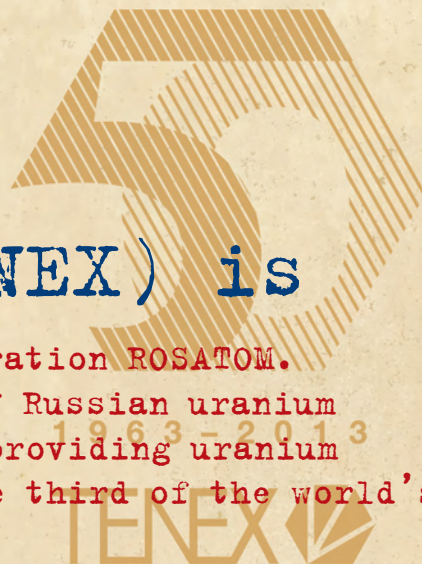


Techsnabexport (TENEX) is

a foreign trade company of the State Corporation ROSATOM.

TENEX is the leading supplier of Russian uranium products to the global market, providing uranium enrichment services for over one third of the world's western type nuclear reactors.



History of the Company

99
Сов.Секретно

Проект.

РАСПОРЯЖЕНИЕ

Background and Origins

ГОСУДАРСТВЕННОГО КОМИТЕТА СБОРОНЫ
№ 2852сс
28 сентября 1942г.

Об организации работ

Обязать Академию Наук СССР (акад. Иодд) исследованию осуществимости использования расщепления ядра урана и представить Госу. Оборонн к 1-му апреля 1943 года доклад о урановой бомбы или уранового топлива.

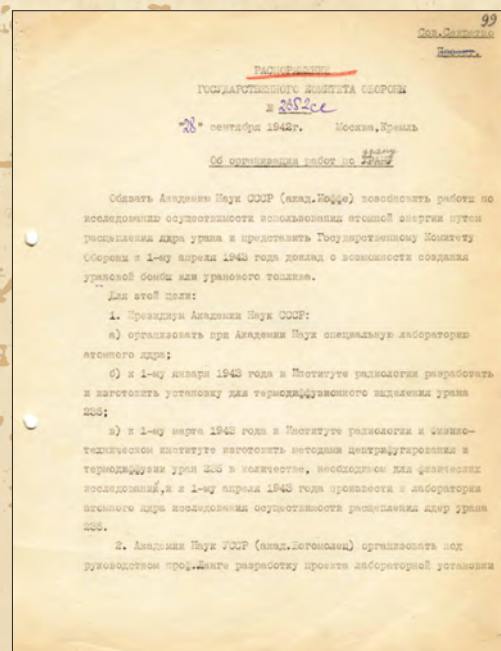
Для этой цели:

1. Президиум Академии Наук СССР:

In 1949, nearly seven years after the Soviet Union's State Defence Committee issued a document that heralded the launch of the Soviet Atomic Project — Order No. 2852сс "On the Organisation of the Uranium Project" of September 28, 1942, the country's Foreign Trade Ministry was instructed to ensure the supply of industrial equipment to uranium mining companies created by the Soviet Union in Eastern European countries. The then governing body for the Soviet nuclear program, the First Main Directorate of the USSR Council of Ministers, set up a ten-man-strong working group within the All-Union Association Technoexport to provide special technical assistance to countries of the Warsaw Pact.

235;

в) к 1-му марта 1943 года в Институте радиологии и Физико-



по



In 1952 this working group was used as the platform to create a new entity, the Office for Maintenance Supply, which would furnish equipment, instruments, and materials to the Soviet Union's uranium mining operations abroad. In 1955, during a reorganisation of the All-Union Association Technoexport, the Office for Maintenance Supply was transferred to the Foreign-Trade Association Mashinoexport, one of the largest industrial associations under the Soviet Union's Foreign Trade Ministry.

1942

The Office for Maintenance Supply cooperated with a few rapidly-developing mining companies: the Soviet-German stock corporation Wismut, the Jáchymov mines in Czechoslovakia, Quartzite in Romania, Kowarskie Kopalnie in Poland, and the Soviet-Bulgarian Mining Company. At one point an increase in the range and volume of products supplied, together with growing uranium imports, raised the question of expanding the Office and giving it the status of an independent foreign-sales organisation.

