

Media release

12 April 2017

Axpo sells 50% share in Lizerne et Morge SA

The 50% share held by Axpo Trading AG in Lizerne et Morge SA (LMSA) has been sold as of 11 April 2017 to the City of Sion. This increases the latter's share in the Valais-based power plant company from 20% to 70%.

Axpo is again giving up an interest in a hydro power plant that is considered non-strategic as it looks to streamline its portfolio. Axpo had already sold its non-controlling interest in Rheinkraftwerk Albruck-Dogern (RADAG) to AWE Energie AG in December 2016, followed by the sale of its shares in Argessa AG to Energie Service Biel (ESB) around the middle of March 2017. The company has now divested itself of its share in Lizerne et Morge SA. All three cases involve interests in hydro power plants that are considered non-strategic for Axpo.

The sales of these interests in power plants must also be seen in terms of dependence on energy prices. With its large production base in Switzerland, Axpo is strongly exposed to the risks associated with the very low level of current wholesale prices for electricity. In order to reduce these, Axpo had, in recent months, identified a portfolio of its own hydro power plants and interests held in other hydro power plants that should be offered for sale.

Lizerne et Morge SA is a power plant company founded in 1957, based in Sion in the canton of Valais. Lizerne et Morge SA has been operating a storage plant since the early 1960s, which is fed by the Lizerne and Morge rivers. The Ardon operations centre, built at the end of the Lizerne gorge, has an installed output of 50 MW and generates an average of 160 GWh of energy per year.

The City of Sion is acquiring 50% of Lizerne et Morge SA from Axpo Trading AG and thereby significantly increasing its share in the power plant company. Alongside the City of Sion, FMV AG (20%) and the City of Sierre (10%) retain their shares in Lizerne et Morge SA. The sale of the 50% share in Lizerne et Morge SA was concluded on 11 April 2017. Axpo and the City of Sion have agreed not to disclose the purchase price.

Further information

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About Axpo

The Axpo Group produces, trades and distributes energy reliably for more than 3 million people and several thousand companies in Switzerland and in over 30 countries throughout Europe. Around 4500 employees combine the expertise from 100 years of climate-friendly power production with innovative strength for a sustainable energy future. Axpo is an international leader in energy trading and in the development of tailor-made energy solutions for its customers.

