

Italian energy company ERG SpA, which operates 1,814 MW of wind parks in Europe plus other power plants, on Thursday reported a recurring net profit of EUR 142 million (USD 174.7m) for 2017, up 32% in annual terms.

The growth was registered on the back of improved operating results, a drop in net financial charges and an increase in revenues following the share capital sale of TotalErg, ERG's joint venture with French oil giant Total. The company also noted that it achieved "extremely positive results in excess of expectations" thanks to the positive trend in energy prices, contribution from its wind power segment and attention to costs and generation efficiency.

"FY2017 was another very satisfactory year from a results standpoint, said CEO Luca Bettonte. Meanwhile, through the divestment in TotalErg, the Italian company last year exited the oil industry and entered the photovoltaic sector after acquiring domestic photovoltaic company ForVEI and its installed solar power capacity of 89 MW.

ERG's recurring earnings before interest, tax, depreciation and amortisation in 2017 exceeded guidance and rose by 4% year-on-year to EUR 472 million, of which EUR 316 million came from wind and solar activities. Recurring earnings before interest and tax stood at EUR 220 million, up from EUR 202 million in 2016.

Revenues from ordinary operations climbed to EUR 1.06 billion from EUR 1.03 billion in 2016.

The Italian company's wind farms produced 3,613 GWh of electricity last year, rising from 3,501 GWh a year back. The output of its thermoelectric and hydroelectric power plants was 3,597 GWh, falling from 4,051 GWh in 2016.

In the fourth quarter alone, ERG booked a recurring net profit of EUR 28 million, marking a 16% year-on-year increase, as revenues improved to EUR 291 million from EUR 268 million. For this year, it forecast a slight increase in EBITDA to EUR 475 million due to the contribution of its solar business. Net debt is seen at EUR 1.26 billion, as compared to EUR 1.23 billion in 2017.

Source: renewablesnow