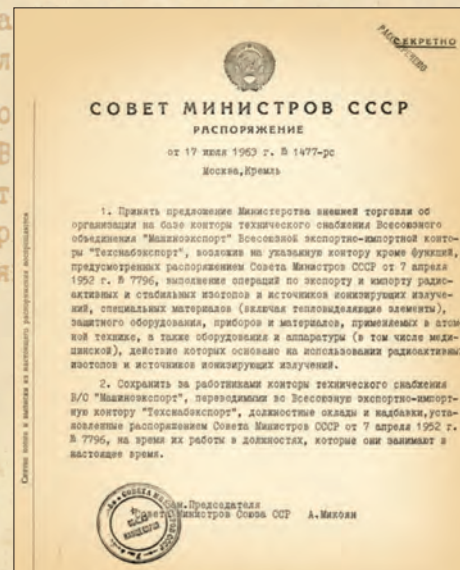
History of the Company

THE FOUNDING OF TECHSNABEXPORT



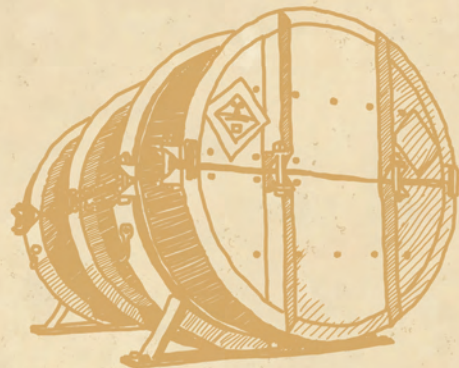
On July 17, 1963, the All-Union Export/Import Bureau Techsnabexport (TENEX) was established by Instruction No. 1477-rs of the Soviet Union's Council of Ministers. Boris K. PUSHKIN was appointed its first director. He also ran the company from 1980 to 1988.

In addition to supplying equipment to uranium mining companies in Eastern Europe and effecting clearing payments for uranium imports into the Soviet Union, the company was commissioned to export and import rare earth, rare, and refractory metals, radioactive and stable isotopes, ionising radiation sources, control and measuring equipment, accelerator and X-ray equipment.



ENTERING THE WORLD URANIUM MARKET

From 1964 to 1973 the All-Union Bureau
Techsnabexport was headed
by Sergei G. ARUTYUNOV,
to whose name a new area of
TENEX activity is linked —
export of uranium products.



1971



The first contract for the supply of uranium enrichment services,
signed in May 1971 with the Atomic Energy Commission of France,
meant not only the launch of Russian uranium products in the world
market, but also the end of the longstanding US monopoly on the
provision of commercial uranium enrichment services.

History of the Company

CONQUEST OF EUROPE

From 1973 to 1980 the company was headed by
Evgeny P. VOLCHKOV.

During this period the company's
status and scale of operations
considerably changed.

The All-Union Association Techsnabexport was established in 1975 and started actively promoting uranium enrichment services to Western energy companies. The first long-term contract — with the French nuclear fuel producer COGEMA, was followed by contracts with energy companies from Italy, Germany, UK, Spain, Sweden, Finland, Belgium, and Switzerland. In the 1980's, when the All-Union Association Techsnabexport was once again headed by B. K. Pushkin, uranium product supplies took first place in the company's total volume of export.



In 1988 the All-Union Association Techsnabexport was transferred to the Soviet Union's Ministry of Medium Machine-Building (presently, State Atomic Energy Corporation ROSATOM). The revamped Techsnabexport, joined by experts from the Ministry and the All-Region Association IZOTOP, was headed by **Albert A. SHISHKIN**, until 1998.

During the turbulent 1990's, Techsnabexport, like all other state state foreign trade organisations, transformed into a stock corporation, increased its deliveries of uranium and isotope products to European countries and entered the markets of South Africa and the Republic of Korea. In 1994, Techsnabexport signed the historical HEU Contract with the United States Enrichment Corporation (USEC). It opened its first affiliate, INTERNEXCO GmbH in Germany.



