

Shell Loses \$290-Million In Joint Nuclear Venture

By WILLIAM D. SMITH

The Royal Dutch/Shell Group lost about \$290-million in 1974 on its nuclear joint venture with the Gulf Oil Corporation, according to the annual report of the Shell Transport and Trading Company which was released yesterday. The report also said that the company plans to spend about \$7.2-billion on North Sea oil projects between now and 1980.

Shell's nuclear loss included provisions totaling about \$145-million for increases in estimates of future losses on contracts for the design and supply of nuclear reactors for power stations. Shell said that last year's loss compared with a loss of about \$50-million in 1973.

Gulf's annual report disclosed a loss of \$97-million in 1974

Output in Saudi Arabia of crude oil by the Arabian American Oil Company rose by more than 300 million barrels in 1974. Page 43.

attributable to nuclear activities after considering deferred tax benefits of \$65-million. In 1973, Gulf reported a loss of \$133-million attributed to nuclear activities.

Sir Frank McFadzean, chairman of Shell Transport, which owns 40 per cent of the Royal Dutch Shell Group, said prospects for the group's activities in the nuclear field "continue to be kept under review."

The partnership with Gulf entails equal ownership of two companies, the General Atomic Company, which conducts nuclear activities in the United States and General Atomic International, Ltd., which operates outside the United States.

General Atomic is mainly engaged in the design, development, manufacture and marketing of the high temperature gas-cooled reactor and its associated nuclear fuel.

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