Atomenergomash Eyes IPO, Expansion

By [The Moscow Times](#)

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LONDON — Atomenergomash, the state-owned supplier of equipment to nuclear power plants, is diversifying into shale gas and wind power, and plans an initial public offering for its separate operations in 2014 or 2015.

The company will also invest about 1 billion euros ($1.4 billion) by 2015 to modernize operations and for acquisitions to expand outside of Russia, chief executive Vladimir Kashchenko said. The company plans to sell shares separately in its nuclear, thermal power, alternative energy, gas and petrochemicals businesses in 2014 or 2015.

"We would like to sell shares to return some funding back to the state," Kashchenko said.

Atomenergomash earns about 60 percent of its sales from supplying Rosatom, and it is expanding into markets outside of the former Soviet Union, Central and Eastern Europe such as India, Vietnam and China. It is also examining proposals to develop shale gas projects in Morocco, Syria, Central Asia and the Middle East.

"Shale gas projects will become a significant vector in our development because the demand for cleaner-burning fuels will be growing," Kashchenko said. "It's important for us strategically to develop non-nuclear businesses because we can see a large potential and have key technologies to expand."

The company plans to almost double its Russian market share to 30 percent and get about the same proportion of its sales outside of the country by 2015. It expects to double sales this year to $2 billion through organic growth and acquisitions.

"We hope to maintain our growth rate," Kashchenko said. "We set up a renewable energy division last year and will be expanding into wind power generation."

In the next six months, Atomenergomash plans to buy one of three companies with wind-turbine technology it has shortlisted to help build Russian farms, he said, declining to elaborate.