PRESS
RELEASE

AREVA

Paris, April 28, 2005

First quarter 2005 sales data

- **Sales growth of 3.6% compared with the 1st quarter of 2004 (growth of 4.8% like-for-like.[1])**
- **IFRS impact limited to method of recording uranium trades: €(5)M**

- **Energy :**
  - **Nuclear Power: up 10.0%, driven by the *Reactors & Services* division**
  - **T&D: down 6.0% due to a one-time peak in the first quarter of 2004**

- **Connectors:** **Stable sales revenue despite a weak market in communications, computer and consumer electronics market**

in millions of euros	Q1 2005	Q1 2004	% change	% change like-for-like[1]
Front End	602	586	+2.8%	+5.4%
Reactors & Services	465	383	+21.3%	+23.7%
Back End	422	385	+9.6%	+9.6%
Transmission & Distribution	691	735	-6.0%	-6.5%
Sub-total Energy	**2 180**	**2 089**	**+4.4%**	**+5.3%**
Connectors	313	317	-1.4%	+1.8%
Corporate	3	4	-15.9%	-13.7%
Total	**2 496**	**2 410**	**+3.6%**	**+4.8%**

First quarter 2005 sales for the AREVA group were €2,496 million, up 3.6% year-on-year from €2,410 million. The change in foreign exchange rates between the two periods shows a negative impact of €(22) million, which is much lower than in the first quarter of 2004.

Like-for-like, **Energy** operations recorded growth of 5.3%:

- Nuclear power recorded sales growth of 10.0% compared with the first quarter of 2004 (up 11.8% like-for-like), led by *Reactors & Services*. In the nuclear divisions, the group points out that business is distributed unevenly throughout the year. As a result, comparisons of changes from one quarter to the next are not very relevant for projecting future growth.
- Transmission & Distribution operations were down 6.0% over the period (down 6.5% like-for-like), mainly due to strong activity in the first quarter of 2004, which was linked to the pick-up in business following the consolidation of the T&D division in early 2004.

Press Office
Charles Hufnagel
Patrick Germain
T: +33 1 44 83 71 17
F: +33 1 44 83 25 52
press@areva.com

Investors Relations
Vincent Benoit
T: +33 1 44 83 71 79
vincent.benoit@areva.com
Frédéric Potelle
T: +33 1 44 83 72 49
frederic.potelle@areva.com

[1] At constant consolidation scope, accounting standards / procedures, and foreign exchange.

In **Connectors**, sales revenue dropped by 1.4% in reported data and rose by 1.8% like-for-like in a generally sluggish market.

Front End

First quarter 2005 sales for the Front End division were €602 million, up 2.8% from €586 million for the same period in 2004 (up 5.4% like-for-like). In addition to the effect of foreign exchange rates (negative impact of €(9) million), sales revenue for the Front End division was negatively impacted by the transition to the IFRS: in the trading business (*Mining* business unit), only net margins can be recorded under sales revenue. This change had a €(5) million impact on the first quarter of 2005 sales.

The *Mining* business recorded growth of 14.0% like-for-like (up 2.5% in reported data), buoyed by a favorable price effect for uranium and gold. Despite the sharp rise in uranium spot prices, the price effect was limited to around +8% over the period due to escalation clauses set by contract. Gold volumes were up sharply due to successful production operations.

The *Chemistry* business posted sales revenue growth of 30.0% compared with the first quarter of 2004 (in reported data as well as like-for-like); this is not representative of the trend for 2005.

Sales of *Enrichment* services, on the other hand, were down 23.1% (-21.8% like-for-like). The drop is linked to an unfavorable reference level: 2004 sales revenue was distributed evenly throughout the year, whereas those of the first quarter of 2005 represent only one-firth of the expected volume for the year, due to the timing of deliveries throughout the year.

Fuel sales were up 14.6% compared with the first quarter of 2004 (up 15.9% like-for-like). Natural uranium fuel volumes (UO_2) were relatively stable over the period, although there were regional disparities: the pace of deliveries was high in Germany, but down in France and the United States. The change recorded in sales revenue is linked to the delivery of larger quantities of MOX fuel and reprocessed uranium fuel. The product mix effect was favorable in the first quarter of 2005.

For the year as a whole, the group expects sales to be stable in the Front End division, like-for-like, compared with those of 2004.

Reactors & Services division

First quarter 2005 sales revenue for the Reactors & Services division was €465 million, up +21.3% from €383 million for the same period in 2004 (up 23.7% like-for-like). Exchange rate fluctuations had a negative impact of €(4)M over the period. The transition to the IFRS had no impact on the division's sales revenue.