1994

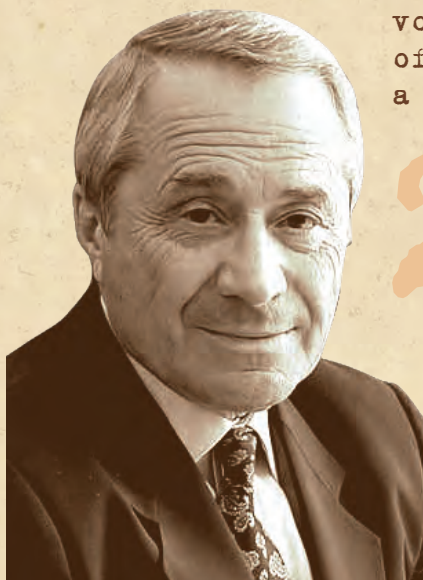
RETURNING TO OUR ROOTS



History of the Company

AT THE TURN OF THE CENTURY

By the end of the 1990's Joint Stock Company Techsnabexport (since 2000, Open Joint Stock Company Techsnabexport, or TENEX) substantially increased the volume and expanded the geographic scope of its supplies of uranium and isotope products. In 2000, TENEX announced a turnover in excess of 1.5 billion US dollars.



2000

Revmir G. FRAYSHTUT, who directed the company from 1999 to 2001, paid special attention to the exploration of new markets for Russian uranium products. As a result, the first contract with the Japanese energy company TEPCO was signed in 1999 and TENEX established its presence in the South African market.

THE ERA OF MARKET REFORMS



From 2002 to 2007, during a period of radical market reforms in the Russian nuclear industry, the company was headed by Vladimir A. SMIRNOV.

In the interests of the industry, TENEX took an active part in the development and implementation of the reform program by acquiring and consolidating productive assets in the uranium mining, engineering, and chemical sectors. The company continually increased its portfolio of long-term contracts, expanding its overseas sales network: affiliated marketing companies were established in the Republic of Korea and Japan.



2007

History of the Company

AT THE FOREFRONT OF THE NUCLEAR RENAISSANCE



The first decade of the 21st century witnessed a significant increase in the pace of development of the global nuclear power industry, resulting in a higher demand for uranium products. Headed in 2007–2012 by Alexei A. GRIGORIEV, TENEX became a leading supplier of uranium enrichment services for reactors of western type.

2007

These years saw a resumption of commercial exports of Russian uranium products to the United States, and the signing of a major contract for the supply of enriched uranium for the first nuclear power station in the United Arab Emirates. The transport and logistics company Joint Stock Company Saint Petersburg IZOTOP became part of TENEX. Affiliates were set up in the United Kingdom and the United States.

The accident at the Fukushima nuclear power station in Japan in March 2011 had a negative effect on the state of the global nuclear power industry and its development prospects. A number of countries that had energy companies cooperating with TENEX for many years have decided to phase out nuclear power generation. Consequently, the market environment for nuclear fuel products and services has deteriorated.



Against this backdrop, the top priority for the company — which saw Lyudmila M. ZALIMSKAYA, appointed as its new General Director in April 2013 — has become to maintain its market position in the long term. A highly professional team, the company's proven reputation as a reliable supplier, and a portfolio of long-term contracts worth 28 billion U.S. dollars will help to achieve this goal.

NEW SOLUTIONS VS NEW CHALLENGES

History of the Company

CREATING NEW BUSINESSES

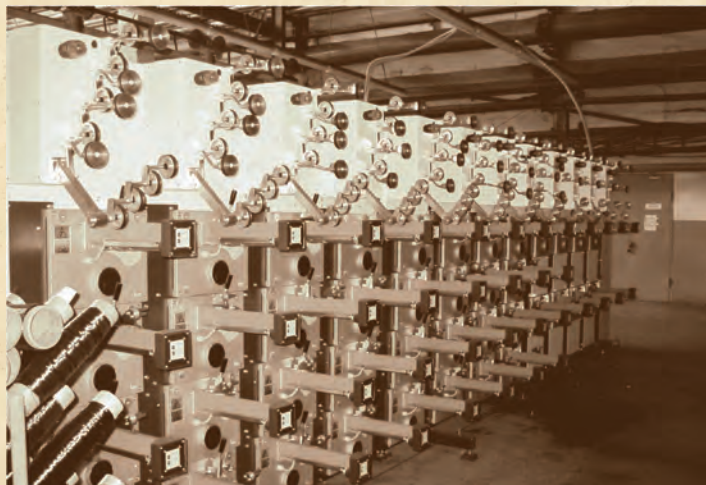
TENEX has contributed significantly to the consolidation of the nuclear industry's assets by creating new businesses and integrating industrial production facilities that are important to the operation of nuclear fuel enterprises.



