

Swimming in the International Nuclear Energy Market

Getting Your Ducks in a Row

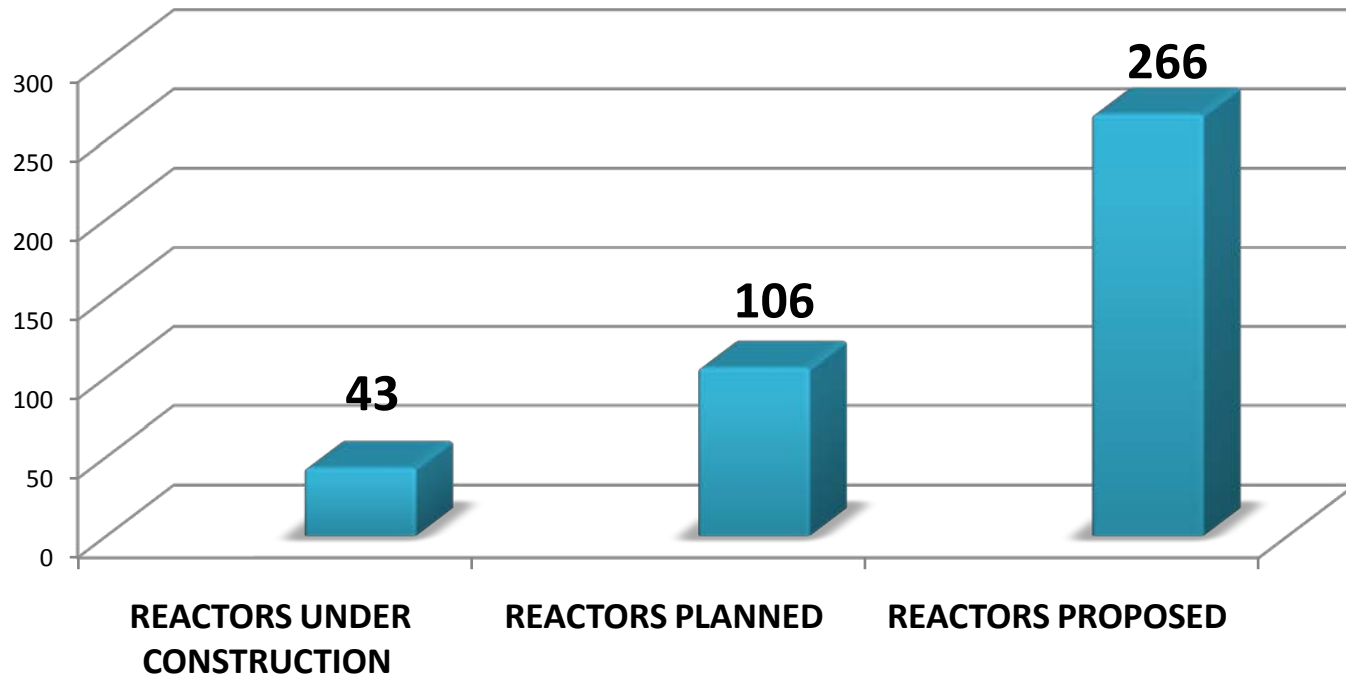
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The Nuclear Renaissance



