,250	*1,314*	*EUR*	*3.875%*	*2016*
September 23, 2009	1,000	*1,048*	*EUR*	*4.875%*	*2024*
November 6, 2009	750	*777*	*EUR*	*4.375%*	*2019*
September 22, 2010	750	*745*	*EUR*	*3.5%*	*2021*
October 5, 2011	500	*497*	*EUR*	*4.625%*	*2017*
March 14, 2012	400	*395*	*EUR*	*4.625%*	*2017*
April 4, 2012	200	*197*	*EUR*	*4.745%*	*2022*
Total	**4,850**	***4,973***			

The AREVA group raised 600 million euros with bonds issues in the first half of 2012, which followed the five bond issues completed from 2009 to 2011.

NOTE 14 – RELATED PARTY TRANSACTIONS

Transactions between the parent company and its consolidated subsidiaries, which are related parties, were eliminated on consolidation and are not presented in this note.

Transactions between the Group and other important related parties are presented below.

(in millions of euros)	CEA	
	June 30, 2012	Dec. 31, 2011
Sales	288	522
Purchasing	50	109
Loans to/receivables from related parties	868	918
Borrowings from related parties	155	146

Relations with government-owned companies

The Group has business relationships with government-owned companies, in particular EDF. Transactions with EDF include sales of uranium, enrichment services and nuclear fuel, maintenance and sales of equipment for nuclear reactors, and used fuel transportation, storage, treatment and recycling services.

NOTE 15 – COMMITMENTS GIVEN OR RECEIVED

(in millions of euros)	June 30, 2012	Dec. 31, 2011
COMMITMENTS GIVEN	**2,012**	**2,021**
Contract guarantees given	1,540	**1,496**
Other operating guarantees	265	**255**
Commitments given on financing	49	**111**
Other commitments given	158	**159**
COMMITMENTS RECEIVED	**1,254**	**932**
Operating commitments received	1,199	**881**
Commitments received on collateral	4	**11**
Other commitments received	51	**40**
RECIPROCAL COMMITMENTS	**5,082**	**5,611**

The amounts above only include commitments that the Group considers valid at the date of closing. Accordingly, these commitments do not include construction contracts currently under negotiation.

Commitments given

Operating commitments represent almost 90% of all commitments given. The majority of these commitments relate to performance guarantees.

In addition, the Group gave a parent company guarantee to TVO for the full value of the contract for the construction of an EPR reactor in Finland. The Group received a counter-guarantee from Siemens corresponding to this supplier's share of the TVO contract. The net commitment given by the Group is in the range of 1.5 billion to 2 billion euros. This amount is not included in the summary table.

AREVA gave a specific guarantee in respect of ownership of FCI shares sold to Bain Capital. This amount, which is capped at the sale price of 582 million euros, is not included in the summary table.

Reciprocal commitments

In February 2007, the Group established a 2-billion-euro revolving line of credit available in euros and dollars maturing in February 2014. This line had not been used at June 30, 2012.

Confirmed bilateral banking lines of credit were established in the amount of 1.2 billion euros. These lines of credit, which mature in January 2013 and mid-2015, had not been used at June 30, 2012.

NOTE 16 – EMPLOYEE BENEFITS

Early adoption of amended IAS 19 at January 1, 2012

As indicated in note 1 on accounting principles, AREVA elected early adoption of amended IAS 19 at January 1, 2012.

Accordingly, the financial statements for the year ended December 31, 2011 were restated retroactively in compliance the new rules for purposes of comparison.

(1) All obligations concerning employee benefits (actuarial gains and losses and past service costs) for which no provision had been made at December 31, 2010, were recognized as an offset to consolidated reserves in their after-tax amount at January 1, 2011.

(2) The following changes were made to the financial statements for the year ended December 31, 2011 as concerns operating income, net financial income, income taxes and other items of comprehensive income:

- cancellation of amortization of actuarial gains and losses and past service costs recognized in operating income;
- immediate recognition in operating income of past service costs generated during the year, since their deferral is not allowed under IAS 19R;
- estimation of the anticipated yield from retirement assets using the same rate as the discount rate applied to retirement liabilities (net financial income);
- recognition of actuarial gains and losses generated during the year under "Other comprehensive income items";
- recognition of the income tax impact of the above items.

Change in the discount rate at June 30, 2012

The discount rates used by the Group fell by 50 to 75 basis points in relation to December 31, 2011, generating an increase in liabilities of about 190 million euros. The provision for employee benefits was adjusted accordingly by offset against "Other comprehensive income items" in accordance with the new IAS 19R.

