

FINANCIAL SERVICES

• Austrian-German insurer **Wüstenrot** is selling its Slovak subsidiary, and Dutch **Aegon** is the favorite to buy it, say sources of the Trend weekly. Both insurers declined to comment on the issue. The acquisition would double Aegon's market share. In 2014, its life insurance premiums rose 10% to €42m, while that of Wüstenrot rose 2% to €38m. Wüstenrot also sells non-life policies, totaling €22m in 2014. Aegon offers non-life policies via its Hungarian subsidiary, and does not report the Slovak numbers.

Wüstenrot is not selling its building saving bank, although both the insurer and bank have the same BoD members and share their distribution network. The joint use of the distribution network would likely continue after the sale. ([etrend.sk](#))

• Italian **UniCredit** has decided not to sell its Austrian retail division but to restructure it instead, announced Carlo Vivaldi, CEE director of UniCredit. Media had reported that UniCredit planned to sell Bank Austria and move the Slovak and Czech subsidiary directly under Italian management. UniCredit still wants to stay in the CEE region. "This region is the key growth engine for our group. Profitability here is still twice as high as in Western Europe," he explained. ([HN/14](#))

• International investment group **InfraPartners Management** is setting up an office in Bratislava. It manages the money of institutional investors or pensions funds, and wants to invest \$500m in the CEE region, mainly into infrastructure projects. Its partner Marián Boček worked on Wall Street for 16 years. ([hnonline.sk](#))

AUTOMOTIVE

• Car maker **Jaguar Land Rover**, which is building a new, €1.5bn plant in Nitra, will bring €220m into state coffers by 2019. Once in full swing, starting in 2020, the investment will be producing €265m annually in tax revenues, predicts the Finance Ministry. The state will spend around €500m on the investment. Of that, €130m is a direct cash investment assistance, and the rest are costs for preparing the industrial park. ([hnonline.sk](#))

• Carmaker **Volkswagen Slovakia** has completed the structural work on a new body shop for the SUV model Porsche Cayenne and is installing welding technologies, inclusive of 500 robots, into the hall. VW started building the €500m body shop for Cayenne last April. It will be launched next year and 200 people will work there in a single shift.

In addition to the body shop, VW also laid the foundation stone for a new €300m assembly hall at the end of last year. This will serve mainly for the new generation of the Porsche Cayenne model that should come to the market in two years. It will be made completely in Bratislava, while at present its final assembly is done in Germany. ([etrend.sk](#))

• French **Faurecia**, one of the world's largest automotive suppliers, began building a new plant in Lozorno in January. Once production is launched in August 2016, 1,000 new jobs will be created to make car seats for the nearby Volkswagen Bratislava plant. This is Faurecia's sixth production plant in Slovakia.

The P3 park in Lozorno already houses the production and logistics facilities of Schnellecke, HBPO and Panasonic. ([sme.sk](#))

• **Dongil Rubber Belt**, a rubber seals maker for Kia and Hyundai, has started building a second production hall in the industrial park in Považská Bystrica. The €27m investment will create 300 new jobs once production commences in October. The entire output will be exported to Russia's Hyundai plant. The company is requesting a €3.8m investment stimulus, which the government will soon consider. The company employs 500 core and 200 agency workers. ([teraz.sk](#))

• **Nissens Slovakia**, a maker of cooling devices for the automotive industry, plans to create 100 new jobs in Svit. These will be specialists in welding aluminum and in controlled environments. The company will invest €1m into the new plant. Since 2004, it has been producing in Čachtice. The plant increased its [revenues](#) 7% to €50.6m in the fiscal year ending on April 30, 2015, and its net profit rose 12% to €2.1m. ([etrend.sk](#))

• South Korean **Korea Fuel – Tech** plans expansion of its plant for the production of car interior plastic parts in Rajec. It launched the plant a year ago. Now it purchased adjacent plant of Galvatech, which went bust five years ago. The firm will not only make the plastic parts, but will also treat their surfaces and paint them. It will invest €3m into new technologies and will create 25 new jobs. ([etrend.sk](#))

IT

• Developer of navigation apps **Sydic** will set up a new subsidiary in the Czech town of Brno and will employ dozens of people there. Sydic was set up in 2004 and 125m customers now use its navigation application.

