



HSE Group in SEE Region

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*Fourth Annual Conference on Energy:
PROSPECTS FOR ENERGY BUSINESS IN THE BALKAN REGION*



HSE Profile (1/2)

HSE is Slovenian major producing and trading company, 100% owned by the Republic of Slovenia, established in July 2001 with specified goals:

- ✓ **strengthen the position** of Slovenian power producers on the domestic and international market
- ✓ **investment** in new production facilities
- ✓ **improvement of competitiveness** of Slovenian power producers.
- ✓ **≈ 1878 MW (≈ 8.408 GWh) HSE Production Capacities in Slovenia**
 - in 2 coal and gas-fired PP companies with 1 Coalmine Company and
 - in 3 HPP companies

✓ **Sales in 2009: ≈ 13 TWh**

✓ **Revenue 2009: ≈ 900 mio €**

✓ **EBIT 2009: ≈ 162 mio €**

Production portfolio: 48% Hydro , 52% Thermal

A group with more than 4.000 employees and 16 companies



The HSE Group in Slovenia



- Controlling company
- Subsidiaries
- Hydro power plants
- Hydro power plants under construction
- Thermal power plants
- Coalmine



HSE Profile (2/2)

Mission:

- ✓ To maintain our leading position in the domestic market and play important role in the markets of SE Europe.
- ✓ To develop the Slovene energy sector and science, establishing them in an international contex.

Vision:

- ✓ To ensure optimum utilisation of Slovene energy sources and professional potential while establishing partnership abroad-especially in SE Europe.
- ✓ To ensure long-term competitive advantage of the Group in the global energy market and expand its business operations to create additional synergy for the Group.

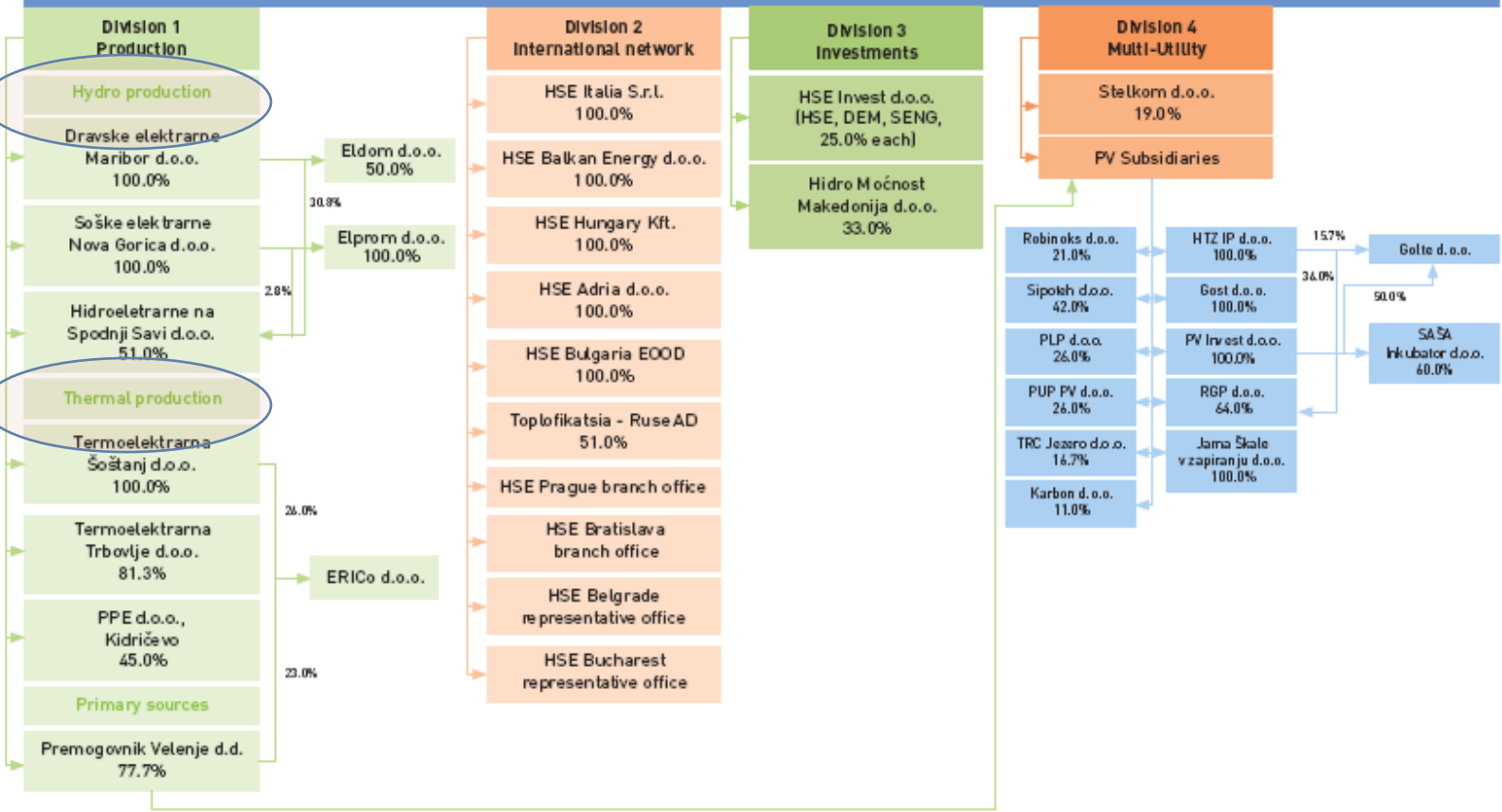
Basic strategic orientations of the HSE group:

- ✓ Ensuring the production of elektricity from RSE and lowering greenhouse emissions in the production of electricity from fossil fuels.
- ✓ To play an important role in meeting the requirements of a sustainable energy policy
- ✓ To reconsider our investments in the new produsion capacities in the light of changed electricity prices, to devote even more attention to obtain sufficient founds for the implementation of HSE group development projects.



The HSE group

HOLDING SLOVENSKE ELEKTRARNE d.o.o.





The HSE Group in the markets of Western, Eastern and SE Europe





INVEST POLICY OF HSE GROUP

Key goals are:

- ✓ increasing production capacity and reliability
- ✓ increasing the share of renewable energy sources
- ✓ lowering greenhouse gas emissions
- ✓ application of new technologies of fossil fuel use increasing energy efficiency
- ✓ sustainable, environmentally sound use of energy sources
- ✓ searching for and using foreign investments

HSE strategic orientation in SEE



- ✓ HSE is a market-oriented company with the objectives of continuous growth and internationalisation of business activities and with the goal to intense efforts into finding new business opportunities.
- ✓ One of the most important goals of HSE is to maintain its leading role on the domestic market and to gain one of the leading position on the SEE market.
- ✓ HSE is present on the SEE market from the beginning, from the year 2002. Enlargement of business activities has to be ensure with the:
 - **Enlargement of Trading activities.**
 - **New production capacities.**



HSE – the main investment criteria

1. Basic criteria:

- ✓ **country risk, economic and political situation**
- ✓ **place in HSE trading strategy**

2. Basic fusibility of the project

3. Environmental criteria:

- ✓ **emissions, air pollution, greenhouse gasses - in accordance with EU, Slovenian and Country politics, law and directives**

4. Concession demands

5. Urbanism – fusible?

6. Economic criteria

- ✓ **investment value, production price, IRR,...**

7. Could we manage the risks?

SEE – how to realise investment opportunity?



HSE is finding to realise the opportunities through:

- ✓ **Strategic partnerships** with national power companies (in Serbia, BiH...)- one or both site (exchange of production capacities)
- ✓ **Acquisitions**
- ✓ **Direct investments**





HSE – Opportunities in Serbia

- 1. TE – TO Novi Sad – strategic partnership with EPS?**
- 2. Could we find a common HPP project in partnership with EPS?**
- 3. IPP – acquisition, partnership with private investors (renewable energy – hydro, wind)**



**THANK YOU FOR YOUR
ATTENTION!**

