

Financial resources

In 2009, CNES had a total budget of €1,977 m. This funding came from two sources:

- Government subsidies: €1,424 m
- External contracts: €553 m

The budget was allocated as follows:

- France's contribution to ESA space programmes: €68 m
- CNES multilateral programme: €1,243 m
- Operating costs: €49 m
(central directorates)

The table below gives the breakdown of the source and application of CNES funds for 2008 and 2009, in accordance with the government/CNES multi-year agreement.

CNES BUDGET

REVENUES AND EXPENDITURES (BY THEME)

(in € millions)	2009	2008
► Revenues		
Government subsidies ⁽¹⁾	1,424	1,376
External contracts	553	355
Total revenues [a]	1,977	1,731
► Expenditures		
France's contribution to ESA	685	685
Multilateral programme	1,292	1,042
Access to space: launchers	396	361
Utilization of space	776	566
Pooled resources	122	116
Civil applications	43	36
Earth, environment, climate	87	87
Space sciences, preparing the future	170	171
Security & defence	354	156
Central directorates	49	53
VAT & payroll taxes	71	62
Total expenditures [b]	1,977	1,727
Working capital [a-b]	0	4

⁽¹⁾ 2009: includes working capital of €16 m



As in previous years, CNES scored a number of significant successes in 2009. These included seven Ariane launches (35 straight successes since 2003) and the provision of various space systems for the scientific community, most notably the Herschel and Planck observatories, as well as the development of multilateral cooperation projects (CNES is NASA's leading partner).

Other highlights of a particularly busy year were:

On the strategic front, key events contributed to preparations for the future and the continued growth of the space sector:

- The next government/CNES multi-year agreement for 2011-16, the result of intense preparations in 2009, will broaden and prolong access to space to support public policy.
- Following the report on the future of launch vehicles, approved by the French Prime Minister, CNES began studies into a new generation of launch vehicles, in partnership with ESA.
- The French government's bond issue, which reaffirms the contribution of space projects to national economic growth, has enabled CNES to make proposals in a wide range of areas including environmental protection, efforts to bridge the digital divide and continued independent access to space.

On the modernization front, various milestones were reached as part of CNES's broader commitment to continuous improvement:

- Implementation of a new security organization: CNES is a designated "operator of vital importance" under French law and in this capacity has established an operator security plan.
- Renewal of ISO 9001 (quality) and ISO 14001 (environment) certifications on the basis of the annual follow-up audit of the CNES management system.
- Reinforcement of the internal accounting and financial control mechanisms as part of CNES's risk management system.

BALANCE SHEET: ASSETS AT 31 DECEMBER 2009

ASSETS (in € millions)		2009		2008	
		Gross	Depreciation and provisions	Net	Net
Intangible assets	(A)	525.1	372.7	152.4	186.2
Land		59.8	29.7	30.1	20.6
Buildings		448.7	358.1	90.6	96.0
Technical facilities, equipment		285.8	200.2	85.6	74.7
Space hardware		2,747.3	1,538.0	1,209.3	1,142.4
Other tangible assets		226.8	65.3	161.5	136.2
Tangible assets	(B)	3,768.4	2,191.3	1,577.1	1,469.9
Capital assets	(C)	149.5	126.1	23.4	44.2
FIXED ASSETS	(A+B+C)	4,443.0	2,690.1	1,752.9	1,700.3
Inventories		3.0		3.0	3.1
Receivables		532.2		532.2	660.1
Securities		60.1		60.1	49.2
Liquid assets		29.7		29.7	19.6
Accruals		0.6		0.6	1.1
CURRENT ASSETS		625.6		625.6	733.1
TOTAL		5,068.6	2,690.1	2,378.5	2,433.4

