

## PRESS RELEASE

### At March 31, 2014:

- Downturn in revenue as anticipated, to €1.781bn (-17.3% like for like)
- Backlog of €40.2bn

### Paris, April 30, 2014

Luc Oursel, Chief Executive Officer, offered the following comments on the group's performance in the first quarter of 2014:

"Following the marked growth of the nuclear operations in 2013, thanks in particular to the strength of recurring activities and the contribution of exceptional items such as significant uranium sales volumes and non-recurring foreign contracts, revenue in the first quarter of the year fell sharply, as we had anticipated.

A strong seasonal effect will materialize in 2014, with greater activity to be expected in the second half of the year.

As indicated when releasing 2013 annual results, the current economic environment is still unfavorable, with market prices deteriorating in the front end of the cycle and lackluster demand from customers for installed base services. Nonetheless, we are confident in the group's ability to generate revenue in line with our target for this year."

#### Press Office

Julien Duperray  
Katherine Berezowskyj  
Aurélie Grange  
Jérôme Rosso  
Alexandre Thébault  
T: +33 (0)1 34 96 12 15  
press@areva.com

#### Investors Relations

Marie de Scorbiac  
marie.descorbiac@areva.com  
T: +33 (0)1 34 96 05 97  
Philippine du Repaire  
philippine.durepaire@areva.com  
T: +33 (0)1 34 96 11 51

Revenue	Q1 2014	Q1 2013 proforma <sup>1</sup>	Change	Change LFL	Backlog at 03/31/14
<i>(in million euros)</i>					<i>(in million euros)</i>
Mining BG	145	392	-63.0%	-62.3%	9,434
Front End BG	561	353	+59.0%	+59.8%	16,248
Reactors & Services BG	684	796	-14.1%	-12.5%	8,744
Back End BG	325	558	-41.7%	-41.6%	5,670
Renewable Energies BG	18	29	-38.2%	-34.6%	53
Corporate and other <sup>2</sup>	48	46	ns	ns	93
<b>Total</b>	<b>1,781</b>	<b>2,174</b>	<b>-18.1%</b>	<b>-17.3%</b>	<b>40,241</b>
o.w. Nuclear operations	1,724	2,110	-18.3%	-17.4%	
Revenue – France	904	945	-4.2%	ns	
Revenue – International	877	1,230	-28.7%	ns	

**It should be noted that revenue may vary significantly from one quarter to the next in the nuclear operations. Accordingly, quarterly data should not be viewed as a reliable indicator of annual trends.**

<sup>1</sup> Excludes Wind Energy and Solar Energy in accordance with IFRS 5 accounting standards and excludes joint ventures by the equity method of accounting standards IFRS 11 (main entities involved: AREVA Dongfang, ATMEA, Cominak and ETC)

<sup>2</sup> Includes "Consulting and Information Systems" and "Engineering and Projects" operations



AREVA's operations generated **consolidated revenue of 1.781 billion euros in the first quarter of 2014**, a decrease of 18.1% (-17.3 % like for like) compared with the same period in 2013. The Front End Business Group (BG) reported strong growth of +59.0% (+59.8% like for like). Revenue was down in the Mining, Reactors & Services, Back End and Renewable Energies BGs, at -63.0% (-62.3% like for like), -14.1% (-12.5% like for like), -41.7% (-41.6% like for like) and -38.2% (-34.6% like for like) respectively. Foreign exchange had a negative impact of 18 million euros over the period, while the change in consolidation scope had a negative impact of 3 million euros.

**The group's backlog reached 40.2 billion euros at March 31, 2014**, a decrease of 2.9% compared with December 31, 2013 and of 8.8% year on year.

## I. Comments on backlog and revenue by Business Group

### Mining Business Group

The Mining BG had 9.434 billion euros in backlog at March 31, 2014. Order intake remained limited due to an uncertain market environment for uranium.

The Mining BG reported revenue of 145 million euros in the first quarter of 2014, sharply down, at -63.0% (-62.3% like for like) compared with the first quarter of 2013. Foreign exchange had a negative impact of 7 million euros. Revenue was impacted by:

- the strong expected downturn in volumes sold (-65%) following the end of the "HEU" agreements and the major operations of reduction in inventory over the same period in 2013, combined with an unfavorable delivery schedule in first quarter;
- the reduction in the average sales price of uranium sold under contracts due to an unfavorable mix of contracts executed over the period.

### Front End Business Group

The Front End BG had 16.248 billion euros in backlog at March 31, 2014.

The Front End BG reported revenue of 561 million euros for the first quarter of 2014, a sharp increase of 59.0% (+59.8% like for like) compared with the first quarter of 2013. Foreign exchange had a negative impact of 2 million euros.

- The Chemistry-Enrichment business posted strong growth due to:
  - the sharp increase in enrichment volumes sold in the United States, Asia and France (it should be noted that the supply of enrichment services to France had resumed in the first quarter of 2013), in parallel with production ramp-up at the Georges Besse II plant;
  - strong conversion business with American customers.
- The Fuel Business Unit (BU) reported a sharp increase in sales thanks to a very favorable delivery schedule in the United States.