Sydic recently bought a majority stake in Czech company Tripomatic, which operates a traveler portal. In 2014 Sydic also acquired Czech navigation app Be-on-road. ([etrend.sk](#))

• Czech IT firm **Unicorn Systems** has set up a software development center in Prešov. Currently it employs 20 developers, but their number is to increase gradually to 80 – 120. They will develop solutions for various production and service firms; for instance, for managing undersea power cables or issuing emission quotas.

In 2015, Unicorn Systems increased sales 12.3% to €73.5m. It employs 1,100. Slovakia accounted for 12% of the sales in 2015, and the firm aspires to double that in coming years. ([pravda.sk](#))

• Slovak Andrej Pančík (27) sold his U.S. start-up **Represent** to the CustomInk company for \$100m. Among his early investors were a Czech fund, Credo Ventures (Andrej Kiska Jr. works there), which invested \$6m. Represent helps celebrities, such as Britney Spears, make and sell clothing, with proceeds going to charity. Pančík set up his company with friends from Oxford. ([ihned.cz](#))

Pančík's first start-up was **Prizeo**, with a similar idea: it linked charity with celebrities and the sale of lottery tickets. He sold Prizeo to Chideo in 2014. ([etrend.sk](#))

• Slovak Jozef Végh sold his first Slovak-Austrian start-up, **AVJO**, to Wall Street investors for tens of millions of dollars back in 2008. The company offered e-mail activation solutions.

He is now working on his other company, **Tech Arrow**, which also develops solutions for managing e-mails. It has 20 employees and clients, mainly in Germany and Austria. (Forbes/74)

ENERGY

• Czech firm **EPH** plans to conclude its entry to **Slovenské elektrárne** in the second quarter, once the deal is okayed by the anti-trust authority PMÚ. It signed a contract to acquire a 66% stake from Enel at the end of last year. The price will be between €150 – 750m, depending on SE's performance and the completion of the Mochovce nuclear power plant. ([venergetike.sk](#))

The final price Czech EPH will pay for the 66% stake in **Slovenské elektrárne** (SE) might be substantially lower than the agreed maximum of €750m. Enel, which is selling the stake, is only guaranteed the €150m it received at the end of last year. The final price will depend on SE's financial condition, mainly on the profitability, or lack thereof, of the two new blocs of the Mochovce nuclear power plant. At the

current low power prices, the two blocs (to be completed at the end of this year and 2017) will produce losses. Power prices have dropped from €90 per MWh at their peak in 2008 to the current €30 and reduced SE's sales from €2.8bn in 2013 to €2.3bn in 2014. Under Enel's management, SE managed to post net profits of €2.4bn in 2006 – 14, but future profits are far from assured. ([Pravda36/1](#))

- **J&T group wants to leave the Czech EPH**, said the holding's co-owner, Daniel Křetínský. EPH holds stakes in many energy companies, including gas utility SPP and energy distributor SSE in Slovakia, and will soon acquire a stake in power generator SE. J&T owns a 26% stake in EPH, and Křetínský and J&T's Patrik Tkáč own 37% each. Křetínský said that J&T's exit is linked to the planned sale of a 30% stake in a newly created EPH subsidiary, EP Infrastructure, where the holding will put its Central European distribution companies. Two possibilities are being considered: offering J&T's shares via the stock exchange or the purchase of this stake by global infrastructural and pension funds with a good reputation. In this case, however, EPH is not considering a deal with Chinese CEFC, which is very active in the Czech Republic and co-owns J&T's financial part. ([etrend.sk](#))

- U.S.-based **Theta Energy Group** (TEG) plans to create 800 new jobs in Eastern Slovakia, mainly in the vicinity of the Vojany coal power plant, announced Economy Minister Vazil Hudák. Together with partners, it intends to invest \$700 – 800m. Hudák signed a Letter of Intent with the company yesterday. TEG wants to produce electricity and heat from renewable sources, mainly biomass. It is not requesting an investment incentive as yet. ([sme.sk](#))

- The bank SLSP provided 12-year €30m loan to a company belonging to Jozef Brhel for a 23 MW **wind power plant in Finland**. The power plant will be connected to the grid in October 2016 and is being built by Posion Energia OY of Pow-en group. Its total costs are planned at €43.4m. ([teraz.sk](#))