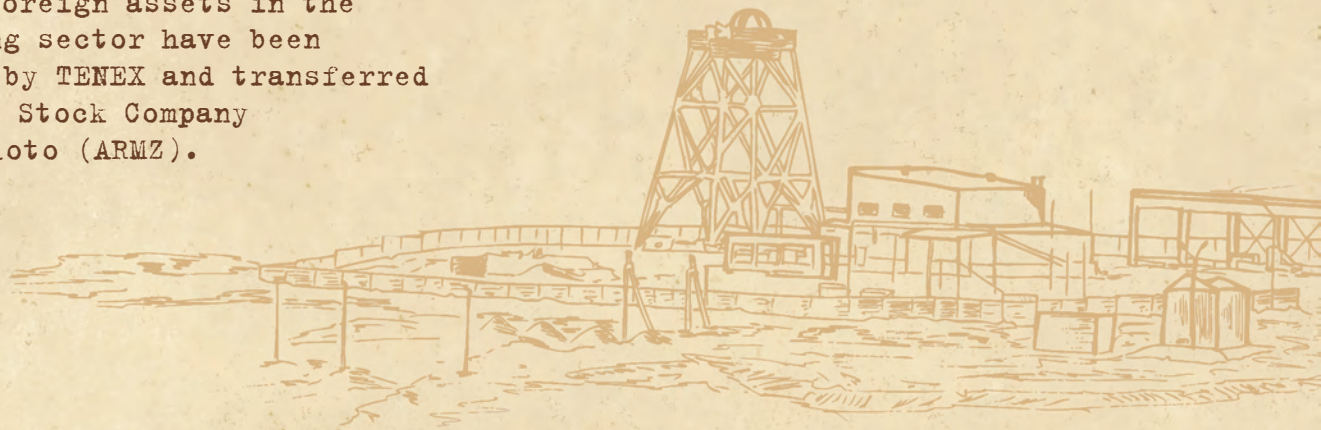
20 April 2007. Sergei Ivanov, Deputy Prime Minister of the Russian Federation, visiting a TENEX-owned plant producing gas centrifuges in Kovrov.

As they reach economic sustainability, these assets are transferred to other industry organisations. Open Joint Stock Company Engineering Centre Russian Gas Centrifuge, a holding company that consolidates assets in the fields of gas centrifuge design and manufacturing, was created by TENEX and then transferred to Open Joint Stock Company TVEL.

The second major production company created by TENEX, Open Joint Stock Company, Khimpromengineering Scientific and Production Complex, a developer and manufacturer of widely-used carbon fibre materials, was transferred to the Composite holding company.



Russian and foreign assets in the uranium mining sector have been consolidated by TENEX and transferred to Open Joint Stock Company Atomredmetzoloto (ARMZ).



TENEX Today

THE SCALE OF GROWTH



1971 First export contract to supply uranium enrichment services to France



1973–1976
Large-scale entry to the markets of E.U. countries



1987
Entered the U.S. market



1990 Started natural uranium deliveries to U.S. and Europe



1993 Entered the South Korean market

TENEX has been exporting uranium enrichment services and enriched uranium products to markets with reactors of western type for over forty years. Over this time, Russia's market share has increased nearly fourfold: from 9% in 1975 to 33% in 2012.



1995 Entered the South African market



1999 Entered the Japanese market



2009 Renewal of commercial contracts on the U.S. market



2012 Entered the United Arab Emirates market

Today, TENEX's customers are 32 energy companies in 16 countries.

