

Finnish Power Firm Fortum Beats Expectations in Russia

By [The Moscow Times](#)

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HELSINKI — Finnish utility Fortum on Wednesday reported better than expected first-quarter profit as a new plant in Russia helped offset the impact of low energy prices in the Nordic region.

Comparable operating profit of 343 million euros (\$376 million) was down from 358 million a year earlier but beat the average forecast of 319 million in a Reuters analyst poll.

The company's Russia division reported a profit of 97 million euros, up from 73 million a year earlier and well ahead of a market consensus of 70 million euros.

"The Russia segment's comparable result showed improvement due to the new capacity, although the weak ruble, especially at the beginning of the year, clearly had a negative impact on the segment's euro results," acting chief executive Timo Karttinen said.

State-controlled Fortum has a multi-billion euro investment plan in Russia, but its growth prospects have been hit by the economic slowdown in the country and weakened the ruble.

The company reiterated that it expects to reach its run-rate operating profit level of 18.2 billion rubles this year, although the result translated into euros will be volatile.

Fortum is restructuring and looking for acquisitions after agreeing in March to sell its Nordic power grid businesses for 9.3 billion euros (\$10.2 billion).

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