

Romanian power supplier and distributor Electrica plans to invest 900 million lei (\$241 million/ 194 million euro) in 2018, 24% more compared to last year.

Investment activity will mainly focus on the rehabilitation and upgrade of the distribution networks in order to improve the quality of service and energy efficiency and reduce network losses by 40%, Electrica said in a statement filed with the Bucharest Stock Exchange on Monday.

Also, Electrica will invest in increasing its operational efficiency.

In 2017, Electrica raised its investments by 31% to 727 million lei, allocating to bulk to its subsidiaries Transilvania Sud, Muntenia Nord, Transilvania Nord.

Electrica's consolidated net profit fell to 95 million lei in the first nine months of 2017 from 466 million lei in the year-ago period mainly due to higher prices at which it buys electricity.

Electrica's January-September operating revenue edged down 0.5% on the year to 4.17 billion lei.

To offset this negative impact the company's management team has started to implement programmes for cost-cutting and optimisation of processes and administrative structures. With approximately 10,000 employees, the company is providing services to over 1.6 million customers.

At the beginning of November, Electrica concluded the purchase of minority stakes in four of its subsidiaries held by local investment fund Fondul Proprietatea for a total of 752 million lei.

Blue chip Electrica, in which the state owns 48.8%, is simultaneously listed on the BVB and the London Stock Exchange. Its shares changed hands 1.48% lower at 12 lei by 1344 CET on the BVB on Tuesday.

Source: energia.gr