

**Interview** Jacques Saulnier, Areva

## 'Our model is unique'



*Nuclear energy supplier Areva sees orders piling up for its third-generation European Pressurised Reactor (EPR). But the aggressively expanding group is in dire need of investment funds and is looking actively for investors. Jacques Emmanuel Saulnier, personal spokesman for Lauvergeon, talks to EER about the prospects of Areva.*

| by Yves de Saint Jacob

Areva has long been known for its bold investment policy. Isn't this a reckless policy in a time of financial crisis?

Areva's investment policy is dictated by its clients' demands and by market perspectives. No power plant that is working today will be shut down as a result of this crisis. On the contrary, operators are seeking to extract the best profit from their installations by trying to extend their life span through revamping the different components, tools etc.

Aside from the 4 EPRs under construction in Finland, France and China, we have another project in France, four in the US. A memorandum of understanding for two units was signed with NPCIL in India. This is enormous growth and yet today, in our factory in Chalon sur Saône, where we produce large components, our production capacity is 1.7 reactors per year, on average. This capacity has to be increased if we are to prevent a bottleneck – and a plan was launched for a capacity of 2.7. Our investment plan between now and 2012 is around ten billion euros. The goal is clearly industry development. This is not an aid package.

You have indicated you are ready to sell off non-strategic assets. Your electricity transport and distribution company, Areva T&D, is highly profitable and greatly envied, notably by Alstom. Does this mean Areva T&D is for sale?

No, Areva T&D is not for sale. We regard Areva T&D as strategic. We bought it (from Alstom) for around €1 billion in 2004. Today it is valued at €5 billion. It is complementary to our other business. Areva produces neither pylons nor cables, but we have all the management systems for transport,

notably what are called "smart grids", IT network connections that allow us to optimise networks so that they have very little line loss. This is an essential matter. In India, line losses can be up to 40% – a result of the poor state of the system.

Doesn't Areva become too French with the departure of Siemens and not European enough?

Certainly, it is regrettable that what began as a real choice of industrial policy ended in this way. Siemens was pro-nuclear in 1991. Then, in 2000, it joined Areva NP saying 'nuclear energy, nobody believes in it any more'. Now it says 'we believe in it' and goes to promote Russian technology as it has nothing left itself. It is their choice. Areva's strength is that it has not changed its strategy for 40 years, and has an integrated offer which allows its clients to build and operate a nuclear plant throughout its life span. It is an economic model which is unique in the world and which all our competitors are trying to copy. Areva has widely extended its activities across Europe and is industrially present in 15 countries, notably also in Germany. It has 8,000 associates there, on about 30 industrial sites, not to mention our strategic customers, Eon, EnBW, RWE.

What do you think of the new Russian giant that Rosatom will become with the support of Siemens?

The Russian giant exists. These are major competitors. Siemens is opening a major commercial door to them, because the commercial brand "Siemens" has real added value. The "joint venture" will serve to promote Russian technologies. We'll wait and see how it turns out. ■