

The last barrier to Hidroelectrica's listing on the power Exchange has been removed and the completion of insolvency procedure will enable the Ministry of Energy to accelerate the process, said Greg Konieczny, CEO and Portfolio Manager of the Fondul Proprietatea.

The Bucharest Court of Appeal reached the long-awaited final decision in a dispute that began during the insolvency procedure of Hidroelectrica, thus removing the last barrier to its participation on a power exchange. Konieczny stated that the completion of insolvency procedure will enable the Ministry of Energy to accelerate the listing of the company, first by appointment of the Supervisory Board for a four years period on the next General Shareholders Meeting of Hidroelectrica, scheduled for April 19, 2017.

He added that the appointment of the Supervisory Board is necessary not only for the listing process, but also for the stability and long-term development of the company as a leader in the energy market in Romania.

According to independent estimates, Hidroelectrica has managed to double its value from EUR 2 billion to EUR 4 billion between 2012 and 2016 and to record more than EUR 280 million net profit in 2016 compared to losses of EUR 100 million recorded in 2012.

Last Thursday Euro Insol announced the adoption of a final judgment in the insolvency procedure of Hidroelectrica.

Therefore, after nearly five years, the most dramatic, the most complex and efficient restructuring process of one company in Romania has been finalized, said Euro Insol.

When entering insolvency, on June 20, 2012, Hidroelectrica had debts amounting to more than EUR 1.1 billion and EUR 170 million of losses.

Between 2013 and 2016 Hidroelectrica reported a cumulative profit of EUR 1 billion and an annual EBITDA of EUR 500 million.

During insolvency, the market value of the company was doubled from EUR 2 billion in 2012 to EUR 4 billion in 2016, it is said in the statement.

Hidroelectrica was in insolvency from June 2012 to June 2016. After the start of the reorganization process, it terminated harmful contracts with electricity traders, as they predicted supply at prices significantly below market prices.