



ROSATOM

TENEX- the Global Supplier of Nuclear Fuel Cycle Products and Services to the World Market

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June 8, 2010

TENEX

The logo symbol for TENEX is a stylized, geometric shape composed of several overlapping, curved segments in shades of blue and white, resembling a stylized atom or a modern architectural element.

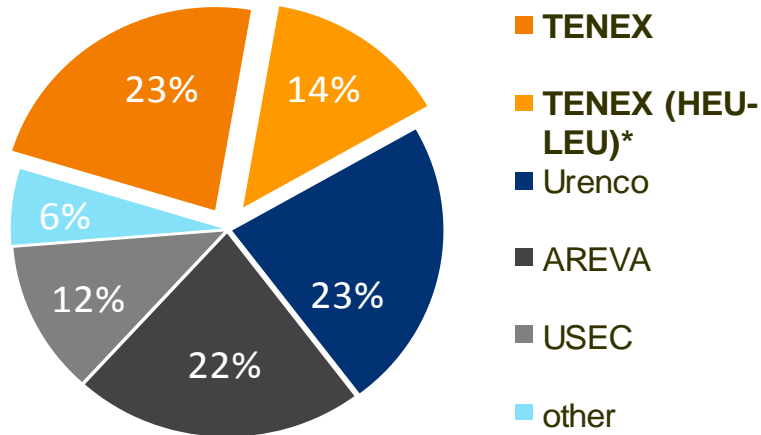
ATOM
ENERGO
PROM

TENEX Market Position (1)

Products and Services:

- enriched uranium product (EUP);
- uranium enrichment services (SWU);
- uranium conversion services, including radiochemical purification;
- construction of uranium enrichment facilities abroad.

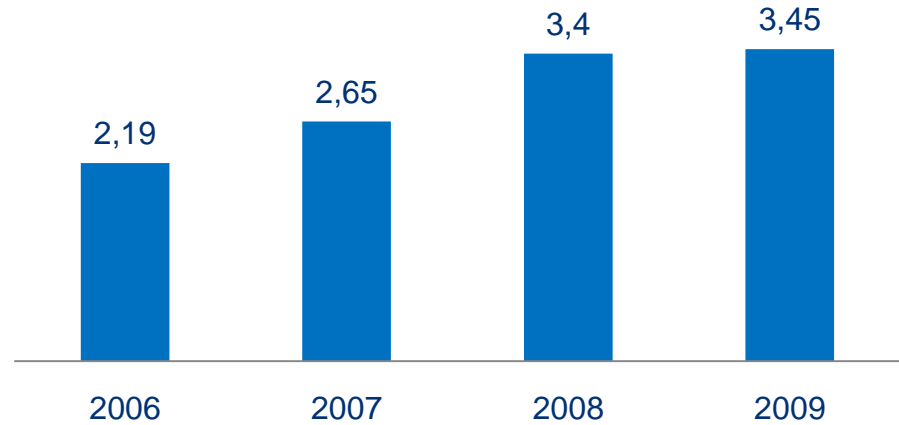
Western SWU market structure:



Source: JSC Techsnabexport, 2009

* - deliveries under the HEU-LEU agreement are marketed in the USA through USEC.

Annual Turnover, US\$ bln.



All uranium products comply with ASTM and other specifications.

- Over a third of the western SWU requirements is covered by TENEX;
- TENEX existing contract portfolio has exceeded US\$18 bln. (as of beginning of 2010) and included contracts for deliveries after 2020.