*Source: World Nuclear Association
as of Jan 5, 2009*

➤ Opportunities for Canadian suppliers boundless



Three Need-to-Knows

1. Cultural
2. Regulatory
3. Strategic Positioning

Cultural Need-To-Knows

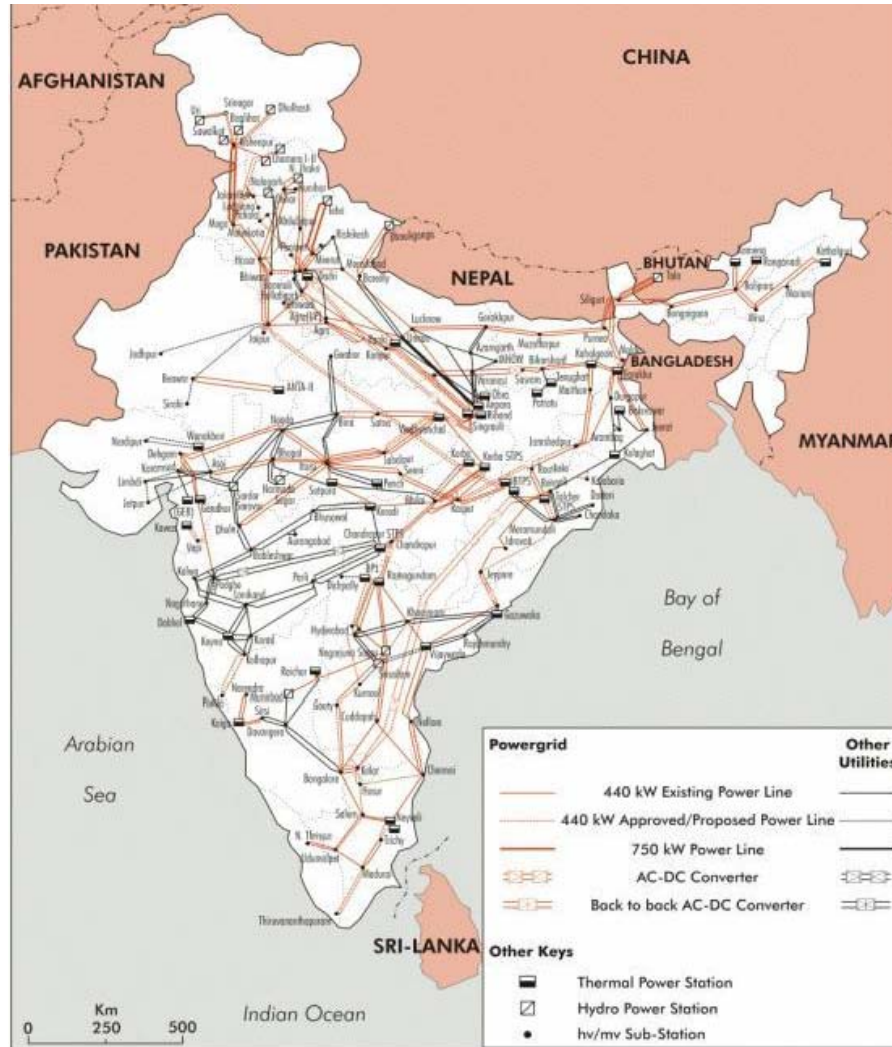




Cultural Need-To-Knows

- Understanding differences in cultural business norms and customs is critical
- Do your homework and understand business customs
- Questions:
 - Do you need a local partner?
 - How will you handle cultural issues in business dealings?