The growth in sales for the division is primarily the result of:

- The ramp-up of the EPR project in Finland for the *Plants* business unit (+35.9% in reported data). On February 1, 2005, as scheduled, the client transferred responsibility for the site to the “OKILUOTO3” consortium. At the end of March 2005, AREVA selected the construction company that will build the reactor building, the four buildings housing the back-up systems and the fuel building. Construction will begin at the beginning of the summer in 2005 and will span three years.

- Business was up in *Nuclear Services* (+53.4% in reported data), whereas the first quarter of 2004 suffered from an unfavorable schedule of planned outages, especially in France.

All of the division's other businesses were stable (+0.1% like-for-like and -2.8% in published data).

For the year as a whole, the division's sales revenue should rise in relation to 2004, primarily in the *Plants* field.

Back End division

First quarter 2005 sales for the Back End division were €422 million, up +9.6% from €385 million for the same period in 2004 (in reported data and like-for-like). The transition to the IFRS had no impact on the Back End division's sales revenue.

The *Treatment-Recycling* businesses, which represent more than three-fourths of the division's sales, saw their sales revenue grow by 13% compared with the first quarter of 2004 (in reported data and like-for-like). The treatment and recycling production plants operated satisfactorily throughout the period. The change is the result of:

- sales revenue in early 2005 from decommissioning services performed for the CEA at the Marcoule site; this activity did not produce sales revenue in the first quarter of 2004;
- the development of new business, such as the EUROFAB project[2].in addition to conventional treatment-recycling services.

These new activities offset the end of the assistance contract with Japanese customer JNFL, which ended in 2004.

Logistics recorded a downturn of 8.4% compared with the first quarter of 2004 (-5.4% like-for-like). This change is mainly due to a delay in executing the transportation program for EDF, which was partially offset by the transport of U.S. fuel assemblies as part of the "MOX for Peace" program initiated in late 2004 (EUROFAB[2]).

The other businesses, which represent less than 15% of the Back End division's sales, recorded sales revenue growth of 6% compared with the first quarter of 2004 (+3% like-for-like).

For 2005 as a whole, the group expects sales revenue to remain stable in the Back End division.

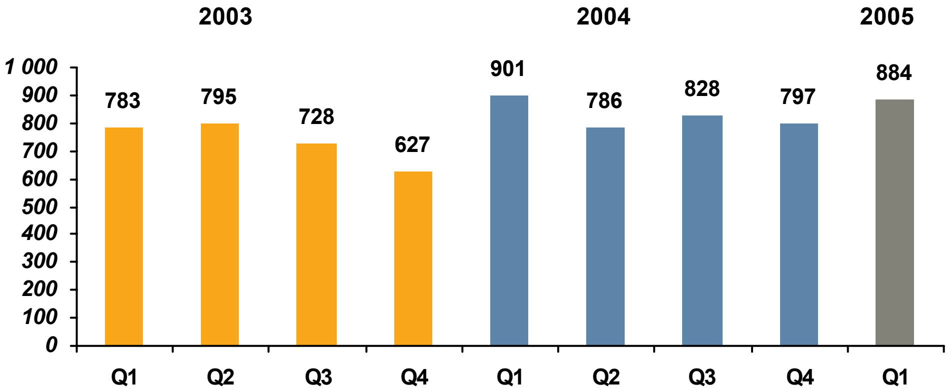
Transmission & Distribution division (T&D)

The Transmission & Distribution division had sales revenue of €691 million in the first quarter of 2005, compared with €735 million for the same period in 2004, a drop of 6.0% year-on-year (-6.5% at constant consolidation scope and exchange rates). Exchange rate fluctuations had a negative impact of €(4)M over the period. The transition to the IFRS had no impact on the division's sales revenue. The decrease is primarily the result of strong activity in the first quarter of 2004, reflecting a pick-up in business following the division's consolidation into the group in early 2004.

[2] This contract for the fabrication of four MOX fuel assemblies in France is part of the "MOX for Peace" nuclear disarmament program. This non-proliferation program between the U.S. Department of Energy (DOE) and the Russian Federation calls for the disposition of surplus defense plutonium inventories from the U.S. by using it in civilian fuel in nuclear power plants.