TENEX Market Position (2)



(as on March 2010)

HEU Blended

382.4 MT

Warheads eliminated
(Equivalent to 7000 Megatons)

about 15,000
pieces

LEU Shipped to the United States
(Capable of generating 4,6 trillion kilowatt hour
of electricity)

11,050 MT U

From 1995 ~50% of Nuclear Energy in the USA goes from former Russian nuclear warheads

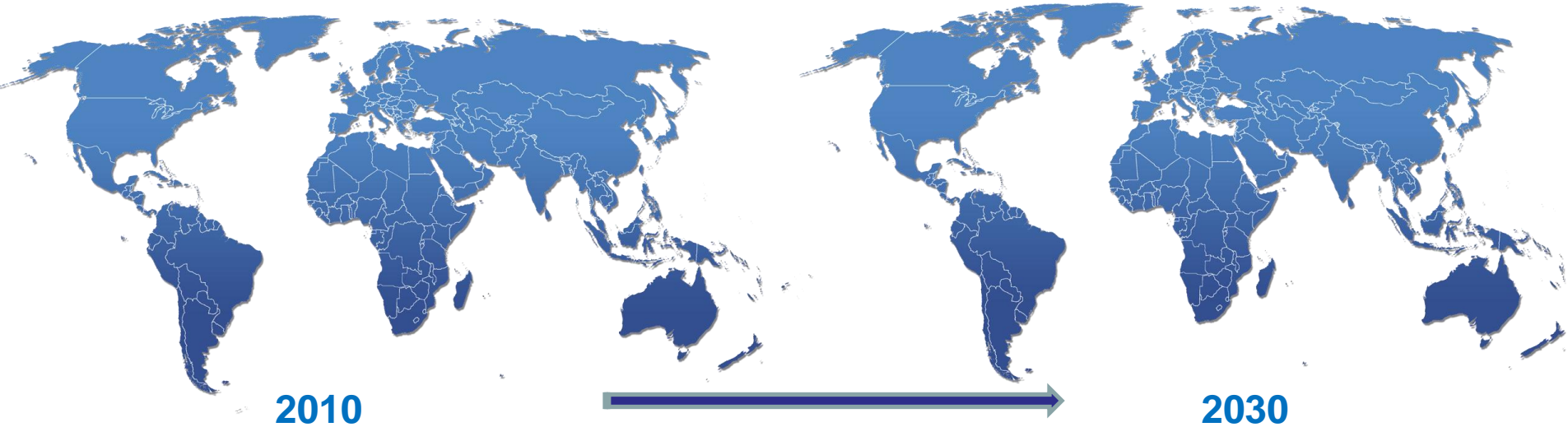
Commercial supplies:

TENEX has begun to conclude direct contracts with US utilities according to the Amendment to the existing Agreement Suspending signed in 2008

- at the end of 2009 6 contracts was concluded with total amount about 3 bln. doll.



Key trend: nuclear renaissance



Conclusions:

- Interest to nuclear energy increases despite of crisis;
- Appearance of new “civil nuclear” countries is expected

Key trend: nuclear renaissance



Uranium mining



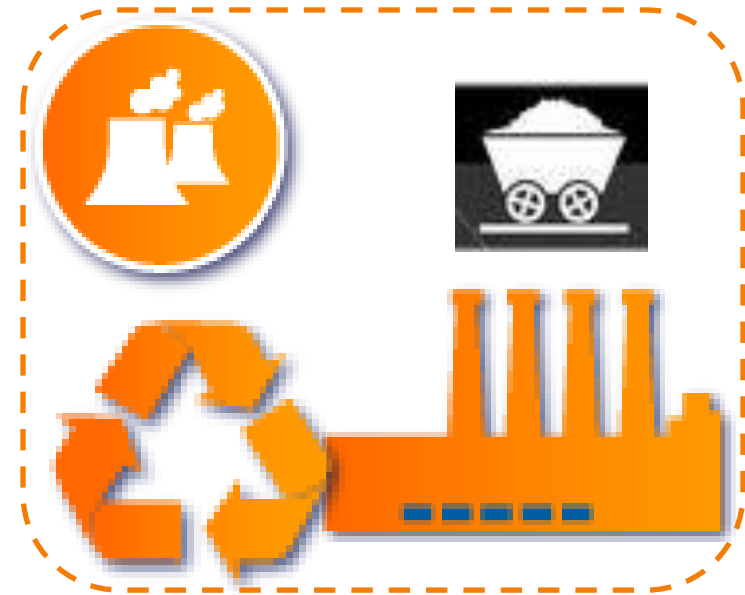
Conversion



Enrichment



NPP



Complex product: reactor + nuclear fuel

Conclusion:

- New NPP operators are interested in complex product supply

Technology Change in the World Enrichment Industry

All these plants are not ready yet!

