

Romanian Minister of Energy Toma Petcu said that the Government has approved a sale of 10 % stake in electricity producer Hidroelectrica on the Bucharest Stock Exchange in the company's initial public offering (IPO) instead of initially proposed 15 %.

Minister Petcu stressed that the entire amount earned through the listing will remain in the company, as the Government wants it to be used for the company's development. He said that Hidroelectrica was restructured though the lack of investments in maintenance and modernization and, although the company operates facilities with installed capacity of 6,400 MW, it cannot utilize more than 3,000 to 5,000 MW.

Earlier in 2017, Former judicial administrator of Hidroelectrica during the company's insolvency Remus Borza said that the listing of 15 % stake in state-owned electricity producer will bring almost 220 million euros to the Ministry of Finance, an amount that will allow the Government to fall in the 3 % budget deficit target assumed for 2017.

In May, President of Hidroelectrica's Supervisory Board Andrea Lambru said that the Ministry of Energy is preparing to change the procedure of listing the most valuable state-owned company, as the Government wants all the money from the company's initial public offering (IPO) to go to the state budget instead of the company's accounts. Therefore, Hidroelectrica's IPO will not take place this year.

Hidroelectrica registered a gross profit in the amount of 211.2 million euros in the first seven months of 2017, which is an increase of some 6 % compared to the same period last year. The company's turnover in the first seven months of the year reached 421.6 million euros, while the net profit margin increased from 38 % on 31 July 2016 to 43 % on 31 July 2017.