

Croatian state-owned power utility HEP announced that rating agency Moody's affirmed its long-term credit rating of HEP (Ba2) and upgraded its outlook on HEP from stable to positive.

Due to methodology and criteria used upon rating HEP, the upgrade ensued after the sovereign rating upgrade for Croatia. According to Moody's, the outlook upgrade is a result of improved fiscal metrics and agency's evaluation of a better outlook for the growth of the Croatian economy, because of recently conducted reforms.

According to Moody's, HEP is going to maintain a strong financial profile in future periods. In line with the current rating grade, in case of the upgrade of sovereign rating for Croatia, HEP's credit rating would probably be upgraded as well.