



Press Release

For Immediate Release

Leading Global Nuclear Suppliers Join Forces to Form “Team CANDU”

Provides Ontario with a “powerhouse of expertise and experience” to build new nuclear plants

Mississauga; March 27, 2006 – Five of the world’s leading nuclear technology and engineering companies have signed a four-year agreement to work together as Team CANDU to present a turn-key service and competitive solution for building new nuclear power plants in Ontario. Members of Team CANDU consist of Atomic Energy of Canada Limited (AECL), Babcock & Wilcox Canada (B&W), General Electric Canada (GEC), Hitachi Canada Ltd. (HCL) and SNC – Lavalin Nuclear Inc. (SLN).

A report released by the Ontario Power Authority in December, 2005 states that two-thirds of Ontario’s base-load generation will need replacement in the next 15 years. Team CANDU is strategically aligned to provide Ontario with a clean, safe, economical and reliable base-load option. Each member of the team has the technical strengths, core expertise and proven track record of delivering a world-class product on time and on budget.

Team CANDU will deliver a business model for Ontario that they have successfully deployed in other markets around the world over the past decade. Each of the partners takes on its share of project risk to deliver new CANDU power plants on a turn-key, fixed price basis. In this case, the traditional project risk is transferred from the owner/utility to the project team members. Based on its record of project delivery, the Team ensures delivery on time, on budget.

“AECL is teaming up with other leaders in the global nuclear industry to create a “power-house” of expertise and experience to address the pressing need for new nuclear plants in Ontario on a very competitive basis,” stated AECL’s President and Chief Executive Officer Robert Van Adel. “CANDU technology is a proven world-class performer and Team CANDU is fully equipped to bring new CANDU plants to market in Ontario and is well positioned to respond to any opportunity in a competitive global marketplace.”

Rich Reimels, President, Babcock & Wilcox Canada said: “Over the last 40 years, Babcock & Wilcox Canada has become a world-leading supplier of steam generators and critical use heat exchangers for the nuclear utility market. We have provided more than 260 steam generators to the nuclear plants around the world, including every nuclear power plant in Canada. Working together as part of Team CANDU, with the solid support of industry leaders, we can deliver even more value to end customers.”





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Peter Mason, Vice President & General Manager, GE Canada Nuclear products added: “GE Canada is pleased to bring to Team CANDU 50 years of experience in the CANDU nuclear industry together with the products and resources of the global GE company.”

Howard Shearer, Hitachi Canada’s President and Chief Executive Officer stated: “Hitachi brings to the Team considerable financial strength as well as our experience and understanding of all of the technologies that are required to deliver best in class plants. In addition to that, we have a manufacturing base serving the energy sector already established in Canada and we are looking for opportunities to grow and expand in Ontario.”

Patrick Lamarre, President, SNC-Lavalin Nuclear Inc. said: “We know the Ontario market well, and we bring recognized international expertise and experience to our new Team effort. As a Team, we are confident we can continue to supply competitive nuclear power projects which will benefit the people of Ontario – as well as Canadians elsewhere in the country.”

CANDU technology is clean, safe, economical and reliable, made-in-Canada and the best choice for Ontario in terms of safety, proven performance and project delivery. CANDU 6 is one of the top performing nuclear products in the world today and when combined with the ACR-1000 they are the most beneficial and most competitive options for new base load power in Ontario.

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Notes to Editors:

About AECL

Atomic Energy of Canada Limited is a full service nuclear technology company providing services to nuclear utilities around the world. Established in 1952, AECL is the designer and builder of CANDU technology including the CANDU 6, one of the world's top-performing reactors.

AECL's 4,000 employees deliver cutting edge nuclear services, R&D support, design, and engineering, construction management, specialized technology, refurbishment, waste management and decommissioning in support of CANDU reactor products. We work in partnership with our clients to provide clean, safe, reliable and affordable energy solutions. More information on AECL and CANDU technology can be found at www.aecl.ca.

About Babcock & Wilcox Canada

Babcock & Wilcox Canada serves North American electric utility and industrial markets and the global nuclear utility market. Based in Cambridge, Ontario, it is a wholly-owned subsidiary of The Babcock & Wilcox Company in Barberton, Ohio, which is an operating unit of McDermott International, Inc. (NYSE:MDR). The Babcock & Wilcox Company is located on the Internet at www.babcock.com.

About General Electric Canada

GE is Imagination at Work -- a diversified technology, media and financial services company focused on solving some of the world's toughest problems. With products and services ranging from aircraft engines, power generation, water processing and security technology to medical imaging, business and consumer financing, media content and advanced materials, GE serves customers in more than 100 countries and employs more than 300,000 people worldwide. In Canada, GE has more than 10,000 employees, 19 major manufacturing plants and more than 150 sales and service locations across the country. For more information, visit the company's Web site at www.ge.com

About Hitachi Canada Ltd.

Hitachi Canada, Ltd. markets and manufactures a broad range of electronics, computer systems and products, consumer electronics and semiconductors, and provides industrial equipment and services throughout Canada. Hitachi Canada is a subsidiary of Hitachi America, Ltd. (55%) and Hitachi, Ltd., Japan (45%). It was established in 1971. For more information, please visit our website at <http://www.hitachi.ca>

About SNC-Lavalin Nuclear Inc.

SNC-Lavalin Nuclear Inc. is a wholly owned subsidiary of SNC-Lavalin (TSX: SNC), one of the leading groups of engineering and construction companies in the world, a global leader in the ownership of infrastructure, and in operations and maintenance services. The SNC-Lavalin companies have offices across Canada and in 30 other countries around the world and are currently working in some 100 countries. www.snclavalin.com





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Background Information – Team CANDU:

Canada's leading private sector companies in the nuclear and power plant field, Babcock & Wilcox Canada, GE Canada, Hitachi Canada and SNC-Lavalin Nuclear have joined together with Atomic Energy of Canada (AECL) to create Team CANDU. The Team has already developed a positive long-standing risk sharing relationship through the success of several new build projects along with the solid support of industry leaders.

Team CANDU will deliver a business model for Ontario that they have successfully deployed in other markets around the world over the past decade. Each of the partners takes on its share of project risk to deliver new CANDU power plants on a turnkey, fixed price basis. In this case, the traditional project risk is transferred from the owner/utility to the project team members. Based on its record of project delivery, the Team ensures delivery on time, on budget.

This creates a "power-house" of expertise and experience, to build new nuclear plants as identified by the OPA's report and recommendations to meet Ontario's growing electricity needs. AECL has, over the past 10 years, delivered six reactor projects on time and on budget – most recently two CANDU 6 reactors in China were delivered ahead of schedule and under budget.

AECL has built more reactors in the last ten years than any other nuclear technology company and is currently building a second CANDU 6 unit in Romania. In addition, it has recently signed major contracts to refurbish reactors at Bruce Power in Ontario and Point Lepreau in New Brunswick and is currently negotiating life extension contracts with other CANDU owners around the world.

CANDU technology is clean, safe, economical and reliable, made-in-Canada and the best choice for Ontario in terms of safety, proven performance and project delivery. CANDU 6 is one of the top performing nuclear products in the world today and when combined with the ACR-1000 they are the most beneficial and most competitive options for new base load power in Ontario.

CANDU will create the most benefit to Ontario in terms of jobs for Ontario workers, contracts for Ontario companies and lower electricity prices. Deploying new CANDU in Ontario will also create a strong base for export opportunities and additional jobs in Ontario. The Canadian nuclear industry is a \$5 billion per year industry, providing employment for more than 30,000 people in more than 150 companies.

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