

**PRESS RELEASE**

**Strong backlog growth of 22.3% compared to September 30, 2008**  
**Strong third quarter revenue growth of 7.8%, bringing sales for the first nine months of 2009 to 9.7 billion, or +6.4%**

Paris, October 22, 2009

AREVA generated consolidated revenue of 9.686 billion euros over the first nine months of 2009 for growth of 6.4% (+4.0% like-for-like<sup>1</sup>) compared with the same period in 2008. Revenue outside France was up 8.4% to 6.999 billion euros, representing 72% of total revenue. The main revenue growth engines were the Front End division and the Transmission & Distribution division, with growth of 7.6% and 12.4% respectively. Foreign exchange<sup>2</sup> had a positive impact of 91 million euros. Changes in the consolidation scope had an impact of 117 million euros, corresponding to the consolidation of acquisitions made by AREVA TA and the Transmission & Distribution division in 2008 and 2009.

Third quarter 2009 revenue rose 7.8% to 3.164 billion euros (+6.7% like-for-like<sup>1</sup>) compared with the third quarter of 2008. Changes in the consolidation scope had a positive impact of 31 million euros. The foreign exchange impact was minimal for the period. Quarterly growth was fueled mostly by the Front End division (+13.7%), the Back End division (+7.1%) and the Transmission & Distribution division (+8.4%).

Revenue (in millions of euros)	First nine months 2009	First nine months 2008	Change	Change LFL <sup>1</sup>
Front End	2,368	2,202	+ 7.6%	+ 4.2%
Reactors and Services	2,245	2,194	+ 2.3%	- 1.1%
Back End	1,188	1,252	- 5.1%	- 5.9%
<b>Sub-total Nuclear Operations</b>	<b>5,801</b>	<b>5,648</b>	<b>+ 2.7%</b>	<b>- 0.1%</b>
Transmission & Distribution	3,883	3,454	+ 12.4%	+ 10.8%
<b>Total</b>	<b>9,686</b>	<b>9,103</b>	<b>+ 6.4%</b>	<b>+ 4.0%</b>
including France	2,687	2,644	+ 1.6%	-
including International	6,999	6,459	+ 8.4%	-

The group's backlog stood at 47.5 billion euros as of September 30, 2009 for 22.3% growth year-on-year. The backlog is up 27.4% in Nuclear and down 5.6% in Transmission & Distribution.

For 2009 as a whole, the group confirms its outlook, based on the consolidation scope as of June 30, 2009, for a strong growth in backlog and in revenue and operating income close to that of the financial year 2008.

<sup>1</sup> Like for like, i.e. at constant exchange rates and consolidation scope

<sup>2</sup> Currency translation impact on financial statements

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## I. Revenue growth by division

### Front End division

Revenue for the Front End division rose 7.6% (+4.2% LFL<sup>1</sup>) to 2.368 billion euros over the first nine months of 2009. Foreign exchange had a positive impact of 71 million euros.

- Mining: sales were up with the average uranium sales price improving over the period on a positive contract mix.
- Enrichment: revenue growth was fueled by rising volumes and positive export prices.
- Fuel: the volumes sold were down slightly compared with the strong performance in the first nine months of 2008, particularly in Germany.

### Reactors and Services division

Revenue for the Reactors and Services division for the first nine months of 2009 was up by 2.3% (-1.1% LFL<sup>1</sup>) to 2.245 billion euros. Foreign exchange and changes in the consolidation scope both had a positive impact of 46 million and 30 million euros respectively.

- Growth in the Plants business unit was driven by solid installed base business, particularly in the studies and development of instrumentation and control systems. The contribution to revenue of major plant projects was globally stable compared with the first nine months of 2008.
- In Nuclear Services, outage campaigns in the United States started later than in 2008, with a continued negative impact on third quarter sales. Catch-up is anticipated in the fall campaigns, with a positive impact on fourth quarter 2009 revenue.

### Back End division

Revenue for the Back End division for the first nine months of the year was down by 5.1% (-5.9% LFL<sup>1</sup>) to 1.188 billion euros. This change reflects the drop in Recycling sales in particular in the first half of the year, offset in part by third quarter sales growth. This is attributable to a different production schedule than in 2008.

### Transmission & Distribution division

- In a decreasing market compared to the same period in 2008, revenue for the Transmission & Distribution division for the first nine months of 2009 was up by 12.4% (+10.8% LFL<sup>1</sup>) to 3.883 billion euros. Foreign exchange had a negative impact of 36 million euros over the period, which was largely offset by the impact of changes in consolidation scope of + 88 million euros. Revenue growth is mostly attributable to the Near East, the Middle East and North America.
- New orders for the first nine months of the year were down 13.6% to 3.915 billion euros (-14.6% LFL<sup>1</sup>). This change is the result of two opposing trends: the business slowdown in Eastern Europe, the Near East and the Middle East, partially offset by growth in new orders in China, Asia-Pacific and South America. The division won several new contracts in the third quarter, in particular with Eclipse Energy in the United Kingdom to supply offshore substation equipment to connect wind farms to the national grid, and with Saudi power company SEC to build the new gas-insulated substation to power the Dammam industrial complex in the eastern part of the country.



