

Talks with German government over stabilisation of Fortum's subsidiary Uniper continue – no decisions made yet

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Fortum is continuing constructive talks with the German government on how to stabilise Uniper both in terms of its financial position and its business risks, and thus to safeguard security of energy supply in Germany. No decisions have been made yet.

“Faced with new geopolitical realities, we have to consider all options that will ensure security of supply and the stability of the European energy markets in the long run. I am very pleased that our main owner, the State of Finland is supporting us in reaching the solution,” says Fortum’s President and CEO **Markus Rauramo**.

“We are ready and very committed to continue working with relevant parties at the table towards a responsible solution that takes the needs of all stakeholders, including customers and employees into account. In this crisis, brought about by Russia alone, we all have to give something up to safeguard the future,” says Rauramo.

Fortum has stressed that a solution is required swiftly and that it needs to be sustainable also in the long-term. This means it needs to achieve three objectives: Ending the significant loss-making and cash bleeding of Uniper due to the continuing delivery curtailment of Russian gas; securing Uniper’s investment-grade credit rating, which is crucial in the energy business; and taking into account the new realities of unreliable gas flows from Russia.

In the event of prolonged gas curtailment and further gas price hikes, Uniper’s losses will not only continue to mount, but are likely to increase more dramatically. The size of the losses for Uniper is substantially dependent upon cost compensation mechanisms to be put in place by the German government. So the keys to resolve this situation are therefore in the hands of Berlin.

Fortum will update the markets on further developments as necessary.

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Fortum and Uniper form a European energy group committed to enabling a successful transition to carbon neutrality for everyone. Our 50 gigawatts of power generating capacity, substantial gas import and storage operations, and our global energy trading business enable us to provide Europe and other regions with a reliable supply of low-carbon energy. We are already Europe's third largest producer of CO₂-free electricity, and our growth businesses focus on clean power, low-carbon energy, and the infrastructure for tomorrow's hydrogen economy. In addition, we design solutions that help companies and cities reduce their environmental footprint. Our 20,000 professionals and operations in 40 countries give us the skills, resources, and reach to empower the energy evolution toward a cleaner world.
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