

Paris, February 10, 2004

Sales revenues for 2003

- **Group sales revenues up by 6% like-for-like¹ (- 0.1% on a reported basis)**

- Energy: Growth of 6,9% on a like-for-like basis¹ (+3.8% on a reported basis)

Marked growth in activities in North America (+16%)

Growth in the Front End (+10.3% on a like-for-like basis¹) and Reactors and Services (+13.2% on a like-for-like basis¹) Divisions

- Connectors: Sales revenues up by 2.3% on a like-for-like basis (-14.2% on a reported basis) due to a booming final quarter (+8.1% on a like-for-like basis¹ compared to Q3 2003)

- **Group confirms results objectives: marked increase in operating income and net income in 2003 as opposed to 2002**

- Energy: Consolidation for 2003 of the operating margin at a level equivalent to that for the first half of 2003

- Connectors: Operating balance reached from the second quarter of 2003, ahead of targets set in April 2002

Return to operating balance for the whole of 2003, before restructuring costs

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Sales revenues (in millions of euro)	2003	2002	% var. published	% var. on a I-f-I basis ¹
Front End	2,683	2,562	+4.7%	+10.3%
Reactors & Services	2,124	1,933	+9.9%	+13.2%
Back End	2,023	2,088	-3.1%	-2.8%
Sub-total Energy	6,830	6,583	+3.8%	+6.9%
Connectors	1,338	1,560	-14.2%	+2.3%
Corporate	88	123	-28.9%	-5.7%
Total	8,255	8,265	-0.1%	+6.0%

¹ **At a comparable scope of consolidation and exchange rates (I-f-I):** (i) The impact due to fluctuations in exchange rates is - €376 million for 2003 as opposed to 2002, (ii) The impact due to the acquisition of Duke Engineering & Services in April 2002 (Energy), the sale of the *Military Aerospace Industry* BU in April 2003 and the *Cable & Assembly* section of the *Communication Data Consumer* BU in October 2003 (Connectors).

Sales revenues evolution for 2003

The sales revenues for 2003 of the AREVA Group amount to 8,255 million euro, up by 6% on a like-for-like basis. On a reported basis, Group sales revenues are stable (-0.1%), given the negative impact of the dollar.

Energy activities grew by 6.9% for 2003 on a like-for-like basis (+3.8% on a reported basis). This growth reflects a marked upturn in North America (+16% on a reported basis) and in Europe (+4% on a reported basis). The **Front End** and **Reactors and Services** Divisions experienced healthy growth for the year and posted an increase of 10.3% and 13.2% respectively for the year on a like-for-like basis (+4.7% and +9.9% on a reported basis).

Connectors grew by 2.3% for 2003 on a like-for-like basis due to a booming final quarter in 2003 (+8.1% on a like-for-like basis compared to the third quarter of 2003 and +3.1% on a like-for-like basis compared to the final quarter of 2002). On a reported basis, sales revenues for the Connectors Division dropped by 14.2% due to consolidation (sale of the *Military Aerospace Industry* and *Cable & Assembly* BUs) and the negative impact of the dollar (120 million euro).

Results for 2003

The Group confirms its objectives for 2003 with projected operating income and net income much higher than for 2002. In Energy, the operating margin should be at a level equivalent to that for the first half of 2003. In Connectors, the restructuring plan launched at the beginning of 2002 was successful and an operating balance was reached before restructuring costs from the second quarter of 2003, six months ahead of the targets set in April 2002. This Division should therefore record, before restructuring costs, positive operating income for the whole of 2003.

Forecasts for 2004

2004 will include the integration of the Transmission and Distribution (T&D) activities acquired on January 8, 2004. Annual sales revenues for this new Division amount to 3 billion euro².

Consolidated Group sales revenues for the whole of 2004, on a like-for-like basis integrating the T&D activities, should be stable compared to 2003.

2003 sales revenues: evolution by division

► Front End: +10.3% on a like-for-like basis

Sales for the **Front End** Division increased by 4.7% compared to 2002, with sales revenues of 2,683 million euro as opposed to 2,562 million euro. On a like-for-like basis, there was a 10.3% increase.

Sales revenues for Mining dropped by 17.4%. Once adjusted for exchange rate fluctuations, this drop is only 8.1%. Despite an increase in the volume of uranium sold, the average price was lower than for 2002. Trading activities are falling with a low volume of material available on the market. The 40% increase in the spot price of uranium for 2003 (in dollars) has not yet had an impact on sales, as the contracts signed were for the long term.

Enrichment services increased by 9.9% on a reported basis and by 20.2% on a like-for-like basis. Sales reflected high levels of activity for 2003 with a large increase in volume (+27%) in France and for Asia and the Americas.

² Non-audited reconstituted data.

For Fuel, sales revenues increased by 8.0% on a reported basis and by 9.7% on a like-for-like basis. In 2003, sales revenues reached an all-time high due to major MOX fuel deliveries. However, the volume of uranium fuel dropped, mainly in France and the United States.

► **Reactors and Services Division: +13.2% on a like-for-like basis**

Sales revenues for the **Reactors and Services** Division increased by 9.9% compared to 2002, rising to 2,124 million euro as opposed to 1,933 million euro. Once adjusted for consolidation and exchange rate fluctuations, this represents an increase of 13.2%.

The Reactors activity increased by 11.4% (+9.3% on a like-for-like basis). Half of this increase is due to the business completion bonuses for the latest nuclear plants delivered (Civaux in France and Angra in Brazil). The engineering projects for existing reactors are continuing to generate sales revenues, mainly in Bulgaria, France and Germany. The contract signed at the end of 2003 with the Finnish utility TVO for the construction of a fifth reactor in Finland did not generate any sales revenues for 2003. This project is planned for between 2004 and 2009 (year of delivery). In 2004, China should launch a new call for bids for the construction of new nuclear units.