## II. Detailed information on the group's financial position and performance

- Key factors with a significant impact on the group's operating performance in the third quarter of 2009 were as follows:
  - At the OL3 site in Finland, where the reactor building dome was installed on September 6, construction has entered the final phases, with the completion of civil works. Manufacturing of the primary loop components continues according to schedule. Within the framework of the contract, AREVA submitted operating procedures for the final phases of construction to its customer TVO, in accordance with standards of international industry practices. TVO must now approve them before beginning piping and commissioning activities. The AREVA-SIEMENS Consortium reminds that maintaining the planned schedule implies full cooperation of all parties. Otherwise, it could not be held responsible for potential delays.
  - The Transmission & Distribution market was down in the third quarter of 2009 in relation to the third quarter of 2008. Price pressures continued in India, China and the Middle East. Also, customer decisions expected on major projects were postponed to the fourth quarter.
- Third quarter 2009 events with an impact on the group's financial position are as follows:
  - Implementation of the financial and strategic plan announced June 30, 2009 is progressing: AREVA has chosen three potential bidders for the second phase of the sale of its T&D business. AREVA has also completed the sale of its stake in GDF-SUEZ. In addition, discussions were begun with strategic partners who may become AREVA shareholders, primarily through an increase in capital.
  - AREVA's long-term debt was rated "A with stable outlook" by Standard & Poor's, which also confirmed its A1 rating for short-term debt.
  - On September 11, 2009, AREVA launched its first bond issue for a total of 2.25 billion euros, including a 7-year tranche for 1.25 billion euros maturing in September 2016 (annual coupon: 3.875%) and a 15-year tranche for 1 billion euros maturing in September 2024 (annual coupon: 4.875%). The bond issue has significantly lengthened the average maturity of the group's debt, which is now consistent with AREVA's development plan.
  - AREVA's teams are implementing the 600-million euro cost reduction program announced when the group published its financial results for 2008. As of the end of September, 96% of the purchasing performance targets identified had already been reached.
  - Actions to reduce the working capital requirement are ongoing, with particular emphasis on inventory reduction in the Front End division, accounts receivable reduction in the Transmission & Distribution division, and cash flow optimization for projects.



### III. Important operations and events during the period

- Several significant events occurred during the quarter in terms of business strategy and industrial operations:
  - AREVA began the last phase of plant-wide testing at the new Georges Besse II gas centrifuge enrichment plant. The testing will be completed in November 2009. The group confirms its objective for full production capacity by 2016.
  - AREVA subsidiary Cezus (Compagnie Européenne du Zirconium) acquired a 33.3% interest in Zirco Products, the leading Japanese manufacturer of zirconium tubes for nuclear fuel.
  - AREVA announced the combination of its US fuel fabrication operations, to be located at its Richland site in Washington State. Fuel production from the Lynchburg, Virginia site will be transferred gradually to the Richland site starting in the spring of 2010.
  - AREVA submitted a bid to Indian utility NPCIL in July following the February 2009 signature of a memorandum of understanding covering the construction of two to six EPR™ reactors in India and fuel supply for the life of the reactors.
  - In nuclear equipment, AREVA signed an agreement with Bharat Forge that defines the main terms of a joint venture to manufacture forgings in India.
  - AREVA finalized the terms of an umbrella agreement with the Indian engineering firm Tata Consulting Engineers (TCE), a subsidiary of the Tata Sons group, for the supply of engineering services.
  - AREVA entered into a strategic partnership with Astonfield Renewables Resources for the construction of biomass power plants with a total generating capacity of 100 MW in India. The total investment is nearly 100 million euros. The first power plant will be built in Western Bengal, with construction scheduled to begin in the fourth quarter of 2009.
  - AREVA signed an agreement to acquire PN Rotor GmbH, a German manufacturer of high tech blades for offshore wind turbines.
  
- In the commercial arena, AREVA signed several major contracts in the third quarter of 2009, including:
  - A six-year contract with Central Nuclear de Trillo to supply about 240 fuel assemblies and related services to the CNT 1 reactor near Guadalajara, Spain. The first assemblies will be delivered in 2010.
  - A contract to supply 40 MOX fuel assemblies to unit 2 of the Shimane nuclear power plant operated by Chugoku EPCo of Japan.

