

## Hungary: RWE considers the sale of Matrai Eromu

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According to Hungarian media, German RWE is considering the sale of its majority stake in Hungary's second-largest thermal power plant and related coalmines, as the company reviews its struggling electricity generation assets across Europe.

RWE spokesperson briefly replied to media reports, saying that the company is currently looking at all strategic options, which also includes the sale of the majority stake in the plant. RWE's minority partner in Matrai Eromu EnBW said that it is also looking at all options for its non-core assets, but refused to comment on individual holdings. RWE currently holds 50.9 % stake in Matrai Eromu, while EnBW has 21.7 % of the shares.

The media informed that bidders could submit their offers for the plant within the next two months, adding that there are five interested companies, but only two are prepared to offer a price that would satisfy RWE and EnBW. The potential bidders were not explicitly named, but said that Czech energy companies EPH and CEZ, as well as Hungarian state-owned MVM, which already has 26.15 % stake in Matrai Eromu, could be interested. However, representatives of all abovementioned companies either dismissed that they are interested in the acquisition or denied to comment.

The plant in question is partially powered by coal and gas, and has power output of 1,000 MW. Matrai Eromu generates annual revenues of about 320 million dollars and in 2016, the company recorded a net profit in the amount of 33.4 million euros.

Driven by a major decline in wholesale electricity prices throughout Europe, RWE has either shut down or put on stand-by about 11.5 GW of its generation capacity since 2012. The company's electricity generation capacity currently stands at 41.9 GW.