

PRESS RELEASE

Paris, 26 July 2018



MRE: Naval Energies stops its investment in tidal-turbine energy and concentrates on floating wind turbines and ocean thermal energy conversion

During an Extraordinary Board of Directors held on 25 July, Naval Energies has decided to stop investing in the field of tidal turbines. Naval Energies will henceforth concentrate its efforts on floating wind turbines and Marine Thermal Energy Conversion.

Naval Energies, one of the big names in marine renewable energies (MRE), is the only industry player to have developed three product lines: tidal turbines, with its Irish subsidiary OpenHydro, floating wind turbines, and ocean thermal energy conversion.

Naval Energies has developed the technology of tidal-turbine energy to the industrial launch stage. On 24 July, the company deployed a new tidal turbine in Canada and connected it to the power grid. For the second time in two years, a 2 MW turbine was installed in the Bay of Fundy.

Closing of the market

Nevertheless, the fact remains that the market for tidal-turbine energy is closing. The French Environment and Energy Management Agency (ADEME), as part of a public debate on the Multi-annual Energy Plan for France, only foresees 100 to 150 MW to be installed between now and 2028, i.e. 50 turbines of 2 MW each over ten years. The United-Kingdom, for its part, also decided two years ago not to launch specific tenders, and tidal has now to compete with fixed bottom offshore wind, which is impossible due to different level of technological maturity. In Canada, there is also great sensitivity to the cost of the technology.

This gap between the technology and the demand on the market, and the lack of commercial prospects over the long term, are forcing Naval Energies to bring its developments in tidal energy to an end. Following in-depth discussions with public and private stakeholders as well as with the French Environment and Energy Management Agency (the ADEME), Naval Energies decided to stop its investment in tidal energy.

Laurent Schneider-Maunoury, CEO of Naval Energies declared: "It is with regret, but also responsibility, that we are taking the decision to stop developing tidal-turbine energy. The deterioration of the market, in France and around the world



throughout the recent months, has been reflected in a lack of commercial prospects over the long term. This evolution means that we alone can no longer finance the development of the tidal-turbine activity. In the current context, maintaining our investments would have led to consume the company's resources and thus, ultimately, to weaken Naval Energies as a global actor in the Ocean Energy sector, as we still have two product lines. In the future, Naval Energies will focus its development on Floating Offshore Wind (FOW) and Ocean Thermal Energy Conversion (OTEC), which are receiving support from the public authorities.

Videos and photos available on www.salledepresse.com

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About Naval Energies

Naval Energies is a world leader in the field of marine renewable energies (MRE), and a supplier of turnkey energy production systems. Present throughout the entire product life-cycle, Naval Energies controls the entire value chain: design, production, installation, connection and maintenance, in an environmentally friendly manner, both at sea and in coastal areas. Naval Energies is both a player in a global market and a business that is constantly developing at the local level, at all its production sites for marine energy.

www.naval-energies.com