- Local firm **Simply clean plans** to build a €18m power plant burning waste near Šaľa. Its installed output should be 2 MW. Upon completion in 2018, the investment should create 34 new jobs. ([openiazoch.sk](#))

TELECOM

- Slovak Telekom launched a **new virtual operator Juro** on Friday. The new pre-paid card will compete with ST's existing Easy card, as well as with Orange's FunFón and O2's Tesco Mobile. Juro offers half prices on calls and messages compared to the new operator 4ka, but the client must spend at least €5 a month. ([etrend.sk](#))

- Telecom operator **O2 Slovakia** has requested a license to broadcast digital TV signal. O2 wants to broadcast the signal via IP TV, the internet and mobile platforms. It does not have its own cable network in Slovakia.

The other two large operators have been offering IP TV platform as well as mobile TV for some time—Orange under the Fiber TV brand and Slovak Telekom as Magio TV. ([etrend.sk](#))

DOCUMENTS

- Prime Minister Robert Fico promised a €20m tax break for the €89m investment of RKN, which was set up in Dubai in 2015. Four companies from **Ukraine are behind the project**, and their owners have been recently investigated for corruption in Switzerland and the USA, says Veronika Remišová (OLaNO). RKN's technological partners are four firms from Ukraine, which supply passports and other documents to authorities there. They teamed up with the former Interpol secretary general, whose [past](#) is [colorful](#). The motivation of a company with production capacities in Ukraine to build a plant in Slovakia is questionable. ([veronikaremisova.blog.sme.sk](#))

The Economy Ministry emphasizes that any stimulus will be paid out only after the new plant starts production. ([SME/1](#))

- Dubai-based **RKN Global**, which should employ 1,200 people and plans to build an €89m plant for the production of IDs, chip cards, and security systems in Banská Bystrica, is unknown to people active in the business and is also absent from the [list of certified companies](#) of Intergraf, the European federation for printing and digital communication. Questions also arise as RKN lists Ukrainian companies linked to corrupt practices as its technology partners.

RKN will gain €18m in state incentives plus €14,500 for each newly created job. The government should approve the incentives three days ahead of the general election, on March 2. ([etrend.sk](#))

"I will not let anybody thwart the investment by spreading **conspiracy theories**," said Banská Bystrica mayor Ján Nosko. He says all the currently published information was available to him before the government signed the memorandum with the company last Saturday. He reiterated that the government will provide the investment incentive only after the plant starts production. ([sme.sk](#))

- The Nitra-based plant of **Mühlbauer** is preparing a €30m investment that will create 100 new jobs. In the medium term, it wants to invest €100m and increase its payroll to 1,000. At present, it employs 290 workers in production and 50 engineers in development of technologies for the creation and processing of payment cards, IDs, drivers' licenses, passports, and mobile phone components. The plant cooperates with four vocational schools and two universities. Around 70 high school and 30 university students work in the company. ([etrend.sk](#))

MACHINERY

- Brazilian **Embraco** (part of US concern Whirlpool), which produces cooling compressors in Spiš will open a new shared service center in Košice and will also create around 120 jobs in the BC Moldavská office building. The project should bring a €5m investment within two years. ([etrend.sk](#))

The Embraco plant in Spišská Nová Ves increased its output 6% to 5.1m compressors and condensing units last year. It exports its entire output, mainly to Northern America, Turkey, and Western Europe. The plant has its own research center that manages the development of three of its four key products. This year, the output should stay at last year's level. The plant employs 2,340. ([openiazoch.sk](#))

- The Trenčianske Stankovce-based plant of German boiler maker **Vaillant plans** to double its production area to 30,000 sqm and increase payroll by 160 to 800 people. It is reacting to growing demand, courtesy of new EU regulations which only allow the sale of condensing boilers. The plant makes components for such boilers, and exports them to other Vaillant plants. Vaillant will put older technologies from its two German plants into the new premises. It would not disclose the volume of investments. Production in the new premises will start in February 2017.