BALANCE SHEET: LIABILITIES

AT 31 DECEMBER 2009

LIABILITIES (in € millions)	2009		2008
	Before allocation	After allocation	Before allocation
State, endowment			
Reserves	30.5	14.3	27.3
Carried forward			
Result of accounting year ⁽¹⁾	-16.2		3.2
Investment subsidies	1,734.7	1,734.7	1,676.1
SHAREHOLDERS' FUNDS	1,770.5	1,770.5	1,728.1
PROVISIONS FOR RISKS & EXPENSES	8.0	8.0	11.9
Financial debts			
Advances & down payments received	78.0	78.0	203.7
Fiscal & social security debts	63.6	63.6	83.7
Supplier debts	115.9	115.9	143.5
Other debts, including ESA	338.6	338.6	254.0
Accruals	3.9	3.9	8.5
DEBTS	600.0	600.0	693.4
TOTAL	2,378.5	2,378.5	2,433.4

⁽¹⁾ For 2009: appropriation decision at the April 2010 session of the board of directors.

PROFIT & LOSS ACCOUNT FOR 2009

(in € millions)	2009	2008
Production sold	447.6	218.0
Production of fixed assets	210.7	218.9
Operating subsidiaries	571.8	522.9
YEAR'S PRODUCTION	1,230.1	959.8
Other operating revenues	10.1	9.4
VARIOUS OTHER REVENUES	10.1	9.4
OPERATING REVENUES (A)	1,240.2	969.2
Subcontracting costs related to production	901.8	641.1
Other external costs	110.7	110.3
Taxes & duties	17.5	21.2
Payroll costs	140.8	147.4
Social security costs	59.8	58.7
Depreciation allowance	175.7	159.9
(-) Rollover of unused subsidy	-175.7	-159.8
Provision for risks	0.7	2.2
Other expenses	3.2	5.5
OPERATING COSTS (B)	1,234.5	986.5
OPERATING INCOME (A-B=C)	5.7	-17.3
FINANCIAL RESULTS (D)	-17.6	8.3
EXCEPTIONAL RESULTS (E)	-4.2	12.2
Company tax (F)		
NET INCOME (C+D+E-F)	-16.2	3.2

Net income 2009: deficit covered by drawing on reserves.

STATEMENT OF SOURCE

AND APPLICATION OF FUNDS FOR 2009

(in € millions)	2009	2008
Net income	-16.2	3.2
Depreciation expenses	202.2	169.1
Net allocation/(rollover) of provisions	-4.1	-0.7
Rollover of unused subsidy	-185.4	-175.1
Results on sale of fixed assets	-1.7	-13.8
CASH FLOW FROM OPERATING ACTIVITIES (A)	-5.2	-17.3
Investment subsidies	928.9	945.9
State endowment		
Assignment of capital assets	3.8	20.9
Reduction in fixed assets		4.6
Increase in financial debts (ESA contribution arrears)	83.8	
TOTAL SUSTAINABLE RESOURCES (B)	1,016.5	971.4
Expenditure on intangible capital assets	19.1	16.4
Expenditure on tangible capital assets	237.6	248.3
Capital expenditure (holdings)	1.6	0.8
ESA (contribution and variation in arrears)	768.8	685.0
Reimbursement of financial debts		
Reduction in shareholders' funds		
TOTAL SUSTAINABLE JOBS (C)	1,027.1	950.5
VARIATION IN WORKING CAPITAL: (A+B)-C = (D)	-15.8	3.6
VARIATION IN WORKING CAPITAL REQUIREMENT (E)	-36.8	-25.6
VARIATION IN CASH POSITION (E-D)	21.0	-29.2

SUBSIDIARIES AND HOLDINGS

AT 31 DECEMBER 2009

	% stake	Employees	Revenues (in € millions)	Results (in € millions)
Subsidiaries in which CNES holdings exceed 50%				
CLS	57.28	306	50.0	3.1
Novespace	59.39	9	6.5	1.0
Télespace Participation	99.99		0.0	0.2
Holdings of between 33.33% and 50%				
Arianespace Participation	34.26	312	1,041.1	-60.7
Simko	40.00	55	25.1	3.4
TOTAL		682	1,122.7	-53.0

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