

Greece, Italgas expects that the acquisition of DEPA Infrastructure will increase its earnings by up to 10 %

Italian gas company Italgas said that it expects that the acquisition of DEPA Infrastructure will increase its earnings by up to 10 % in the next two year, with the expansion of Greek gas distribution network.

Italgas CEO Paolo Gallo said that the company expects that the earning will rise by 5 to 10 % in 2022-23, with the significant impact on the company's dividends in that period. He said that DEPA's regulated returns are expected to remain stable because Greece is rapidly phasing out its lignite-based electricity generation and gas is the only short-term measure to replace the phased out capacity.

Previously, Italgas said that it will invest 1.1 billion euros in DEPA Infrastructure's gas distribution network in order to expand it from current 6,800 to 11,500 kilometers.

In early September, Greek privatization fund TAIPED said that Italgas has outbid the Czech group EP Investment Advisors at the tender for the sale of DEPA Infrastructure, gas distribution network operator which emerged after the spilt of Public Gas Corporation (DEPA). The Italian company offered 733 million euros for 100 % stake in the distributor. Greek state and the biggest oil refiner Hellenic Petroleum (ELPE) are jointly selling their 65 % and 35 % stakes respectively in DEPA Infrastructure.