

Subsidiaries of state-owned power utility ERS have not had better financial results for a long time than in the first half of this year, so the profit shown at the holding level is around 18.7 million euros.

The three subsidiaries which operate hydropower plants made a profit of about 9.3 million euros, electricity distribution subsidiaries made a profit of around 4.1 million euros, while the parent company ERS had a profit of about 19 million euros.

Only the two subsidiaries operating coal-fired thermal power plants were operating at a loss, which was planned due to regular annual overhauls. Thus, RiTE Ugljevik recorded a loss of about 9.2 million euros and RiTE Gacko about 4.6 million euros. Acting Executive Director for Economic and Financial Affairs at ERS Darko Milunovic said that good hydrology influenced the production in hydropower plants to be 25 % higher than planned. All distribution subsidiaries operated with a profit and, according to Milunovic, the key reason is reorganization, namely the reduction of the number of employees. The full effects of the reorganization will be felt in 18 months, because more than 15 million euros were paid in severance pays, which was partially covered through loans. Milunovic said that the parent company made a profit of 19 million euros for two reasons - a larger balance surplus was achieved as well as high prices of electricity on the free market. The increase in balance surplus was influenced by production in hydropower plants, which is almost twice as high as in the same period last year, while electricity sales on the free market were 15 % higher than planned.

The most significant financial result among the distribution subsidiaries was achieved by Elektrokrajina Banja Luka, which recorded a profit of some 2.2 million euros in the first half of 2021, compared to a loss of 2.8 million euros in the same period last year.