

[Greek Public Power Corporation \(PPC\)](#) expects that its **earnings before interest, taxes, depreciation and amortization (EBITDA)** will increase by 30 % as a result of its acquisition of [Enel Romania](#), one of the leading players in the Romanian market.

In its earlier report, ratings agency S&P said that the acquisition will significantly increase PPC's size, while operations in a different market with a significant growth outlook is positive for the company's business risk profile.

At the same time, **ratings agency Fitch** said that the vertical production model and increased contribution from renewable energy sources will help to gradually reduce risks from volatility in the wholesale electricity market and continuing interventions in the energy markets of Greece and Romania.

With the completion of the acquisition in the third quarter of 2023, PPC will add more than 130,000 kilometers of distribution network, an additional 3.2 million new customers and 534 MW of [RES capacity](#) already in operation.

Essentially, it will double its electricity production from renewable energy sources and tackle the regulatory risk from the restrictions imposed on it to reduce its share of the Greek market and thereby achieve an increase in its size.

Last week, PPC agreed to purchase the assets of Enel Romania for about 1.26 billion euros. The agreement includes a provision for a possible additional payments based on a specific mechanism, in the event that in the next two years Enel Romania's trading activity acquires a value greater than that included in the consideration of 66.5 euros/customer.

This price is well below half that of acquisitions in the Greek market. In terms of networks, in Romania PPC is buying at approximately half of the price paid by Macquarie for the acquisition of 49 % in **Greek electricity distribution operator DEDDIE**.

The price for RES projects was also set at low level compared to acquisitions in Greece.

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