PROVISIONS RECOGNIZED ON THE BALANCE SHEET

(in millions of euros)	June 30, 2012	Dec. 31, 2011 restated – IAS 19R	Dec. 31, 2011 reported
Total provisions for pension obligations and other employee benefits	**1,921**	**2,003**	**1,267**
Less pension plan assets		-	(2)
Less local pension plan assets	(4)	(4)	(4)
Total plans reviewed by the Group's actuaries	**1,917**	**1,999**	**1,261**

	June 30, 2012	Dec. 31, 2011
Inflation	2%	2%
Discount rate		
– Euro zone	4%	4.75%
– Dollar zone	4%	4.5%

Net carrying amount of defined benefit obligations

(in millions of euros)	June 30, 2012	Dec. 31, 2011 restated – IAS 19R	Dec. 31, 2011 reported
Defined benefit obligation	2,863	2,929	2,929
Fair value of plan assets	(946)	(930)	(930)
Unrecognized actuarial gains / losses	-	-	(505)
Unrecognized past service cost	-	-	(233)
Plan assets recognition limit	-	-	-
Total defined benefit obligation	**1,917**	**1,999**	**1,261**

Sensitivity of the actuarial value of the obligation to changes in discount rates

An across-the-board decrease in the discount rate of 0.25% would increase the defined benefit obligation by 2.3%.

Total expense for the year

(in millions of euros)	1st half 2012	2011 restated – IAS 19R	2011 reported
Current service cost	33	67	67
Interest cost	63	137	137
Expected return on plan assets	(21)	(48)	(55)
Amortization of actuarial gains or losses	-	-	15
Past service cost	-	-	30
Plan curtailment or termination	(2)	-	-
Plan modifications	(272)	(8)	-
Total expense for the year through profit and loss	**(199)**	**148**	**194**
Actuarial gains and losses recognized under “Other comprehensive income items”	**161**	**111**	**-**

Change in the defined benefit obligation

(in millions of euros)	1st half 2012	2011 restated – IAS 19R	2011 reported
Opening DBO	**2,929**	**2,810**	**2,810**
Current service cost	33	67	67
Cost escalation	63	137	137
Employee contributions	0	8	8
Plan modifications	(272)	(13)	(13)
Acquisitions and disposals		(3)	(3)
Change in consolidation scope		-	-
Plan transfer		-	-
Curtailments/terminations	(2)	-	-
Benefits paid during the year	(68)	(144)	(144)
Defined benefit obligation of operations sold during the year	(1)		
Actuarial gains and losses	176	56	57
Currency translations	5	11	10
Closing DBO	**2,863**	**2,929**	**2,929**

Plan changes mainly concern the establishment of a new end-of-career program in March 2012, modifying the provisions of the Group’s largest early retirement plan. These modifications generate a reduction in the defined benefit obligation and a profit recognized in operating income for the year (see note 3).

Changes in plan assets

(in millions of euros)	1st half 2012	2011 restated – IAS 19R	2011 reported
Changes in asset values			
Opening balance	**930**	**971**	**971**
Expected return	**21**	**48**	**55**
Actuarial differences	14	(55)	(63)
Employer contributions	48	97	97
Employee contributions		**8**	**8**
Benefits paid	**(68)**	**(144)**	**(144)**
Acquisitions and disposals		-	-
Assets of discontinued operations		-	-
Change in consolidation scope		-	-
Currency translations	1	5	6
Net carrying value at December 31	**946**	**930**	**930**

Change in provision estimated by the Group's actuaries

(in millions of euros)	1st half 2012	2011 restated – IAS 19R	2011 reported
Change in the provision			
Opening balance	1,999	1,165	1,165
Recognition of off balance sheet items		673	
Currency translation adjustment	4	1	1
Discontinued operations	(1)		
Change in consolidated Group		(2)	(2)
Total expense	(37)	259	194
Contributions collected/benefits paid	(48)	(97)	(97)
Closing balance	**1,917**	**1,999**	**1,261**

NOTE 17 – OTHER INFORMATION

POTENTIAL LITIGATION AND LIABILITIES

- **PROCEEDINGS AGAINST AREVA AND SIEMENS**

In May 2010, the European Commission announced the start of official proceedings against AREVA and Siemens concerning the existence of various contractual restrictions between the parties in the commercial nuclear field. The Commission focused mainly on non-competition obligations applicable to Siemens should it dispose of its interest in AREVA NP (held jointly by AREVA and Siemens until March 2011). During the proceedings, AREVA agreed not enforce the non-competition obligations initially provided between the parties, for products and services other than those directly related to AREVA NP operations in the nuclear island field and until October 16, 2012.