The Equipment activity, whose sales are stable on a like-for-like basis (-3.2% on a reported basis), and the Nuclear Services activity, up by 14.9% (+22.4% on a like-for-like basis), remain boosted by the American market, where major inspection and maintenance campaigns have generated many heavy component repair and replacement operations (Sainte Lucie, Prairie Island, Calaway, Salem, Arkansas, North Anna, Calvert Cliffs and Davis Besse). However, activity was lower in Europe due to a less favorable outage schedule in 2003 than in 2002 and fewer heavy component replacement operations. Sales of Nuclear Measurement equipment dropped by 8.9% due to exchange rate fluctuations. Once adjusted for exchange rate fluctuations, sales revenues actually rose by 3.0%.

For nuclear propulsion (*Technicatome*), sales revenues increased by 27.6% with the launch of major contracts won at the end of 2002. The projects regarding the JH research reactor for the CEA and the next generation submarine equipment had a positive effect in 2003. Marine maintenance activities were also up for the period.

Finally, Consulting and Information Systems activities (*Euriware*) were up by 9%. This result illustrates the sales contracts won, particularly on the facilities management market.

► **Back End Division: -2.8% on a like-for-like basis**

Sales revenues for the **Back End** Division dropped by 3.1% to 2,023 million euro as opposed to 2,087 million euro in 2002. Once adjusted for consolidation and foreign exchange fluctuations, the drop is 2.8%.

Sales revenues for Reprocessing and Recycling activities, with sales representing nearly four fifths of the Division's total sales, dropped by 5.3% compared to 2002. The Processing activity showed a slight increase in the volume of fuel processed (1,093 t in 2003) but with a less positive "mix" effect on contracts than in 2002. The La Hague plant had a high technical performance rate for the whole of the year. The startup support services contract with the Japanese Rokkasho-Mura plant is being carried out under excellent conditions in partnership with JNFL.

For Nuclear clean-up activities, sales revenues increased by 11.8% due to growth in the domestic market, in particular EDF contracts.

Logistics increased by 21.8% (25.6% on a like-for-like basis) with significant growth in the number of spent fuel consignments in Europe and the non-recurring supply of MOX casks in Asia.

► **Connectors Division: +2.3% on a like-for-like basis**

The **Connectors** Division posted sales revenues of 1,338 million euro in 2003 as opposed to 1,560 million euro in 2002. On a like-for-like basis, sales increased for the first time since 2000 by 2.3% due to a booming final quarter (+ 8.1% on a like-for-like basis compared to Q3 2003). On a reported basis, the Division recorded a drop of 14.2%.

The Communication Data Consumer activity increased by 2.6% on a like-for-like basis and dropped by 13.5% on a reported basis due to major sales in dollars and the sale of its *Cable & Assembly* section. On a like-for-like basis, this growth in sales revenues reflects the recovery of the telecommunications market in the final quarter of 2003. On a like-for-like basis, this segment of the market increased by 10.7% in the final quarter compared to the third quarter of 2003.

For the Automotive business unit, growth in sales revenues for 2003 amounted to 2.1% for the whole year (+6.7% on a like-for-like basis). On a like-for-like basis, sales in the final quarter are up by 9.3% compared to those for the third quarter of 2003. This increase reflects buoyant sales and major contracts with its major customers. Its best successes were with PSA and Daimler Chrysler.

However, the Electrical Power Interconnect activity dropped by 17.6% for the whole of the year (-6.9% on a like-for-like basis). This drop is due mainly to the small European and American electricity distribution markets.

Schedule for forthcoming events and publications

- March 16, 2004: press release – results for 2003
- March 17, 2004: presentation of results for 2003 – direct broadcast via the Internet
- May 6, 2004: press release – sales revenues for the first quarter of 2004
- August 5, 2004: press release – sales revenues for the second quarter of 2004
- September 28, 2004: press release – results for the first half of 2004

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AREVA is a worldwide expert in the energy field, with a strong industrial presence in over 40 countries. The Group provides its customers with technological solutions for nuclear energy production and electricity. AREVA also offers interconnect systems, principally in the telecommunications, computer and automotive markets. The 75,000 AREVA employees are thus committed to the major challenges of the 21st century: access to energy for everyone, preservation of the planet and responsibility toward future generations.

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Appendix 1
Consolidated sales revenues per quarter

In millions of euro	2003	2002	Variance
1st quarter			
Front End	698	735	-5.0%
Reactors & Services	471	340	+38.7%
Back End	388	272	+42.5%
S/Total Nuclear	1,558	1,347	+15.6%
Connectors	355	400	-11.3%
Corporate and other	18	17	+7.2%
Total	1,930	1,763	+9.5%
2nd quarter			
Front End	727	574	+26.7%
Reactors & Services	519	503	+3.3%
Back End	599	724	-17.3%
S/Total Nuclear	1,846	1,801	+2.5%
Connectors	335	413	-18.9%
Corporate and other	27	4	+533.3%
Total	2,208	2,219	-0.5%
3rd quarter			
Front End	549	617	-10.9%
Reactors & Services	445	475	-6.3%
Back End	401	422	-4.9%
S/Total Nuclear	1,396	1,514	-7.8%
Connectors	315	373	-15.5%
Corporate and other	23	13	+76.0%
Total	1,734	1,900	-8.7%
4th quarter			
Front End	707	636	+11.2%
Reactors & Services	688	616	+11.8%
Back End	635	670	-5.1%
S/Total Nuclear	2,031	1,921	+5.7%
Connectors	332	374	-11.0%
Corporate and other	21	89	-77.2%
Total	2,383	2,384	+0.0%
Sales revenues for the year			
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