India

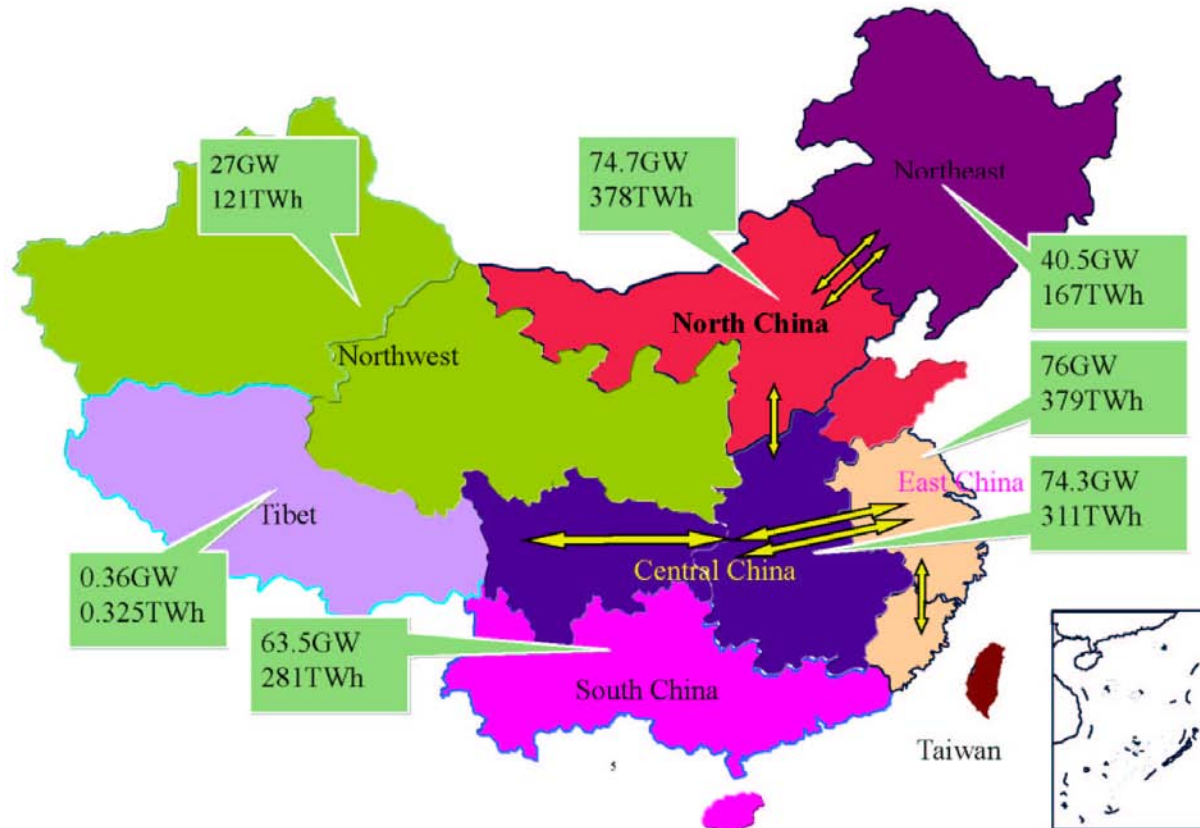




India

- Demand for Nuclear:
 - Expects to have 63,000 MWe by 2032
 - Aims to have 25% of electricity from nuclear power by 2050
- Relationships are critical - Having local partner substantially increases chance of success
- Vision of becoming a world leader in nuclear technology due to expertise in fast reactors and thorium fuel cycle
 - Important to respect their indigenous engineering developments during trade ban