The Trenčianske Stankovce plant made a net profit of €12.5m on €283m sales in 2014. It invested €4m last year. ([etrend.sk](#))

- Czech armaments maker Czechoslovak Group (formerly Excalibur Army) acquired a 50% stake in Slovak ammunition maker **ZVS Holding** last year. The remaining 50% is owned by the state. ZVS is currently investing €1.3m into modernizing its plant in Snina. By next summer, it plans to increase output 6-fold and create 100 new jobs. ([mosr.sk](#))

CHEMICALS

- Chemicals producer **Duslo Šaľa** (part of the Czech Agrofert group) has launched construction of the new €310m ammonia unit. The unit, which received a €58m tax break from the Slovak government, will start production in 2018. This is the biggest investment of the whole Agrofert concern. Duslo employs 2,100. According to preliminary re-

sults, it made a €50m profit on €460m in sales in 2015. ([pravda.sk](#))

PAPER

- Paper maker **Mondi SCP** announced it would invest €310m in its plant in Ružomberok. It would not specify a timeline or the number of new jobs. It will demand an investment incentive of around €40m.

Back in 2012, the plant received a €25m stimulus in return for keeping employment. It is owned by the international paper group Mondi (51%) and Slovak businessmen Milan Fiľo (49%). ([dennikn.sk](#))

METALS

- Ferro-alloy maker **OFZ Istebné** is building a €6m new furnace for the production of pure silicon, used in photovoltaic panels. Such pure silicon is not made in Slovakia or neighboring countries. By moving into high value added products, OFZ is responding to competition from Ukrainian ferro-alloy makers, which have started pushing into OFZ's traditional markets in Poland, CR, Hungary, and Austria after losing access to Russian markets. The new furnace will be up and running in June.

OFZ wants to use waste heat from its furnaces in tomato greenhouses and fish farms. Next year, it wants to channel €4m into the projects. ([etrend.sk](#))

- Steel pipe maker **Železiarne Podbrezová**, owned by Vladimír Soták, cut its investment plan for this year to just €5.9m due to the turbulent European steel market. In 2014, they invested €7.2m, and put in €25.3m back in 2013. ([podbrezovan.sk](#))

PLASTICS

- There is a great likelihood that **Apple TV will be produced in Slovakia**, according to Ondrej Macko, EIC of touchIT.sk. The American media are speculating that Apple could introduce its new TV in 2017. Foxconn of Taiwan is the largest maker of Apple products, and it has a production plant in Nitra. Expansion of the Nitra plant was given as a reason for a planned €17.6m [investment](#) of Jasplastik, a supplier of plastic components for the electronics industry. It is asking for €3.9m in investment assistance from the state. Jasplastik is owned by local businessmen Milan Macháček and Arpád Szakács, as well as the Hungarian company Jaszplastik.

Foxconn would not comment on the information. ([HN/1](#))

- The Economy Ministry proposed providing €3.9m in investment assistance to the €17.6m investment of **Jasplastik**. The expansion of its plant in Nitra should create 140 new jobs by 2017. At present, the company employs 500 people in the production of plastic components, mainly for the Nitra plant of Foxconn. ([justice.gov.sk](#))

MAGNETS

- The **Vacuumschmelze** company [plans](#) to invest €6m into expansion of its plant in Horná Streda near Piešťany. The new 5,500 sqm hall that will help create 60 new jobs will begin construction in May, with completion planned for the end of this year. The investment will help increase the production of parts by 75%, of inductive elements by 3% and magnet cores by 10%. These products are used in various industrial segments. ([sme.sk](#))

FILTERS

- Belgian company **Deltrian** opened a new production hall in Kežmarok yesterday. The government supported the €4.2m investment that created 50 new jobs with a €1.3m investment stimulus. The company is making air filters for food, pharmaceutical, and automotive companies. ([webnoviny.sk](#))

BIOTECHNOLOGIES

- German firm **Evonik Fermas** plans to start production of rhamnolipids in its plant in Slovenská Ľupča. These are used to clean up contaminated land and in biomedicine. The €12.5m investment will create 25 new jobs.