URENCO (Urenco USA plant)

AREVA (Georges Besse II)

General Electric (SILEX)

USEC (American Centrifuge)

AREVA (Eagle Rock Enrichment Facility)

Transitional period

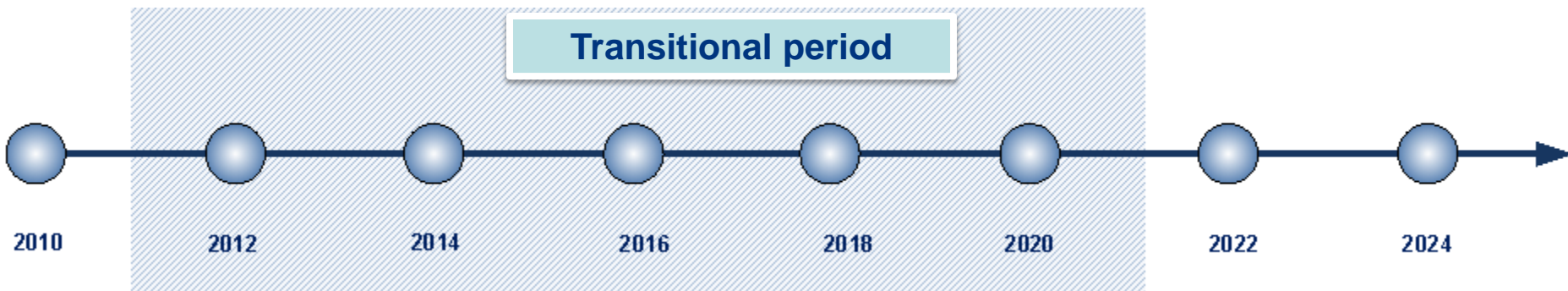
The period of enrichment technology change

Gas Diffusion Plants shutdown

Multiplied plants construction risk

HEU-LEU is completed (possibility of a new program)

Transitional period



HEU-LEU is Finishing Soon

BOY-HOY:

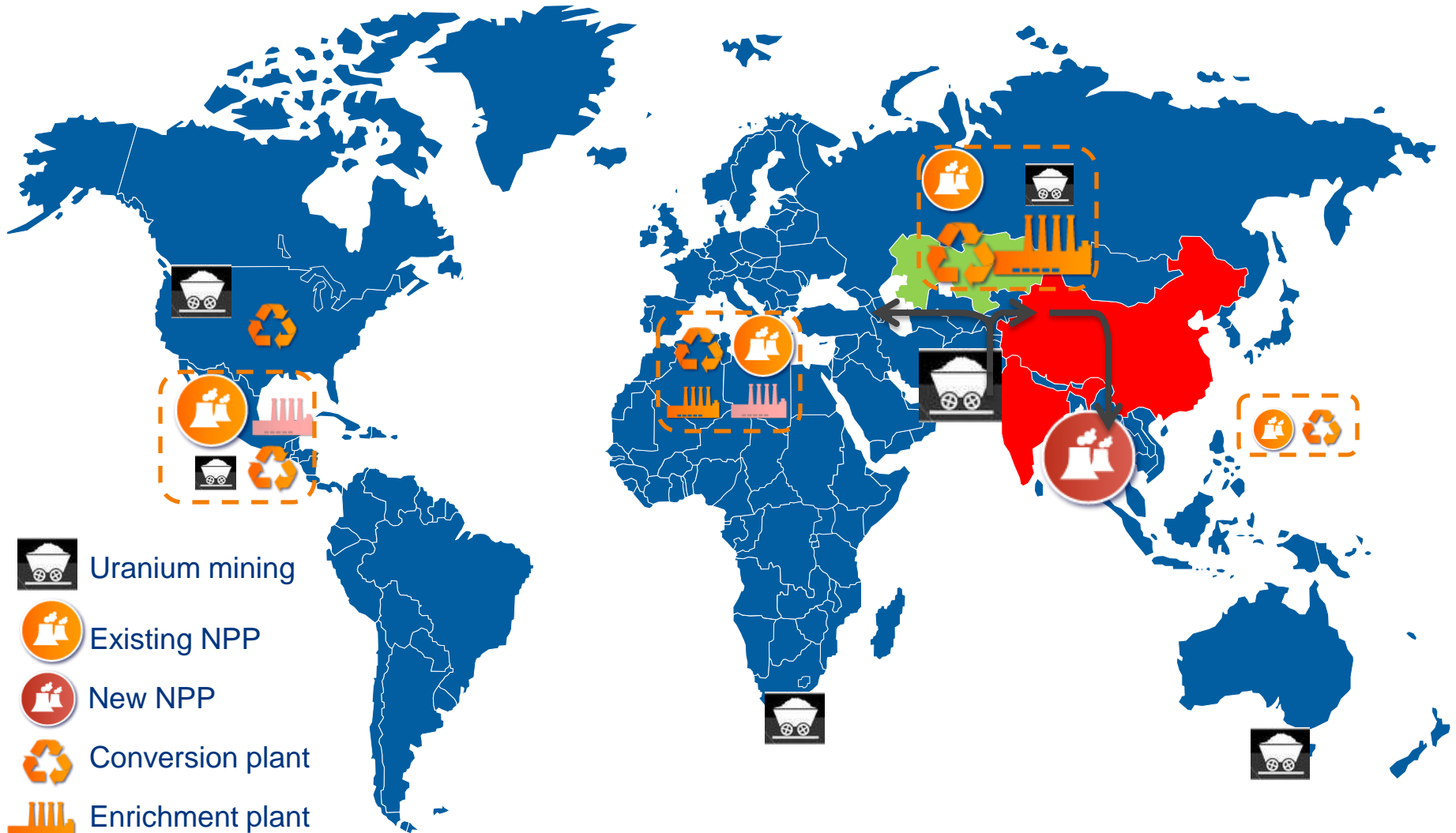
- **3/4** is passed, HEU-LEU contract is finishing soon
- After finishing HEU-LEU world market will loose about **6** млн. SWU/year, which now cover **10 %** of the world reactor requirements
- HEU-LEU contract is more primary supply, than secondary, as material is processing on the enrichment plants and is supplied by long-term contracts
- To keep balance on the world market after HEU-LEU its volumes must be substituted not by secondary, but primary supplies



Centers of production and consumption



New centers of production and consumption



 Uranium mining

 Existing NPP

 New NPP

 Conversion plant

 Enrichment plant

 New enrichment plants

 New potential material flows

Key Market Trends:

- Interest to nuclear energy increases as in countries which already have NPP, as in new countries
- Technology Change in the World Enrichment Industry rises transitional period risks
- Finishing HEU-LEU contract avoid from the world market a significant and reliable volume of SWU
- Geographical transformation of the market, appearance of the new uranium production and consumption centers makes reasonable creation of new uranium reprocessing centers

Tenex's Sales and Marketing Activities:

- Increasing market share, especially in USA and Asia
- Developing direct business relation with utilities
- Offering complex product (EUP)
- Operating with wide set of market instruments, which allow to provide our customers with flexible contract conditions and to assure security of supply

THANK YOU FOR ATTENTION!