

Bulgarian Energy Holding (BEH), which comprises of a number of electricity producing companies, electricity transmission operator as well as natural gas transmission and distribution operators, recorded a consolidated net loss of about 40 million euros in 2016, compared to a net profit of 70 million euros in the previous year.

2016 financial results were negatively affected mostly by the compensation which Bulgaria had to pay to Russian company Atomstroyexport for manufactured equipment for the abandoned project for the construction of nuclear power plant Belene. According to the ruling of the International Arbitration Court in Geneva from June 2016, Bulgaria had to pay 601.6 million euros, which was paid in full in December last year.

According to the financial report from BEH, the company's sales revenues dropped by 9.19 % to 3.07 billion euros due to microeconomic conditions which led to lower selling prices and volumes. BEH's earnings before interest, taxes, depreciation and amortization (EBITDA) reached 311 million euros in 2016, which is a 21.86 % drop on a yearly basis.

BEH reported a loss of about 41 million euros in the first quarter of 2017, mostly due to payments according to arbitration ruling and the depreciation of a 100 % of BEH's receivables from Corporate Commercial Bank (CCB) which went under bankruptcy.

However, BEH's subsidiary National Electricity Company (NEK) recorded a net profit in the amount of 61.4 million euros in the first quarter of 2017, mostly due to cold spell in January/February. By comparison, the company recorded a net profit of 27.6 million euros in the first quarter of 2016.