Evonik tries out new products in Slovenská Ľupča that it can later produce in its other plants all over the world. Evonik Fermas uses mainly sugar and vegetable oils in its production. It is the largest industrial user of sugar in Slovakia. In 2013 – 14, it made €2m annual [profits](#) on €45m in sales. ([etrend.sk](#))

DRUGS

- Pharmaceutical company **Imuna Pharm** in Šarišské Michaľany has launched a new line for the production of infusion solutions. EU funds provided €4m towards the €12m investment that created 23 new jobs. Imuna now employs 180 and is owned by Juraj Kamarás and Ladislav Krajňák. ([pravda.sk](#))

CONSTRUCTION MATERIALS

- Italian company **Maccaferri** launched trial operations of its largest production plant in Europe, in Senica. It moved production of stone industrial containers there from Brezová pod Bradlom, investing €6m into the move. Around 102 of the planned 160 workers already work in Senica. Full production is expected in summer. ([openiazoch.sk](#))

LEATHER

- Liptovský Mikuláš-based leather processing firm **SlovTan Contract Tannery** (owned by German industrialist Hans Schafstall) mainly supplies premium car makers Mercedes Benz, BMW and Audi, which account for 60% of its output. The rest it sells to makers of private planes, bags, shoes, and furniture. It doubled its sales between 2009 – 14 to €23m, making a €4m net profit in 2014. This year, its full capacity is sold out. It is investing €6m into a new leather processing facility that will increase its daily output from 27 to 40 tons and payroll by 50 to 400. The investment should be completed this year. ([etrend.sk](#))

TRANSPORT

- **Arriva** (a subsidiary of Deutsche Bahn) is launching a new rail service Prague – Trenčín. It will be the fourth rail carrier in Slovakia, after the state-run ŽS Slovensko, RegioJet (Bratislava – Komárno and Bratislava – Košice) and Leo Expres (Praha – Košice). ([sme.sk](#))

MINING

- Two companies are fighting for the alginite mine near Lučenec. In 2003, **Geocomplex** won the mining license, but lost it in 2007 due to inactivity. Another company, **Slovenská ťažobná spoločnosť**, got the license. The Supreme Court ruled last year that stripping the license from Geocomplex was unlawful. Both companies are now discussing their options, while Slovenská ťažobná spoločnosť is also considering turning to the Constitutional Court. Annual revenues from the mining are estimated at €7m, while costs are only in the hundreds of thousands euros. Alginite could be used to improve farming yields.

Last year, clients of J&T Banka became a new Geocomplex owner. The new owner has been identified as Mário Hoffman by sources of the Trend weekly. ([etrend.sk](#))

FOOD & DRINKS

- The Economy Ministry proposed providing a €1.4m stimulus for the €4.3m investment of cheese maker **Syráreň Bel Slovensko** (owned by Fromageries Bel of France). Expansion of cheese production in Michalovce will create 50 new jobs by 2018. The plant employs 440 now. ([justice.gov.sk](#))

- Drinks distributor **VK Suma** of businessman Karol Szuma plans to invest €1.9m to build a new plant to produce čučo, or cheap fruit wines. At present, the čučo is made in Hungary under the brands Milenka (currant wine) and Jolanka (apple wine). He will apply for EU funds to finance half of the investment. The annual capacity will be 12,000 cubic meters of čučo. The fruit wines currently account for around half of the €6m in annual sales, and are sold mainly in its home region around Veľký Krtíš. Besides fruit wines, it also distributes branded spirits, beer, and wines. ([etrend.sk](#))

- Bio-food company **Alfa Bio** will invest €1.3m into a new production line made by Slovak company Lambda Control. The investment will be covered by EU funds. ([sme.sk](#))

FARMING

- The **RD Bzovík** farm in the Krupina district [plans](#) to invest €2.8m into a new facility for breeding 600 milk cows. The project, which will double its current number of milk cows, should be completed this year. The waste will be used by a nearby biogas station. The investment will create 20 new jobs. ([openiazoch.sk](#))

TEXTILE

- German company **Quelltex** plans to create around 100 new jobs in Humenné. It already employs 15 women there, who sew tablecloths. It needs production premises, and the city is willing to co-finance their construction. ([aktuality.sk](#))

TOURISM

- **Tatry Mountain Resorts** plans to invest €11.5m this year. The investment will mainly finance the new ski lift Krupová – Kosodrevina in its resort Jasná.