#### **Upcoming events and publications**

January 28, 2010 - 17:45 CET: Press release – 2009 revenue

March 4, 2010 - 17:45 CET: Press release and conference – 2009 results



Appendix – Consolidated revenue

In millions of euros	2009	2008	2009/2008 change in %	2009/2008 change in % like-for-like
<b>1st quarter</b>				
Front End	674	679	- 0.7%	- 6.3%
Reactors and Services	727	665	+ 9.2%	+ 2.6%
Back End	416	403	+ 3.3%	+ 2.0%
<b>Sub-total Nuclear</b>	<b>1,817</b>	<b>1,747</b>	<b>+ 4.0%</b>	<b>- 1.1%</b>
Transmission & Distribution	1,186	1,022	+ 16.1%	+ 12.4%
Corporate and other	0	0	-	-
<b>Total</b>	<b>3,003</b>	<b>2,769</b>	<b>+ 8.5%</b>	<b>+ 3.9%</b>
<b>2<sup>nd</sup> quarter</b>				
Front End	882	809	+ 9.0%	+ 6.6%
Reactors and Services	780	801	- 2.6%	- 5.7%
Back End	427	527	- 19.0%	- 19.5%
<b>Sub-total Nuclear</b>	<b>2,089</b>	<b>2,137</b>	<b>- 2.2%</b>	<b>- 4.4%</b>
Transmission & Distribution	1,428	1,262	+ 13.1%	+ 12.5%
Corporate and other	2	1	-	-
<b>Total</b>	<b>3,519</b>	<b>3,400</b>	<b>+ 3.5%</b>	<b>+ 1.9%</b>
<b>1<sup>st</sup> half</b>				
Front End	1,556	1,488	+ 4.6%	+ 0.6%
Reactors and Services	1,506	1,466	+ 2.8%	- 1.9%
Back End	843	930	- 9.3%	- 10.1%
<b>Sub-total Nuclear</b>	<b>3,906</b>	<b>3,883</b>	<b>+ 0.6%</b>	<b>- 2.9%</b>
Transmission & Distribution	2,614	2,284	+ 14.5%	+ 12.5%
Corporate and other	2	1	-	-
<b>Total</b>	<b>6,522</b>	<b>6,168</b>	<b>+ 5.7%</b>	<b>+ 2.8%</b>
<b>3<sup>rd</sup> quarter</b>				
Front End	812	714	+ 13.7%	+ 12.0%
Reactors and Services	738	729	+ 1.3%	+ 0.4%
Back End	345	322	+ 7.1%	+ 6.5%
<b>Sub-total Nuclear</b>	<b>1,895</b>	<b>1,765</b>	<b>+ 7.4%</b>	<b>+ 6.2%</b>
Transmission & Distribution	1,268	1,169	+ 8.4%	+ 7.5%
Corporate and other	0	1	-	-
<b>Total</b>	<b>3,164</b>	<b>2,935</b>	<b>+ 7.8%</b>	<b>+ 6.7%</b>
<b>9 months</b>				
Front End	2,368	2,202	+ 7.6%	+ 4.2%
Reactors and Services	2,245	2,194	+ 2.3%	- 1.1%
Back End	1,188	1,252	- 5.1%	- 5.9%
<b>Sub-total Nuclear</b>	<b>5,801</b>	<b>5,648</b>	<b>+ 2.7%</b>	<b>- 0.1%</b>
Transmission & Distribution	3,883	3,454	+ 12.4%	+ 10.8%
Corporate and other	3	2	-	-
<b>Total</b>	<b>9,686</b>	<b>9,103</b>	<b>+ 6.4%</b>	<b>+ 4.0%</b>

Note: Revenue may vary significantly from one quarter to the next in nuclear operations. Accordingly, quarterly data should not be viewed as a reliable indicator of annual trends.



## Notes

### ► Foreign exchange impact

The foreign exchange impact mentioned in this release comes from the translation of subsidiary accounts into the group's unit of account and primarily reflects changes in the US dollar in relation to the euro. AREVA also points out that its foreign exchange hedging policy for commercial operations aims to shield profitability from fluctuations in exchange rates in relation to the euro.

### ► Forward-looking statements

This document contains forward-looking statements and information. These statements include financial forecasts and estimates as well as the assumptions on which they are based, statements related to projects, objectives and expectations concerning future operations, products and services or future performance. Although AREVA's management believes that these forward-looking statements are reasonable, AREVA's investors and investment certificate holders are hereby advised that these forward-looking statements are subject to numerous risks and uncertainties that are difficult to foresee and generally beyond AREVA's control, which may mean that the expected results and developments differ significantly from those expressed, induced or forecast in the forward-looking statements and information. These risks include those developed or identified in the public documents filed by AREVA with the AMF, including those listed in the "Risk Factors" section of the Reference Document registered with the AMF on April 15, 2009 (which may be read online on AREVA's website [www.aveva.com](http://www.aveva.com)). AREVA makes no commitment to update the forward-looking statements and information, except as required by applicable laws and regulations.

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## ABOUT US

All over the world, AREVA provides its customers with solutions for carbon-free power generation and electricity transmission. With its knowledge and expertise in these fields, the group has a leading role to play in meeting the world's energy needs.

Ranked first in the global nuclear power industry, AREVA's unique integrated offering covers every stage of the fuel cycle, reactor design and construction, and related services. In addition, the group is expanding its operations in renewable energies. AREVA is also a world leader in electricity transmission and distribution and offers its customers a complete range of solutions for greater grid stability and energy efficiency.

Sustainable development is a core component of the group's industrial strategy. Its 75,000 employees work every day to make AREVA a responsible industrial player that is helping to supply ever cleaner, safer and more economical energy to the greatest number of people.