

URENCO AT A GLANCE

We believe that nuclear power is a vital part of a future energy mix that will deliver a sustainable global energy supply, alongside traditional energy sources and renewable options. With global energy demands set to continue rising, nuclear energy is now widely recognised as a crucial part of the solution to the world's key sustainable energy challenge, providing safe, secure and reliable energy in the vast quantities required.

URENCO is an independent international energy and technology group. We operate from plants in the UK, the Netherlands, Germany, and in the near future from a fourth site in New Mexico, US. We also operate in a pivotal area of the nuclear fuel supply chain, the process which enables the sustainable generation of electricity for consumers around the world.

Using our own centrifuge technology our focus is on providing safe, cost effective and reliable uranium enrichment services for civil power generation. We believe that the future needs nuclear power. Providing a reliable and secure supply of electricity without inducing climate change is a priority. We take our responsibilities seriously, protecting the environment in which we operate and contributing positively to our local communities.

Currently URENCO fulfils around 25% share of the global enrichment market and its international approach and presence is designed to ensure the quality of its services continues to improve, and that URENCO offers the most committed, reliable and flexible service to its customers.



Confident in the future



What we do

URENCO is a leading global provider of value added services and technology to the nuclear generation industry worldwide. The enrichment services that we supply to nuclear power utilities across the globe are used to produce a safe, efficient, clean and reliable source of electricity.

Uranium in its natural state contains only 0.7% of the isotope uranium235 (U235), which by fission in a nuclear reactor releases the thermal energy necessary for electricity generation. The balance of the uranium comprises the isotope uranium238 (U238), which is not fissionable in a thermal reactor. At naturally occurring levels uranium does not contain enough U235 to use in nuclear power stations with light water reactors or advanced gas-cooled reactors. The concentration of the U235 isotope in the fuel has to be increased, usually to a value between 3% and 5%. The process for achieving this is known as uranium enrichment.

Technology

Our world-leading centrifuge technology is the result of over 35 years of continuous development. The ongoing progression of our technologies and services is cornerstone to URENCO's strategy to establish its technology as the predominant technology for uranium enrichment globally.

The gas centrifuge process is employed in all URENCO's operational plants providing uranium enrichment services.

History

Our history is a truly international success story. Developing from our origins as independent British, Dutch and German research and development businesses prior to the 1970s, the company and its shareholders had the ambition, flexibility and drive to leverage the strengths of three partner countries to create an established and successful Technology Group.

The URENCO Group is now a global energy industry leader in uranium enrichment and technology services.

Safety

The health, safety and development of URENCO's employees are at the heart of the business and fundamental to its success. URENCO continually maintains and improves the quality and effectiveness of its health, safety and environmental management system. Before any new activity, product or service is introduced it will have undergone a rigorous assessment of its health, safety and environmental impact. Additionally, the same scrutiny is regularly applied to our existing activities, products and services. Wherever and whenever any activity takes place at URENCO's operations, strict controls are in place to ensure that they are adequately resourced and undertaken by competent people. We also seek to select suppliers who operate to a similarly high standard of health, safety and environmental control.

Safeguards

Our commitment to safety is embodied in everything we do.

URENCO's focus is on providing safe, cost effective and reliable uranium enrichment services for civil power generation within a framework of environmental, social and corporate responsibility. Our commitment to safety is total. All URENCO sites are regularly and thoroughly inspected by the appropriate authorities working to strict governmental and international controls.

The Governments of every country in which URENCO operates have undertaken, in international agreements, to protect nuclear material and centrifuge technology. Wherever we operate, URENCO is regulated by appropriate government authorities. These authorities are responsible for approving the sites' security plans, and monitor and inspect the sites to ensure compliance.

This control and regulation is designed to deliver a number of vitally important safeguards. These include ensuring that uranium is not misappropriated, and that total quantities are accounted for accurately. It is also undertaken to ensure that the highly engineered technology for producing enriched uranium is not acquired by unauthorised persons, and that the plant produces enrichment for civil purposes only.

Sustainability

At URENCO we are committed to ensuring that our business operations are truly sustainable. We appreciate, monitor and mitigate the impact our operations have on the outside world, from economic, social and environmental perspectives. Our responsibilities encompass a wide ranging group of stakeholders, from the local communities in which we operate, to the well-being and environmental security of the planet.

URENCO's uranium enrichment plants operate with minimal effect on the external environment. Our enrichment technology is the most efficient technology commercially available. We continually endeavour to reduce our impact on the health and safety of our employees, contractors, members of the public and on the environment.

We comply with and often exceed all relevant legislation on health, safety and the environment. All our sites adhere to all applicable licences, authorisations and consents in relation to relevant standards and guidelines.

We are especially diligent in ensuring the safe restoration of disused land and the safe decommissioning of enrichment plant.

Our older cascade halls in the UK and the Netherlands have been fully decommissioned, and the land is now used for storage and plant for new centrifuge machines. Another cascade hall in the Netherlands was recently decommissioned and returned to a greenfield site, before the land was later required for further expansion.

We have invested significantly in removing the usage of CFCs (gases known to contribute to the greenhouse effect) from our enrichment facilities, and we became CFC-free as early as 2005. Our facilities now use non ozone depleting HFCs (hydrofluorocarbons).

For information on our commitment to the environment, please see our latest Sustainability Report which is available on-line at www.urengo.com.



100

millionth SWU
delivery.