TENEX Today

MEGATONS TO MEGAWATTS PROGRAM

One of the most important projects in the field of disarmament and the strengthening of strategic stability in recent history is the Agreement signed between the Government of the Russian Federation and the Government of the United States on 18 February 1993, concerning the disposition of highly enriched uranium extracted from nuclear weapons. This is known as the Megatons to Megawatts program or the HEU- LEU Agreement.



14 January 1994. The signing of the contract between TENEX and USEC to supply low-enriched uranium to the United States under the HEU-LEU Agreement.

Within the framework of this agreement, Russia will be supplying the United States with low-enriched uranium (LEU) produced from 500 tons of highly enriched uranium (HEU), found to be in excess of defence purposes. This agreement will continue until the end of 2013. The LEU is used to produce fuel for U.S. nuclear power stations. In terms of nuclear disarmament, this means a transparent and irreversible dismantling of about 20,000 nuclear warheads.

TENEX and the United States Enrichment Corporation (USEC) are parties to the HEU-LEU Contract, which they entered into in pursuance of the HEU-LEU Agreement. The processing of HEU to LEU is carried out by member companies of State Corporation ROSATOM: the Open Joint Stock Company Urals Electrochemical Plant, Open Joint Stock Company Siberian Group of Chemical Enterprises, Open Joint Stock Company PO Electrochemical Plant, Open Joint Stock Company Angarsk Electrolysis Chemical Plant, and FSUE PA Mayak. The western companies CAMECO, NUKEM, and AREVA, which sell the so-called 'natural component' of the LEU in the world market, also participate in the Megatons to Megawatts program. Deliveries under the HEU-LEU Contract meet the needs of nearly 50% of U.S. nuclear power stations in uranium enrichment services, or 10% of the total electricity generation in the United States.

2013



Transporting LEU to the United States.

Potentially, the Russian side's revenue from the Megatons to Megawatts program can be up to 17 billion U.S. dollars - 1.5 times more than the original estimate.

TENEX Today



Handling containers with enriched uranium at the Kapitolovo temporary storage facility



Automobile transportation of cylinders



Handling containers with enriched uranium at the St. Petersburg port

TENEX'S PRESENT-DAY ACTIVITIES

- Sales of uranium products produced by Russian enterprises of the nuclear fuel cycle (NFC) abroad.
- Implementing contracts under the HEU-LEU Agreement

TENEX'S PARTNERS

TENEX fulfills over 1/3 of the demand of reactors of western type for uranium enrichment services. It has a significant share of all major geographical market segments.



TENEX Today

SOCIAL ASPECTS OF TENEX'S ACTIVITIES



- Ensuring a reliable supply of nuclear fuel products.
- Ensuring secure transportation of nuclear fuel products.
- Ensuring that production and delivery comply with international standards.
- Providing employees with opportunities for training, development, and professional growth.



Control over containers with nuclear material

MEMBERSHIP IN INTERNATIONAL ORGANISATIONS



TENEX is a member of the World Nuclear Association, the World Nuclear Fuel Market, the Nuclear Energy Institute, the Japan Atomic Industry Forum, the Korea Atomic Industrial Forum, and the World Nuclear Transport Institute.

TENEX Today

CORPORATE MANAGEMENT SYSTEMS

ISO



TENEX improves its corporate management systems, conducts audits, and monitors compliance of the business processes applied in the management of export and import deliveries of nuclear fuel products in compliance with international standards DIN EN ISO 9001:2008, DIN EN ISO 14001:2009, and ISO 28000:2007.

- Program of studying the animals in the Red Book of endangered species and other important animals in the Russian Federation
- Conservation strategy for the Amur tiger (Siberian tiger) in the Russian Far East
- Study and monitoring of snow leopard populations in southern Siberia
- Study of the Amur leopard
- Study of polar bears in the Russian Arctic

In 2011, TENEX received an award from the Russian Geographical Society (RGS) "For invaluable contribution to the implementation of conservation programs for Russia's endangered mammals conducted under the aegis of the Russian Geographical Society".



SUPPORT OF ENVIRONMENTAL PROGRAMS AND PROJECTS



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