Other companies plan to invest €71m into two new hotels in Jasná. ([HN/1](#))

- Current transport minister Ján Počiatek launched the construction of a sports and tourism [resort in Liptovská Mara](#) back in 2005. Then, in 2008, when he was finance minister, he sold the project. The new official owner, Castoria, succeeded in getting EU funds for the project. The resort has not been opened, despite the first deadline being 2009. In 2013, the project received €0.8m in EU funds for its €2.4m multi-purpose building. Late last year, it received €0.2m in EU funds for “improving whole-year operations,” mainly a heated tent. ([etrend.sk](#))

RETAIL

- As the main creditor and financing partner, the J&T group is changing the ownership structure of **Terno, Moja Samoška and Hypernova** retail chains. The likely reason is poor performance. Previous owners Diligentia (Michal Holík) are being replaced by investment fund **Sandberg Capital**, backed by former J&T partner Martin Fedor. The new owner will pay €37m for the chains’ stores and is bringing in €33m in fresh capital to repay old debts and spur further development. New stores will be added this year, and the new owner prefers organic growth to acquisitions. Before the new owner takes over the Hypernova stores, they will be downsized and focused just on groceries. The new company will thus comprise 26 Terno stores, 78 Moja Samoška stores and nine Hypernovas.

The Terno, Moja Samoška and Hypernova chains ended up in the red last year, with sales of €180m. They have some unpaid invoices, but these should be settled within two months according to Fedor. ([HN/11](#))

- Retail chain **Kaufland** plans to open three new stores in Slovakia this year. It is also considering acquiring several of the stores currently being closed by Hypernova (Terno Group), said Kaufland’s director Paul Pauls. Kaufland currently has 58 stores in Slovakia. ([dennikn.sk](#))

- Retail chain **Lidl** plans to open a new store in Nová Dubnica near Trenčín by the end of this year. It will invest €2.5m. Lidl came to Slovakia in 2004. It has 124 stores and two logistics centers, in Nemšová and Prešov. It will open another center in Sereď this spring. So far, it has invested €460m here, and plans to invest an additional €200m in the coming five years. ([etrend.sk](#))

- The German DIY chain **Obi** opened 13 of the 14 stores it acquired from bauMax of Austria last year. It will open the remaining store, on Bratislava’s Rožňavská Street, later. ([sme.sk](#))

- Czech developer **InterCora** is building a shopping gallery in Topoľčany, to open in October. Six stores with 3,000 sqm will be created in the first stage: Deichmann, Dráčik, Okay Elektro, Pepco, Takko, and Tedi. A single standing store with 450 sqm should be built in the second stage in the spring of 2017. ([etrend.sk](#))

- Four former managers of the largest retail chain in Slovakia, Tesco, have launched a new store, **Yeme**, in Bratislava. It will closely cooperate with Slovak dairy producers, livestock cooperatives, farmers, flour mills, and local breweries and winemakers. The store’s CEO is Peter Varmuža, the former CEO of Tesco in Slovakia. ([etrend.sk](#))

HOTELS

- A group of investors around Pavol Jakubec (a shareholder of local confectionery maker I.D.C. Holding) is planning to build the 5* **Damian Jasná Hotel Resort & Residences** in Jasná, in the Low Tatras. The €35m complex will include a 200-bed hotel, 138 apartments, wellness facilities, a small brewery and an ice rink. The complex will be completed in December 2018.

Investors claim Jasná needs a further 5,000 beds, as its current capacity is just 3,000. The Czech resort Špindlerův Mlýn has a capacity of 17,000 beds. ([HN/12](#))

HOUSING

- Developer **Cresco Group** completed another 220 apartments in its large Slnecnice project on the outskirts of Bratislava’s Petržalka district. Only ten apartments remain unsold in this second stage. Last year, the developer launched the third stage of sales, with 309 apartments, and has managed to sell around half of them. The third stage should be completed at the beginning of 2017. ([etrend.sk](#))

- Developer **Corwin Capital** obtained a zoning decision for its planned building opposite to Incheba in Bratislava’s Petržalka. The €25m project will bring 115 apartments, offices, and shops. ([etrend.sk](#))

- **Stavoimpex Holíč** has begun the final stage of the construction of its residential project in the Muškát neighborhood in Pezinok. This stage will see 133 apartments built, after 400 apartments were constructed in previous stages. The €5.3m construction should take two years. ([etrend.sk](#))