On June 18, 2012, the Commission accepted this commitment, which had been made public in March 2012, to allow third parties to submit their observations. The Commission's decision put a final end to the proceedings.

- **ONGOING INVESTIGATIONS**

Following the European Commission's decision of January 24, 2007, in which 11 companies were fined for anti-competitive practices in the market for gas insulated switchgears (GIS), including AREVA SA, the Israeli competition authority launched its own proceedings against these same companies to determine if the cartel had affected the Israeli market, in particular to facilitate potential claims for damages. These proceedings, while not expected to trigger penalties such as fines or imprisonment, may therefore result in litigation at the initiative of third parties claiming damages in this country.

NOTE 18 – EVENTS SUBSEQUENT TO THE END OF THE PERIOD

Firm agreement on the sale of AREVA's interest in La Mancha Resources Inc.

See note 11.

Verdict of the Court of Arbitration of the International Chamber of Commerce

The International Court of Arbitration of the International Chamber of Commerce (ICC) constituted to settle the dispute between the AREVA-Siemens consortium and its customer, the Finnish operator TVO, in connection with the construction of the EPR™ nuclear reactor of the Olkiluoto 3 (OL3) power plant in Finland, rendered a partial verdict on July 6, 2012 enjoining TVO to release 100 million euros due to the AREVA-Siemens consortium retained in contravention of contractual provisions. Together with interest due, TVO must pay a total sum of 125 million euros as well as the consortium's legal expenses.

NOTE 19 – EARLY ADOPTION OF AMENDED IAS 19

This note reviews the main impacts of the first-time adoption of amended IAS 19 on shareholders' equity at January 1, 2011 and on the consolidated financial statements for the year ended December 31, 2011 and for the first half of 2011.

RESTATEMENT OF SHAREHOLDERS' EQUITY AT JANUARY 1, 2011

(in millions of euros)	Share capital	Premiums and consolidated reserves	Currency translation reserves	Deferred unrealized gains and losses on financial instruments	Actuarial gains and losses on employee benefits	Equity attributable to equity holders of the parent	Minority interests	**Total equity**
Dec. 31, 2010 reported	**1,452**	**6,820**	**46**	**346**	**0**	**8,664**	**915**	**9,578**
Adjustment of the defined benefit obligation		(639)				(639)	(34)	(673)
Related deferred taxes		207				207	3	209
January 1, 2011 restated	**1,452**	**6,387**	**46**	**346**	**0**	**8,231**	**883**	**9,114**

TRANSITION OF INCOME STATEMENT AS REPORTED TO RESTATED INCOME STATEMENT

(in millions of euros)	**1st half 2011 Reported**	*IAS 19R adjustments*	**1st half 2011 Restated**	**Year 2011 Reported**	*IAS 19R adjustments*	**Year 2011 Restated**
Revenue	**3,997**		**3,997**	**8,872**		**8,872**
Other income from operations	13		13	40		40
Cost of sales	(3,318)	*20*	(3,298)	(8,058)	*38*	(8,020)
Gross margin	**692**	***20***	**712**	**854**	***38***	**891**
Research and development expenses	(142)		(142)	(343)		(343)
Marketing and sales expenses	(112)		(112)	(231)		(231)
General and administrative expenses	(238)	*1*	(237)	(428)	*2*	(426)
Other operating expenses	(156)	*(4)*	(160)	(2,449)	*4*	(2,444)
Other operating income	667		667	674	*13*	686
Operating income	**710**	***17***	**728**	**(1,923)**	***56***	**(1,866)**
Income from cash and cash equivalents	67		67	121		121
Gross borrowing costs	(101)		(101)	(193)		(193)
Net borrowing costs	**(35)**		**(35)**	**(72)**		**(72)**
Other financial expenses	(291)	*(3)*	(294)	(724)	*(6)*	(730)
Other financial income	148		148	248		248
Other financial income and expenses	**(143)**	***(3)***	**(146)**	**(477)**	***(6)***	**(483)**
Net financial income	**(178)**	***(3)***	**(181)**	**(548)**	***(6)***	**(555)**
Income tax	**(188)**	***(4)***	**(192)**	**(156)**	***(127)***	**(283)**
Net income of consolidated businesses	**344**	***10***	**355**	**(2,627)**	***(77)***	**(2,703)**
Share in net income of associates	41		41	62		62
Net income from continuing operations	**386**	***10***	**396**	**(2,565)**	***(77)***	**(2,642)**
Net income from discontinued operations	(6)		(6)	(2)		(2)
Net income	**380**	***10***	**390**	**(2,567)**	***(77)***	**(2,644)**
Including:						
Group:						
Net income from continuing	357	*10*	367	(2,422)	*(78)*	(2,500)
Net income from discontinued operations	(6)		(6)	(2)		(2)
Net income attributable to	**351**	***10***	**361**	**(2,424)**	***(78)***	**(2,503)**
Minority interests:						
Net income from continuing operations	29		29	(143)	*1*	(142)
Net income from discontinued operations	-		-	-		-
Net income attributable to minority interests	**29**		**29**	**(143)**	***1***	**(142)**
Earnings per share from continuing operations (in euros)	0.93	*0.03*	0.96	-6.34	*-0.20*	-6.54
Basic earnings per share	0.92	*0.02*	0.94	-6.35	*-0.20*	-6.55
Diluted earnings per share	0.92	*0.02*	0.94	-6.35	*-0.20*	-6.55