50%

€527 million
of capital
investment in 2007,
a 50% increase
from 2006.

25%

market share
maintained in a
growing market.

20%

increase in
order book
to €18 billion
extending beyond
2025.

**10
years**

average contract
length in 2007,
compared to 5
years in 2002.

**ISO
14001**

environmental
management
certification
across all sites.

15%

increase in
installed capacity
in 2008.

Single **A**

credit rating
Moody's (A1)
Standard &
Poors (A-).

**€ 800
million**

in new funding.

Future Objectives

- Successful project execution of the expansion programme in Europe and the US with a total planned capacity increase to 18,000 tSW/a by 2015 from its current level of 11,000 tSW/a (at the end of 2008). Initial capacity in the US is scheduled to be available at the end of 2009.
- Maintenance of URENCO's position as a reliable, long-term supplier, with future business based on long term contracts.
- Continual investment in the development of our committed employees to ensure the future success of the Group.
- Expansion of alignment process across the Group focussing on compliance, chemistry and projects in order to develop further our 'one company' culture.
- Continued investment in Research & Development to ensure URENCO remains a 'world leader' in centrifuge technology.
- Further development of our enrichment services providing security of supply of nuclear fuel to our customers.

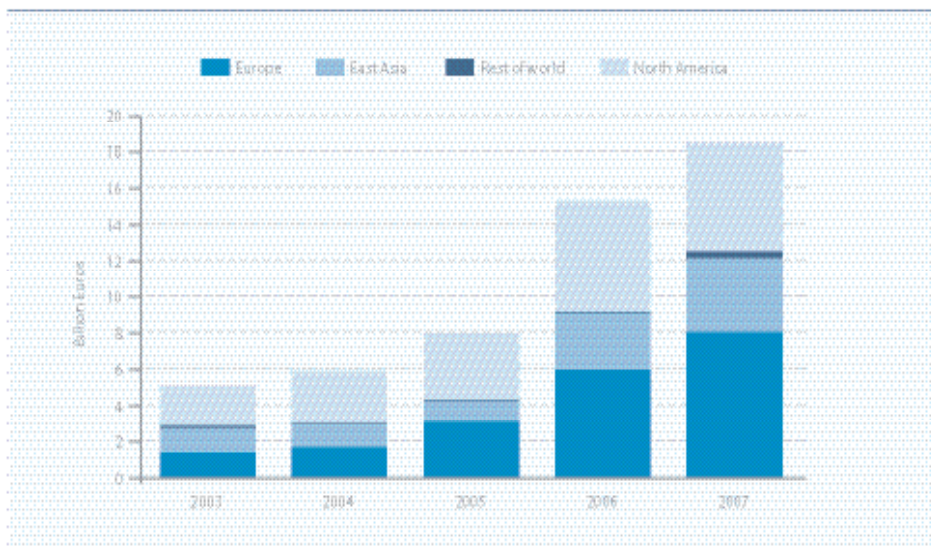
URENCO is proud to support the nuclear industry. We believe that nuclear power must play an integral role in providing a sustainable mix of energy sources. Nuclear power will not only support economic development but will also ensure a secure supply of affordable and clean energy, without inducing climate change.

Financial

Strong market position and long-term order book

URENCO enjoys a strong position in the growing global market for Uranium enrichment services, with a market share of 25%. In December 2008, the Group's order book now stands at €18 billion and extends beyond 2025, reflecting customers' confidence in URENCO. The average contract duration of the order book is almost ten years.

ORDER BOOK



Capacity expansion programmes: Building for the future

The Group's capacity expansion projects are a direct response to growing customer demand, and will deliver a reliable source of enrichment services for our customers. Overall, installed capacity at URENCO's three European operations increased by almost 7% during 2007. There was also major progress in the construction of the National Enrichment facility in the US, which remains on target for first production in 2009.

URENCO HIGHLIGHTS 2007

	2003 € m	UK GAAP 2004 € m	2004 € m	2005 € m	2006 € m	IFRS ¹ 2007 € m
Turnover	727.1	707.3	707.3	730.2	883.7	1,023.8
Earnings before interest, tax, depreciation and amortisation	325.0	394.4	378.9	458.6	527.3	542.4
Profit before tax and net finance costs	194.0	249.1	293.4	303.3	352.9	353.2
Profit after tax and minorities	107.9	133.8	122.9	165.6	209.1	238.5
Capital expenditure	268.2	250.4	250.4	313.4	351.5	527.1
Cash generated from operations (before interest & tax)	345.4	302.5	302.5	459.2	563.4 ²	577.8

Key ratios

Net asset turnover ³	1.70	1.50	1.45	1.21	1.30	1.29
Return on sales	14.8%	18.9%	17.4%	22.7%	23.4%	23.3%
Return on equity ³	25.2%	28.5%	25.2%	27.5%	30.4%	30.1%
Basic earnings per share (p)	64.2	79.7	73.2	98.6	124.5	142.0

¹ 2004 IFRS figures have been restated due to a change in the accounting policy for stock

² Cash generated from operations in 2006 has been restated to include fixed asset prepayments within investing activities and decommissioning asset additions within increase in provisions

³ Net asset turnover and return on equity have been calculated using an average of net assets and equity (excluding minorities) respectively. 2004 IFRS ratios are calculated using an average of the 2004 IFRS figures and 2003 UK GAAP figures; the ratios have been given for illustrative purposes.

