

## Serbia: EPS' recorded doubled net profit in the first half of the year

**Categories :** [News Serbia Energy](#)

**Date :** October 16, 2020

Serbian state-owned power utility EPS produced a total of 16.9 TWh of electricity in the first half of 2020, which is 1 % above the planned amount for the period.

EPS also said that it has recorded a net profit in the amount of 67.2 million euros in the first half of 2020, which is more than double compared to the same period last year.

According to the company's financial statement, its total revenues dropped by 3.4 % year-on-year to 1.03 billion euros, while its expenditures also dropped by 5.6 % in the first six months of the year and reached 924 million euros.

The production of hydropower plants was 6 % below the plan, but to offset this, coal-fired thermal power plants produced 4 % more electricity than planned.

EPS recorded a net loss of some 33 million euros in 2019. The result does not look promising, given the fact the company recorded net profit, albeit miniscule, in 2018 – 4.6 million euros, and that the company operates the assets worth almost 10 billion euros.

At the group level, EPS recorded operational profit of 102 million euros in 2019 (50 % more than in 2018), while financial profit reached 41.5 million euros, which is 17 million less than a year before. However, the company's non-core operation recorded a loss of 168 million euros, which pushed final result to negative – 23 million euros pre-tax loss or 33 million after taxes. EPS consists of public enterprise JP EPS, which handles electricity generation, and EPS Distribucija, which is in charge of electricity distribution. In 2019, JP EPS recorded a profit of some 30 million euros, but EPS Distribucija recorded losses in the amount of 50 million euros. EPS Distribucija operated at a loss in 2018 as well, but it was much smaller, at around 20 million euros. Poor financial results in 2019 are primarily due to lower than planned electricity generation (coal-fired generation was 5 % below plan) and increased electricity purchases due to lower domestic generation (electricity procurement costs were 3 % above 2019 plan).