

Mitsubishi Heavy Industries, Ltd.
Mitsubishi Materials Corporation
Mitsubishi Corporation
AREVA

**MHI, AREVA, MMC and MC Jointly Establish
A Full-fledged Nuclear Fuel Fabrication Business in Japan**

Tokyo, December 22, 2008 – Mitsubishi Heavy Industries, Ltd. (MHI), AREVA, Mitsubishi Materials Corporation (MMC) and Mitsubishi Corporation (MC) have signed a four-party agreement towards the establishment of a joint company ("New Company") in the nuclear fuel fabrication business. The New Company will be a full-fledged nuclear fuel supplier, integrating development, design, manufacturing and sales of nuclear fuel.

The New Company, which will benefit from the technology and established experience of each of the partners, is aimed at strengthening its nuclear fuel business in response to the increasing importance of nuclear power generation globally amid expanding efforts to prevent global warming.

The agreement outlines the business scope, the organization principles and the detailed process toward the establishment of the New Company. The four partners are now entering into more detailed discussions with the target of having the New Company established during the first half of 2009.

The New Company will be established by restructuring the existing Mitsubishi Nuclear Fuel Co., Ltd. (MNF), which is located in Tokai-mura, Ibaraki Prefecture¹. MHI, MMC and AREVA will transfer their related business to the "new" MNF, and MC will subscribe for new shares to be issued. Under this scheme, MNF is slated to evolve into a full-fledged, comprehensive nuclear fuel company. The ownership ratios of the four partners in the New Company will be MHI 35%, MMC 30%, AREVA 30% and MC 5%. The New Company will have around 550 employees and expects 50 billion yen (400 Million Euros) in sales by 2020.

The New Company will supply Japanese customers with uranium fuel assemblies for pressurized water reactors (PWR), boiling water reactors (BWR) and high-temperature gas-cooled reactors, as well as uranium-plutonium mixed oxide (MOX) fuel assemblies. It will also provide related services, including reconversion. The company is also slated to newly enter into overseas markets as a supplier of MHI-designed fuel assemblies for PWRs.

MHI and AREVA also confirmed their intent to jointly invest in a dedicated nuclear fuel fabrication facility to be built in the U.S.

¹ MNF's equity is currently owned by MMC (66%) and MHI (34%)

About Mitsubishi Heavy Industries, Ltd.

Mitsubishi Heavy Industries, Ltd. (MHI), headquartered in Tokyo, Japan, is one of the world's leading heavy machinery manufacturers, with consolidated sales of 3,203 billion yen in fiscal 2007 (year ended March 31, 2008). MHI's diverse lineup of products and services encompasses shipbuilding, power plants, chemical plants, environmental equipment, steel structures, industrial and general machinery, aircraft, space rocketry and air-conditioning systems.

For more information, please visit the MHI website (<http://www.mhi.co.jp>).

About Mitsubishi Materials Corporation

Founded in 1871 and established in 1950, Mitsubishi Materials Corporation is one of the world's largest diversified materials companies. In addition to being a leader in metal smelting and refining, cement products and fabricated metals, Mitsubishi Materials is also a major supplier of electronic materials and components. The Company's high-level research and development programs are instrumental in enabling it to maintain its dominant position in key markets.

For more information, please visit the MMC website (<http://www.mmc.co.jp>).

About Mitsubishi Corporation

Mitsubishi Corporation (MC) is Japan's largest general trading company (sogo shosha) with over 200 bases of operations in approximately 80 countries worldwide. Together with its over 500 group companies, MC employs a multinational workforce of approximately 60,000 people. MC has long been engaged in business with customers around the world in virtually every industry, including energy, metals, machinery, chemicals, food and general merchandise. (<http://www.mitsubishicorp.com>)

About AREVA

With manufacturing facilities in 43 countries and a sales network in more than 100 countries, AREVA offers customers reliable technological solutions for CO₂-free power generation and electricity transmission and distribution. We are the world leader in nuclear power and the only company to cover all industrial activities in this field. Our 71,000 employees are committed to continuous improvement on a daily basis, making sustainable development the focal point of the group's industrial strategy. AREVA's businesses help meet the 21st century's greatest challenges: making energy available to all, protecting the planet, and acting responsibly towards future generations. www.areva.com