

High-ranking official of the Czech energy company CEZ said that several Bulgarian investors have shown interest in the acquisition of assets of the company in Bulgaria, thus confirming the speculation from January on the possible sale of CEZ Bulgaria.

The potential sale of company's assets in Bulgaria had drawn interest mainly from unnamed Bulgarian investors but the talks with the Bulgarian Government regarding the sale have not yet begun nor the sale timetable has been set.

In late January, the company announced that it is currently considering a withdrawal from the Bulgarian energy market. CEZ is the largest electricity supplier and distributor in the country, with over 3 million customers, annual revenues of about 720 million euros, which also owns several hydropower plants and, now defunct, thermal power plant Varna.

According to media reports, several companies from France, Romania and Turkey have shown interest in the possible acquisition, as well as some local companies which currently have no presence in the energy business.

Although CEZ said that the main reason for withdrawal from the Bulgarian market would be interest shown from investors, media speculate that real reasons for such decision could be frequent changes in regulations in the energy sector and low profit in recent years.

Bulgarian subsidiary of the Czech energy group CEZ, CEZ Distribution Bulgaria, recorded a net profit in the amount of 13.6 million euros in 2016, which is a 20 % increase compared to 2015 net profit of 11.35 million euros. The company's sales revenues also increased and amounted to 220.9 million euros in 2016, compared to 198.7 million euros recorded in revenues in the previous year. Expenditures rose as well, to 205.7 million euros from 186.5 million euros in 2015.

On the other hand, CEZ Electro Bulgaria, a subsidiary of Czech energy group CEZ, recorded a net profit in the amount of some 340,000 euros in 2016, which is significantly lower compared to 4.45 million euros profit a year earlier. According to the company's financial report, revenues from electricity sales dropped to 643 million euros, compared to 715 million euros in 2015. Expenses for bought electricity also fell, to some 482 million euros in 2016 from 562 million euros in 2015. The company posted a non-consolidated operating profit of 646,000 euros last year, compared to almost 5 million euros in 2015.

CEZ Electro Bulgaria is operating in the Sofia region, as well as in western and northern Bulgaria, and it is licensed for the transmission and distribution of electricity and the operation of a distribution network.