

Earlier this year, Hidroelectrica's minority shareholder private investment fund Fondul Proprietatea, which holds 20% of the company's shares, has asked that the company distributes 100% of last year's net profit of some 220 million euros as dividends. The fund also wants the company to pay the shareholders approximately the same amount from its cash reserves. The proposal may also be supported by the Ministry of Energy, which holds the majority 80% stake, as the Government is looking for ways to increase budget revenues. President of the Supervisory Board of Romanian electricity producer Hidroelectrica Andreea 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.

Lambru explained that it is better to choose a listing method whereby the money goes to the state budget, namely the direct listing of a package of 15% of the shares owned by the state. According to the current listing method, which was approved by the Government in 2013 and implies a capital boost, the funds would remain in the company's accounts and finance its investments.

General Manager of Hidroelectrica, Ovidiu Agliceru said last week that the company has recorded a net profit in the amount of some 106 million euros in the first quarter of 2017, the largest in the company's history. Agliceru said that the result is far better than in the first three months of 2016 and the company's absolute record regarding the quarterly profits. He said that revenues in the first quarter of this year reached almost 264 million euros, while electricity sales rose by 20 % compared to the first quarter of 2016, reaching 3.5 TWh.