

Press Release
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SEB Bank will issue a loan of up to LTL 546 million to Lietuvos Energijos Gamyba

Today SEB Bank and Lietuvos Energijos Gamyba, a national electricity generation company, have signed an agreement on committing a ten-year maturity loan of up to LTL 546 million (EUR 158 million). It is one of the largest-scale corporate financing deals within independent Lithuania's history of corporate banking. This way, SEB Bank contributes towards optimisation of the country's strategic company's investments aimed at the implementation projects in Elektrėnai facility.

"Energy independence and energy production efficiency growth objectives are Lithuania's strategic priorities that require major investments. Implementation of such projects, particularly those that are related to the use of renewable energy sources, is a process in which SEB Bank has been participating for quite many years. Now that the situation in financial markets and in the national economy is improving, energy sector companies find more opportunities for optimising their financial liabilities. In this particular case, successful activities of Lietuvos Energijos Gamyba also have a certain degree of impact", says Aivaras Čičelis, Vice President and Head of Corporate Banking Division of SEB Bank.

The funds committed by the bank will be used for refinancing of three long-term loans that in 2005 and 2010 were issued to Lietuvos Energijos Gamyba by consortiums of banks operating in Lithuania as well as by the European Bank for Reconstruction and Development.

Director of the Finance and Legal Department of Lietuvos Energijos Gamyba Eglė Čiužaitė maintains that creditors' growing trust in the energy sector and in the company is of high importance aiming to achieve the set objectives and implement the projects planned. "Refinancing of our loans will undoubtedly allow to decrease the company's regulated operational costs and to make the administration of the obligations assumed more convenient," says E. Čiužaitė.

She also added, that it is estimated that refinancing of the loans will allow to cut interest costs for Lietuvos Energijos Gamyba by more than half.

Lietuvos Energijos Gamyba is a strategic-significance company engaged in electricity and heat energy generation, supply, electricity import and export as well as trade activities. A 96.13 per cent stake in the company is owned by Lietuvos Energija, a state-controlled parent company of a group of energy sector companies.

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