In the first quarter of 2005, €884 million in orders were booked, which is high compared with the three preceding quarters. Nonetheless, booked orders for the first quarter of 2005 were down by 1.8% (at constant exchange rates) compared with those of the first quarter of 2004, when they were particularly high following the pick-up in business noted after the division was consolidated into the group.

Orders (in millions of euros)



Orders booked in the first quarter of 2005 confirm the upward trend in the order book noted from 2003 to 2004 and are an indication of renewed customer confidence.

The decrease in sales revenue mainly concerns the *Systems* businesses, which represented about 30% of the division's sales in the first quarter of 2005. The decrease compared with the first quarter of 2004 (-18.7%[3]) is largely due to timing differences on major billings, which should even out over the year. *Products,* which represent about 40% of the division's sales, are up (+5.8%[3]), consistent with the upward trend of the worldwide transmission and distribution market. The *Automation* businesses recorded a downturn (-7.2%[3]) due to the small number of projects in the first quarter of 2005, whereas *Services* recorded an increase (+23%[3]) led by a new line of services.

In geographic terms, the division had mixed growth characterized by a decrease in sales in western countries (-6.9% in Europe and -16.1% in North America) and an increase in Asian sales, especially in China (+16.2%).

For 2005 as a whole, the group expects sales revenue to be stable like-for-like and to drop in reported data, due to the sale of the "Telecom services" businesses in Australia and New Zealand, which will not be consolidated beginning in the second quarter of 2005. These activities represented €160 million in sales in 2004.

[3] Before eliminations of inter-business unit sales.

Connectors division

The Connectors division posted first quarter 2005 sales of €313 million, compared with €317 million for the same period in 2004, a decrease of 1.4%. Like-for-like, sales revenue for the Connectors division is slightly up, by 1.8%. Exchange rates had a negative impact of €(3) million

In *Automotive*, now the leading contributor to the division's sales revenue, sales were up by 2.8% (+2.7% like-for-like). This growth was achieved in an automotive market whose growth differs from region to region. The increase in sales revenue is notable in North America and Asia, where the group has won market share, particularly at Hyundai in Korea and in the airbag segment in North America. The group's sales were practically stable in Europe, despite the market downturn (-3% compared with the first quarter of 2004), due mainly to continued price pressures.

The *Communication, Data, Consumer* business, which represented more than one third of the division's sales in the first quarter of 2005, recorded a 6.5% drop in business from 2004 to 2005, like-for-like (-12.1% in reported data). The drop reflects a weak market in the first quarter of 2005 compared with the same period in 2004, due in particular to preparations to launch new products among key customers of the *Consumer* business, which are currently in an inventory reduction phase. There are geographical disparities: sales in Asia are stable, whereas they are down in Europe and in the United States due to the continuing business relocation of some of the group's largest customers to low-cost countries and to a difficult communication, computer and consumer electronics market in the first quarter of the year.

Sales for the *Electrical Power Interconnect* business unit rose by 6.7% like-for-like (stable in reported data). This growth came mostly from North America and corresponds to the capture of market share following the relocation of production to low-cost countries, especially Mexico.

Sales for the *Microconnections* business unit continued to rise, with 41.2% growth recorded in the first quarter of 2005 compared with the first quarter of 2004 (in reported data and like-for-like). The growth is linked in particular to the ramp-up of the second plant in Singapore, which came on line in 2004 and made it possible to take greater advantage of the vitality of Asian demand in the first quarter of 2005 than a year ago.

The book-to-bill ratio was 1.03 at the end of March 2005. For the year as a whole, the Connectors division should see its sales revenue remain stable, like-for-like.

Outlook

For 2005 as a whole, the group expects growing sales revenue like-for-like. The expected growth will come primarily from the nuclear businesses, led by the Reactors & Services division.

About us

With manufacturing facilities in over 40 countries and a sales network in over 100, AREVA offers customers technological solutions for nuclear power generation and electricity transmission and distribution.

The group also provides interconnect systems to the telecommunications, computer and automotive markets.

These businesses engage AREVA's 70,000 employees in the 21st century's greatest challenges: access to energy for everyone, preservation of the planet and responsibility toward future generations.

For more information: www.areva.com

- **Press Office**
  Charles Hufnagel - Patrick Germain
  T: +33 1 44 83 71 17 - F: +33 1 44 83 25 52
  press@areva.com

- **Investor Relations**
  Vincent Benoit - T : +33 1 44 83 71 79 - vincent.benoit@areva.com
  Frédéric Potelle - T : +33 1 44 83 72 49 - frederic.potelle@areva.com