### Reactors & Services Business Group

The Reactors & Services BG had 8.744 billion euros in backlog at March 31, 2014.

The Reactors & Services BG reported revenue of 684 million euros for the first quarter of 2014, a decrease of 14.1% (-12.5 % like for like) compared with the first quarter of 2013. Consolidation scope and foreign exchange had negative impacts of 7 million euros each.

- The New Builds business was down compared with the first quarter of 2013, in line with progress on the EPR™ projects. The revenue increase associated with the Flamanville 3 project in France and the Hinkley Point project in the United Kingdom was not able to offset the revenue decrease associated with the Taishan project in China. In addition, in accordance with paragraph 32 of IAS 11, applied since the second half of 2013, no revenue was recognized during the quarter for the Olkiluoto 3 project in Finland.
- Revenue in the Installed Base BU was down compared with the first quarter of 2013 due to the business downturn in the United States, where market conditions are difficult.
- Revenue in the Equipment BU declined compared with the first quarter of 2013, when it had strong primary component replacement business in France.



## **Back End Business Group**

The Back End BG had 5.670 billion euros in backlog at March 31, 2014. This does not include the multiyear treatment and recycling contract for 2013-2017, for which negotiations of economic terms continue between EDF and AREVA.

The Back End BG reported revenue of 325 million euros in the first quarter of 2014, a decrease of 41.7% compared with the same period in 2013 (-41.6% like for like). Foreign exchange had a negative impact of 2 million euros.

- As expected, the Recycling business was down sharply compared with the first quarter of 2013, when it reflected a significant contribution from non-recurring foreign contracts for MOX fuel fabrication campaigns.
- Revenue in the Logistics business was down due to the slower than expected start of unloading campaigns in the United States in the first half of 2014.

## **Renewable Energies Business Group**

The Renewable Energies BG had 53 million euros in backlog at March 31, 2014.

In the Renewable Energies BG, revenue from Bioenergy totaled 18 million euros in the first quarter of 2014, a decrease compared with the same period in 2013 (-38.2% in reported data, -34.6% like for like) due to a lower level of business in Europe. Foreign exchange had a negative impact of 2 million euros.



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

### Mining Business Group

- Over the first three months of the year, 1,873 metric tons of uranium were produced in consolidated financial share for AREVA, compared with 2,071 metric tons over the first three months of 2013, a production drop of 10% (excluding Cominak production). AREVA's available share was 1,536 metric tons of uranium, compared with 1,967 metric tons in the first three months of 2013, down 22%.  
This decrease is explained in part by the scheduled stop of production for maintenance at the mining sites in Niger in the month of January 2014. In addition, these production figures do not take into account the equivalent of 480 metric tons of uranium produced over the period that were in the refining process to the form of U<sub>3</sub>O<sub>8</sub>.
- On March 13, 2014, an initial production of uranium ore was shipped from the Cigar Lake mine operated by Cameco in Saskatchewan province, Canada, to AREVA's McClean Lake mill.
- Discussions with the government of Niger concerning AREVA's mining operations in that country continued over the quarter.

### Front End Business Group

- The Georges Besse II enrichment plant continued to ramp up; 88 cascades were in production at the end of March, an increase of 5 cascades compared with December 2013. The plant has 79% of its nominal capacity in service, consistent with the project schedule. At the South plant, 100% of production capacity is now installed.

### Reactors & Services Business Group

- At the Olkiluoto 3 construction site in Finland (AREVA scope: a complete power plant in consortium with Siemens), progress was made on several fronts during the first quarter of 2014:
  - The Finnish nuclear safety authority, STUK, validated the overall instrumentation and control system plan.
  - As regards construction and testing:
    - the reactor containment tightness test (CTT) was successfully completed on schedule on February 12, 2014;
    - instrumentation and control system testing began as planned at AREVA's Erlangen site in Germany on April 1, 2014.
- At the Flamanville 3 construction site in France (AREVA scope: a nuclear steam supply system), progress was made on several fronts during the first quarter of 2014:
  - The reactor pressure vessel was placed in the reactor pit on January 24, marking the beginning of nuclear equipment installation for the primary cooling system.
  - The four steam generators manufactured at AREVA's Saint-Marcel plant were delivered to the site for installation in the coming months.
  - The installation and energization of the safety instrumentation and control panels, which started in October, continued normally.