The adjustments associated with the adoption of IAS 19R are as follows for the income statement:

(in millions of euros)	1st half 2011 Adjustments	2011 Adjustments
Amortization of actuarial gains or losses	7	15
Past service cost	15	30
Plan modifications	(5)	13
Change in rate of return of plan assets	(3)	(7)
Deferred taxes	(4)	(127)
Total adjustments to net income	**10**	**(77)**

TRANSITION FROM STATEMENT OF COMPREHENSIVE INCOME AS REPORTED TO RESTATED STATEMENT OF COMPREHENSIVE INCOME

(in millions of euros)	1st half 2011 Reported	*IAS 19R adjustments*	1st half 2011 Restated	Year 2011 Reported	*IAS 19R adjustments*	Year 2011 Restated
Net income	**380**	***10***	**390**	**(2,567)**	***(77)***	**(2,644)**
Other comprehensive income items						
Items not recyclable to the income statement						
Actuarial gains and losses on employee benefits	-	*(85)*	(85)	-	*(112)*	(112)
Income tax on non-recyclable items	-	*28*	28	-	*12*	12
Items recyclable to the income statement						
Currency translation adjustments on consolidated companies	(91)	*2*	(89)	(19)	*(3)*	(22)
Change in value of available-for-sale financial assets	(28)		(28)	(305)		(305)
Change in value of cash flow hedges	16		16	(32)		(32)
Income tax related to these items	(41)		(41)	106		106
Other comprehensive income items from discontinued operations				-		-
Share in other net comprehensive income items from associates	(28)		(28)	12		12
Non-current assets held for sale	**53**		**53**	**30**		**30**
Total other comprehensive income items (net of income tax)	**(120)**	***(54)***	**(174)**	**(207)**	***(102)***	**(309)**
Comprehensive income	**259**	***(43)***	**216**	**(2,775)**	***(179)***	**(2,953)**
- Attributable to equity owners of the parent	242	*(42)*	199	(2,637)	*(179)*	(2,817)
- Attributable to minority interests	18	*(1)*	17	(137)		(137)

TRANSITION FROM CONSOLIDATED BALANCE SHEET AS REPORTED TO RESTATED CONSOLIDATED BALANCE SHEET

ASSETS

(in millions of euros)	**Dec. 31, 2011 Reported**	IAS 19R adjustments	**Dec. 31, 2011 Restated**
Non-current assets	**20,334**	*117*	**20,451**
Goodwill on consolidated companies	4,239		4,239
Intangible assets	2,929		2,929
Property, plant and equipment	6,487		6,487
End-of-lifecycle assets (third party share)	226		226
Assets earmarked for end-of-lifecycle operations	5,287		5,287
Equity associates	205		205
Other non-current financial assets	217		217
Pension fund assets	2	*(2)*	0
Deferred tax assets	742	*119*	861
Current assets	**10,781**		**10,781**
Inventories and work-in-process	2,579		2,579
Trade accounts receivable and related accounts	2,544		2,544
Other operating receivables	2,136		2,136
Current tax assets	66		66
Other non-operating receivables	133		133
Cash and cash equivalents	2,347		2,347
Other current financial assets	199		199
Assets of discontinued operations	776		776
Total assets	**31,115**	*117*	**31,232**

