
PRESS RELEASE

AREVA T&D Acquires Power Transformer Manufacturer Megatran Electric Ltd. and Secures Supply Agreement with Hydro-Québec

BETHESDA, Md., October 22, 2009 – AREVA T&D and the shareholders of Megatran Electric Ltd, today announced that they have signed an agreement for AREVA T&D to acquire Megatran, the Canadian-based power transformer manufacturer.

The acquisition of Megatran, located in Saint-Jean-de-Richelieu, Québec Province, will extend AREVA T&D's Power Transformer industrial footprint to North America, increasing value for both utilities and industrial customers. In turn, Megatran's production capacity is expected to increase by 50 percent leading to the creation of new manufacturing and engineering jobs.

By combining AREVA T&D's high quality global solutions and decades of experience with Megatran's local manufacturing capacity, AREVA T&D has also been able secure a long-term commercial and service agreement to become Hydro-Québec's major supplier of Power Transformers up to 100 MVA. The acquisition, together with this agreement, will help AREVA T&D become the number one player in Canada for Power Transformers up to 100 MVA.

"AREVA T&D's customers in Canada and North-Eastern USA are looking to us to deliver innovative solutions and shorter delivery lead times for small Power Transformers," said Carole Le Couedic, Vice President of AREVA T&D's Power Transformers Product Line. "This development will allow both AREVA T&D and our North American customers to realize their Power Transformer project ambitions more efficiently."

Peter Huber, Megatran's President added, "Megatran's mission has always been to provide high quality, reliable power transformers under competitive commercial terms while remaining flexible to our customer's particular requirements. By joining AREVA T&D, we will capitalize on AREVA T&D's broad international commercial expertise and together improve our Power Transformers' performance, which will step-up production volumes. This is clearly an exciting opportunity for the local Québec economy."

Nathalie Normandeau, Deputy Premier, Minister of Natural Resources and Wildlife, and Minister responsible for the Northern Plan, also stated, "Consolidating AREVA's presence is good news for Québec because it secures a large portion of Hydro-Québec TransÉnergie's supply of power transformers rated under 100 MVA. Over the next five years, Hydro-Québec TransÉnergie plans to place orders worth over 100million \$CAN to equip its transmission grid."

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Integration and closing details

Following the integration of the company, Megatran will become a new manufacturing unit within AREVA T&D's global Power Transformers Product Line. Megatran's President, Peter Huber will remain a member of the senior management team of the new unit.

The completion of the transaction is expected by early November 2009.

MEGATRAN ELECTRIC LTD. FACTS-AT-GLANCE

Market: Power Transformers up to 100 MVA

Headquarters: Saint-Jean-sur-Richelieu, Québec, Canada

Founded: 1989

President: Peter Huber

Employees: 72

Customers: Power Utilities and Industrial companies

Market Presence:

Megatran already designs, manufactures and sells transformers for several major Canadian electrical utilities. In addition, the company also serves large industrial electro-intensive clients, operating in particular on the aluminum production and pulp & paper markets.

- Megatran builds
 - > substation transformers and generator transformers up to 100MVA, 315kV,
 - > zigzag grounding transformers.
- Megatran's Québec site is Quality Control System Certified ISO 9001 (2000).

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As the leading U.S. nuclear vendor and a key player in the electricity transmission and distribution sector, AREVA Inc.'s 6,000 U.S. energy employees are committed to serving the nation and paving the way for the future of the electricity market. With 45 locations across the nation and nearly \$2 billion in energy revenues in 2008, AREVA Inc., through its subsidiaries, combines U.S. leadership, access to worldwide expertise and a proven track record of performance. In the U.S. and in more than 100 countries around the world, AREVA is engaged in the 21st century's greatest challenges: making energy available to all, protecting the planet, and acting responsibly toward future generations. AREVA Inc. is headquartered in Bethesda, Maryland. Visit us at <http://us.aveva.com> or follow us at [Twitter](#).

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