- Installation of the operational instrumentation and control system continues, and the one-hundredth panel was recently installed at the site.
  - Ramp-up of piping installation continued.
  - AREVA's contribution to the safety analysis report was finalized at the end of March 2014.
- At the Taishan construction site in China (AREVA scope: two nuclear islands), the first quarter of 2014 saw progress in the following areas:
- Engineering:
    - The Final Safety Analysis Report is under review with the customer and the safety authority to secure authorization for fuel loading.
    - AREVA and its customer TNPJVC have set up an engineering team at the site to support installation and testing activities.
  - Equipment:
    - More than 90% of the equipment for unit 1 has been delivered, in accordance with the customer's installation schedule. Unit 1 testing began in December 2013.
    - The heavy equipment for unit 2's primary cooling system has been manufactured and the steam generators have been delivered to the site.
- Negotiations continued between AREVA and its customer concerning the payment of recognized cost overruns and contingencies caused by the evolution of a research reactor project.

## Renewable Energies Business Group

- On January 20, 2014, AREVA and GAMESA announced that they had entered into exclusive negotiations for the creation of a 50/50 joint venture destined to be a European champion to become a global leader in the offshore wind field.
- On the Global Tech 1 project, additional costs were recorded, mainly due to delays experienced over the winter during the offshore installation and turbine testing phase, which were attributable to the supplier of electrical access to the wind farm, to the late availability of a ship, and to particularly severe weather conditions. Contract negotiations begun with the various stakeholders involved. Under IFRS 5, these items are recognized in net income from discontinued operations.

## Group

- On March 3, 2014, AREVA made an additional contribution of 1,000,000 euros under the liquidity contract managed by Natixis.
- On March 12, 2014, AREVA set the terms for and launched a 9-year, 750-million euro bond issue maturing on March 20, 2023 with an annual coupon of 3.125%, the lowest since the group began its EMTN program.



## III. Important operations and events during the period

- On January 31, 2014, AREVA delivered the Bio Golden Raand biomass power plant built in partnership with the Dutch civil engineering company Ballast Nedam Industriebouw and the Finnish boiler supplier, Metso Power Oy. Located in Delfzijl in the northern part of the Netherlands, the biomass plant has an installed capacity of 49.9 MWe and is fueled with wood residue from domestic and industrial sources.
- On February 20, 2014, AREVA announced that it had successfully installed 20 of the 40 wind turbines in the German Trianel Borkum wind farm in the North Sea. Installation of AREVA's 5-MW M5000 turbines began in September 2013.
- On March 26, 2014, on the occasion of the visit to France of Mr. Xi Jinping, President of the People's Republic of China, AREVA participated in the celebration of 50 years of diplomatic relations between the two countries. During his visit, agreements were signed to continue the strategic partnership between France and China in civilian nuclear power, which celebrated its 30<sup>th</sup> anniversary last year. In particular, an agreement specific to the used fuel treatment and recycling plant project was signed following the signature of a letter of intent in April 2013.

### Market environment

- In the uranium market, the spot price went from an average of \$42.71 per pound in the first quarter of 2013 to \$34.92 per pound in the first quarter of 2014. The long-term price indicator went from an average of \$56.67 per pound in the first quarter of 2013 to \$48.67 per pound in the first quarter of 2014 (source: UxC / TradeTech).
- In the enrichment market, the spot price went from \$115 per SWU at the end of March 2013 to \$95 per SWU at the end of March 2014. The long-term indicator went from \$129 per SWU at the end of March 2013 to \$99 per SWU at the end of March 2014 (source: TradeTech).



## Note:

**Like-for-like (LFL):** at constant exchange rates and consolidation scope.

**Backlog:** The backlog is valued based on economic conditions at the end of the period; it includes firm orders and excludes unconfirmed options. Orders in hedged foreign currencies are valued at the rate hedged; unhedged orders are valued at the rate in effect on the last day of the period. The backlog reported for long-term contracts recognized under the percentage of completion method and partially performed as of the reporting date is equal to the difference between (a) the projected sales revenue from the contract at completion and (b) the sales revenue already recognized for this particular contract. Accordingly, the backlog takes into account escalation and price revision assumptions used by the Group to determine the projected revenue at completion.

**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. The latter is primarily due to 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, and 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 shareholders 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 explained 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 03/31/14 (which may be read online on AREVA's website [www.areva.com](http://www.areva.com)). AREVA makes no commitment to update the forward-looking statements and information, except as required by applicable laws and regulations.

## Upcoming events and publications

May 20, 2014 – 3:00 PM CEST	Combined General Meeting of Shareholders Tour AREVA – 1 place Jean Millier, 92400 Courbevoie
July 31, 2014 – 5:45 PM CEST	Press Release 2014 half-year results
August 1, 2014	Telephone conference and webcast 2014 half-year results

---

### MORE ABOUT AREVA

AREVA is a world leader in nuclear power. The group's offer to utilities covers every stage of the nuclear fuel cycle, reactor design and construction, and operating services. Its expertise and uncompromising dedication to safety make it a leading industry player. AREVA also invests in renewable energies to develop, via partnerships, high technology solutions. Through the complementary nature of nuclear and renewables, AREVA's 45,000 employees contribute to building tomorrow's energy model: supplying the greatest number of people with energy that is safer and with less CO<sub>2</sub>.