LIABILITIES AND EQUITY

(in millions of euros)	**Dec. 31, 2011 Reported**	IAS 19R adjustments	**Dec. 31, 2011 Restated**
Equity and minority interests	**6,606**	*(643)*	**5,963**
Share capital	1,456		1,456
Consolidated premiums and reserves	6,852	*(532)*	6,320
Deferred unrealized gains and losses on financial instruments	71		71
Currency translation reserves	106	*(2)*	104
Net income attributable to equity holders of the parent	(2,424)	*(78)*	(2,503)
Minority interests	545	*(31)*	514
Non-current liabilities	**12,501**	*760*	**13,261**
Employee benefits	1,267	*736*	2,003
Provisions for decommissioning operations	6,026		6,026
Other non-current provisions	126		126
Long-term borrowings	4,949		4,949
Deferred tax liabilities	131	*25*	156
Current liabilities	**12,008**		**12,008**
Current provisions	2,187		2,187
Short-term borrowings	1,144		1,144
Advances and prepayments received	4,148		4,148
Trade accounts payable and related accounts	1,763		1,763
Other operating liabilities	2,623		2,623
Current tax liabilities	58		58
Other non-operating liabilities	85		85
Liabilities of discontinued operations	-		-
Total liabilities and equity	**31,115**	*117*	**31,232**

TRANSITION FROM CASH FLOW STATEMENT AS REPORTED TO RESTATED CASH FLOW STATEMENT

(in millions of euros)	**1st half 2011 Reported**	IAS 19R adjustments	**1st half 2011 Restated**	**2011 Reported**	IAS 19R adjustments	**2011 Restated**
Net income for the period	**380**	***10***	**390**	**(2,567)**	***(77)***	**(2,644)**
Minus: income from discontinued operations	6		6	2		2
Net income from continuing operations	**386**	***10***	**396**	**(2,565)**	***(77)***	**(2,642)**
Share in net income of associates	(41)		(41)	(62)		(62)
Net amortization, depreciation and impairment of PP&E and intangible assets and marketable securities maturing in more than 3 months	318	*2*	320	2,753	*1*	2,754
Goodwill impairment losses				-		-
Net increase in provisions	(265)	*(19)*	(284)	155	*(58)*	97
Net effect of reverse discounting of assets and provisions	193	*3*	196	390	*7*	397
Income tax expense (current and deferred)	188	*4*	192	156	*127*	283
Net interest included in borrowing costs	36		36	85		85
Loss (gain) on disposals of fixed assets and marketable securities maturing in more than 3 months; change in fair value	(58)		(58)	(53)		(53)
Other non-cash items	24		24	34		34
Cash flow from operations before interest and taxes	**780**	***0***	**780**	**893**	***0***	**893**
Net interest received (paid)	32		32	(60)		(60)
Income tax paid	(51)		(51)	(149)		(149)
Cash flow from operations after interest and tax	**762**		**762**	**683**		**683**
Change in working capital requirement	(186)		(186)	221		221
NET CASH FROM OPERATING ACTIVITIES	**576**		**576**	**904**		**904**
Investment in PP&E and intangible assets	(841)		(841)	(2,038)		(2,038)
Loans granted and acquisitions of non-current financial assets	(1,748)		(1,748)	(2,920)		(2,920)
Acquisitions of shares of consolidated companies, net of acquired cash	(6)		(6)	(5)		(5)
Disposals of PP&E and intangible assets	7		7	53		53
Loan repayments and disposals of non-current financial assets	1,771		1,771	3,345		3,345
Disposals of shares of consolidated companies, net of disposed cash	696		696	714		714
Dividends from equity associates	29		29	31		31
NET CASH USED IN INVESTING ACTIVITIES	**(92)**		**(92)**	**(821)**		**(821)**
Share issues subscribed by minority shareholders in consolidated subsidiaries and purchases of treasury shares	23		23	21		21
Transactions with minority interests	(1,681)		(1,681)	(1,681)		(1,681)
Dividends paid to shareholders of the parent company	-		-	-		-
Dividends paid to minority shareholders of consolidated companies	(51)		(51)	(51)		(51)
Increase in borrowings	321		321	712		712
NET CASH USED IN FINANCING ACTIVITIES	**(1,389)**		**(1,389)**	**(999)**		**(999)**
Decrease (increase) in marketable securities maturing in more than 3 months	3		3	0		0
Impact of foreign exchange movements	(6)		(6)	21		21
NET CASH FLOW FROM DISCONTINUED OPERATIONS	**(3)**		**(3)**	**4**		**4**
CHANGE IN NET CASH	**(911)**		**(911)**	**(891)**		**(891)**
Net cash at the beginning of the year	**3,164**		**3,164**	**3,164**		**3,164**
Net cash at the end of the year	**2,253**		**2,253**	**2,273**		**2,273**

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