New Dutch government picks ABN Amro to advise on Urenco - sources

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By Anjuli Davies and Sophie Sassard

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(Reuters) - The new Dutch government picked ABN Amro to advise on the future of its 33 percent stake in UK-based uranium enrichment company Urenco, three people familiar with the situation told Reuters on Friday.

The previous government had hired Credit Suisse (CSGN.VX) to examine its strategy regarding Urenco's ownership, but this mandate was not renewed after a government reshuffle in September and staff changes at the Swiss bank, one source said.

The Dutch, alongside British and German shareholders who each own a one-third stake in Urenco, have been conducting a strategic review, with options including a partial sale or initial public offering for the company, which is thought to be worth about 10 billion euros, the sources said.

The British government appointed Morgan Stanley (MS.N) in September to advise on a possible disposal of its 33 percent stake.

German utilities RWE (RWEG.DE) and E.On (EONGn.DE), which jointly control the remaining third of Urenco, are thought to have lined up Bank of America Merrill Lynch (BAC.N) to advise on their options.

Urenco is controlled by a shareholding pact aimed at preventing its cutting-edge centrifuge technology from ending up in the wrong hands.

Any change in the shareholding structure would be highly complicated and take some time, with any decision subject to a veto by any of the government shareholders, the sources said.

The situation is further complicated by the fact that the Dutch government does not want to sell its stake, they said.

No decision has been taken by any of the parties, and discussions could stretch well into 2013, they said.

Urenco's unique technological position in an industry dominated by only four players would make the company attractive to energy players, including French nuclear group Areva (AREVA.PA) and Canadian uranium trading company Cameco.

ABN Amro, Morgan Stanley, Credit Suisse and Bank of America Merrill Lynch declined to comment. Urenco said it was a matter for the executive committee. The Dutch government was not available for comment.

(Reporting by Anjuli Davies and Sophie Sassard, editing by John Wallace)

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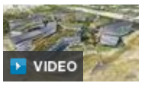

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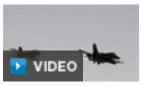

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