

Uranium miner and energy firm Cameco sees potential in Chinese market

This is hardly news but the figures are contained in the article.

Yahoo News (CP)
January 28, 2005

SASKATOON (CP) – Cameco Corp., the world's largest uranium producer, sees great potential in China as the country moves to increase its nuclear power capacity sharply.

"China itself is a small producer of uranium (and), as we see it, their uranium endowment is pretty limited," Jerry Grandey, Cameco's CEO, said during a conference call with analysts Friday.

"They are going to be a significant importer of uranium in the future and, hopefully over time, they will become a valued customer."

Grandey, who was part of a recent trade mission to China, said Chinese demand for electricity grew about nine per cent in 2004.

"They have made the decision, the government has, to have a substantial component of nuclear and announced plans to have 20,000 megawatts between now and 2015, or thereabouts," Grandey said.

"That's an ambitious program, but it's not really more than what France was able to achieve in the 1960-to-1970 period of time . . . So I don't think there's much doubt that if China puts its mind to it, they can do that.

In its financial report Thursday, Cameco said its net profit in the fourth quarter rose to \$37 million, from \$34 million in the same period a year earlier.

Earnings per share were up in the period ended Dec. 31, to 21 cents from 20 cents a year earlier. But the company missed the consensus analyst forecast of 29 cents a share.

Revenues were \$361 million, up from \$272 million in 2003.

Looking ahead, the company expects first-quarter consolidated revenues will rise about 60 per cent, reflecting increased deliveries and prices in the uranium and gold businesses and full consolidation of the Kumtor gold mine in central Asia.

However, earnings from the Bruce Power nuclear power site will be about half of those in the 2004 quarter.