Hitachi to buy Horizon Nuclear

TOKYO (AP) -- Japan's Hitachi Ltd. has agreed to buy British atomic power company Horizon Nuclear Power Ltd. from its German owners for 696 million British pounds ($1.12 billion).

The companies announced the deal Tuesday, ending months of uncertainty after the 50-50 owners of Horizon, RWE AG and E.ON AG, abandoned plans to build nuclear power plants in Britain.

RWE and E.ON set up Horizon Nuclear Power in late 2009, before the nuclear accident at Japan's Fukushima Dai-Ichi nuclear plant in March 2011 prompted many countries to re-examine plans to expand use of atomic power, and Germany to speed up phasing it out altogether.

Hitachi, Japan's largest electrical machinery manufacturer, said it would continue to pursue plans to build new nuclear power stations at Wylfa in Wales and Oldbury-on-Severn in southwestern England. It plans to complete the acquisition by next month.

Hitachi's nuclear business, which includes nuclear reactors, reactor pressure vessels, control equipment and related equipment and services, accounts for about a fifth of its total revenues, according to information posted on its website. It has said it intends to continue to pursue sales in other countries even as Japan's own nuclear plants remain mostly offline following the accident in Fukushima.

In fact, all Japan's major electrical power equipment companies appear committed to pursuing nuclear energy projects despite a recent commitment by Tokyo to phase out use of nuclear energy by the 2030s.

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