China

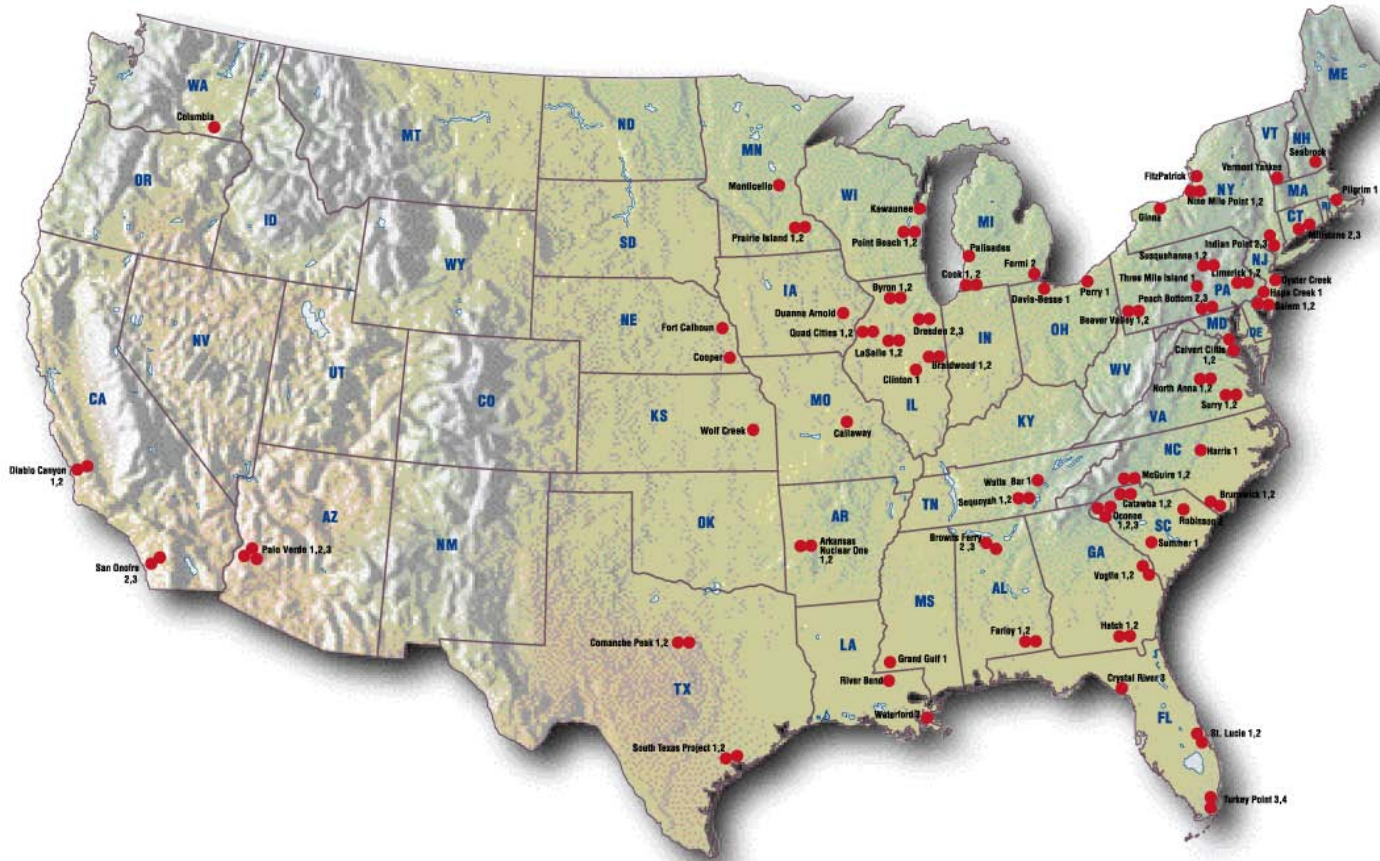




China

- Demand for Nuclear:
 - 26 reactors currently planned, 72 proposed
 - 2020 target: 70 GWe installed, 18 GWe under construction
- Relationships are critical aspect of business development
- Aims to become self-sufficient in reactor design and construction, as well as other aspects of the fuel cycle
 - Important to consider technology transfer issues

United States





United States

- Demand for Nuclear:
 - 17 license applications to build 26 plants
 - 52 license extensions of existing plants
- Critical to have a U.S. presence given “Buy American” sentiment
- Transparency is very important for Americans, especially when dealing with NRC
- Ownership and operation of plants becoming concentrated
 - Fewer decision-makers = greater competition

Regulatory Need-To-Knows



Regulatory Need-To-Knows

- Government of Canada Export Permit is required for:
 - Pressure tubes
 - Primary cooling pumps
 - Heat exchangers
 - Certain piping systems
- Does host country have regulatory requirements for imports?
- Does host country have regulatory requirements for the product or service sold?

Strategic Positioning Need-to-Knows





Strategic Positioning Need-to-Knows

- Customer
 - Financial position? One-time sale or other opportunities?
- Competitor
 - Who are competitors in the market? Is buyer “playing” both?
- Technology
 - What is end technology? Other opportunities?



Strategic Positioning Need-to-Knows (cont'd)

- Utility
 - What are their plans for further plants? Financial position?
- Electricity Market
 - More plants in future? Project stability?
- Political Situation
 - Stable political situation? Need political risk insurance?



Conclusions

Three keys to business success for exporters:

- ✓ Know regulatory environment
- ✓ Study market and competitors to enhance opportunities and mitigate risk
- ✓ Have a strategy for dealing with cultural differences

For more information...

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