

Bosnia and Herzegovina: EP HZHB decreased profit in 2019

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EP HZHB recorded significant increase of its financial expenses in 2019, which quadrupled year-on-year reaching 4.5 million euros, while other expenses rose to 27 million euros compared to 6.5 million in 2018. Bosnian power utility EP HZHB, the smallest of the three utilities in Bosnia and Herzegovina, recorded a significant decrease of its net profit in 2019. Its net profit dropped to 1.3 million euros last year, compared to a net profit of 8.5 million euros recorded in the previous year. The company's operating revenues in 2019 increased by 5.2 % and reached 237.8 million euros, while operating expenditures fell by 0.9 % to 210.9 million euros.

Last October, EP HZHB revised its revenues plan for 2019, cutting down the revenues by 6.9 % due to the closure of its biggest client and largest industrial electricity consumer in BiH - aluminium producer Aluminij Mostar. The company stopped supplying electricity to Aluminij on 17 June 2019, while the plant was shut down on 10 July. Due to losing its biggest client, the utility expects that its revenues in 2019 would diminish by some 11.5 million euros. However, the cancellation of electricity deliveries to Aluminij has also decreased utility's planned expenditures for 2019 by 10.9 %, while its planned electricity supply dropped by 32.6 %. EP HZHB recorded a net profit in the amount of 8.5 million euros in 2018, compared to a net profit of just over 100,000 euros recorded in 2017. The company's operating revenues amounted to 225.5 million euros last year, which is an increase of 51.1 %, while its operating expenditures also rose by 37.5 % reaching 212.3 million euros. EP HZHB produced 2,088.34 GWh of electricity in 2018 due to very favorable hydrological conditions.