

NEW INVESTMENTS



### OKK Koksovny to launch new coking battery

(CIA, Jun 1) The firm OKK Koksovny has started drying out a new coking battery. The trial operation of the coking battery should be launched in November 2010. The investment into the battery totals CZK 1.6 bln.

According to the director of OKK Koksovny, Michal Kuca, the new battery has the same capacity as the discarded battery, but the staffing and air pollutant sucking method are new and comply with the strictest environment protection requirements. The main product from the new battery will be foundry and blast furnace coke. ■

### Month for applications for subsidies from Eco-Energy

(CIA, Jun 1) The possibility to submit applications for subsidies from the European programme Eco-Energy, part of the Operational Programme Business and Innovations, will be temporarily closed on June 30, 2010. The programme subsidises energy savings. Agency CzechInvest has informed about details of applications to the third call of the programme, which offers CZK 3 bln. Interest in the subsidisation has been showed also by Plzensky Prazdroj, Panasonic, Denso, Robert Bosh, or Behr. ■

DEVELOPMENT PROJECTS



### Up to 8 shopping parks will open in CR this year

(CIA, Jun 1) Up to eight new shopping parks might be expected to open in the Czech Republic this year. The parks scheduled to open this fall include Retail Park Prostejov, Retail Park Sokolov and Stop. Shop Znojmo. The construction was significantly slower than originally planned. Developers announced plans to opening at least twice as many parks last year.

According to Jiri Kristek, the head of the shopping park rental section with the firm Cushman & Wakefield, developers with sufficient financial resources are launching construction if they have pre-leased at least 70% of the capacity. Some tenants have been leaving the rented premises in the last six months. Attractive premises in existing and renowned shopping markets are thus becoming available on the market. ■

### HQ-Plus readies new projects

(CIA, Jun 1) Developer HQ-Plus is currently preparing several projects. The firm plans to build the U Zameckeho Parku residential complex with 20 apartments in Prague 9-Celakovice. HQ-Plus also participates on the Moravska Zahrada residential project in Omice near Brno, where a satellite ward is planned on ca. 40ha of land. The firm also expects to participate on several projects combining housing with spa services. This stems from the company's website. ■

### Prazska Sprava Nemovitosti will build 117 flats in Prague

(CIA, Jun 1) The Prague Magistrate has authorised the firm Prazska Sprava Nemovitosti to build a housing complex in Prague 3-Zizkov. The implementation of the project should be launched in November 2011 and completion is foreseen for May 2013. A total of 117 new apartments are foreseen. The total built-up size amounts to 3,152m<sup>2</sup>. The residential group consists of four houses with apartments sized 29-98.5m<sup>2</sup>. 130 parking places will be created within the plan: The regional bureaucrats will no longer carry out the environmental impact assessment (EIA) for the project. ■

### Karvina to reconstruct and modernise sports complex

(CIA, Jun 1) The Moravia-Silesia Regional Authority has approved the reconstruction and modernisation of the sports complex by the Municipal Stadium in Karvina-Raj. The plan involves primarily the boosting of the seated viewer capacity from 6,000 to 8,000 according to the Football Association of the Czech Republic for 1. Gambrius Liga.

The plan includes also the creation of a parking lot with the capacity of 250 passenger vehicles and eight buses. This stems from the EIA Information System. ■

### DPP to launch reconstruction of Prague tramway network

EXCHANGE RATES\*

Currency	Value	%
CZK/EUR	25.690	9.32
CZK/USD	20.920	11.57
CZK/GBP	30.720	4.45
USD/EUR	1.228	-12.91

BOURSE

Share	Value	%
AAA	18.10	-31.48
CETV	533.20	2858.93
EZ	880.00	2985.55
ECM	220.00	14784.98
ERSTE	739.00	62.26
KITD	233.00	416.11
KB	3550.00	371.79
NWR	228.80	1505.16
ORCO	154.00	-83.89
Pegas	435.00	-8.84
PM	8363.00	64946.28
TEL. O2	409.90	3700.65
UNI	191.50	95.84
VIG	863.00	1066.22
PX	1154.20	1196.85

\*) Exchange market rates from previous trading day as of 5 p.m.

RECOMMENDATION

Translations to English

We newly offer translations from/to the English language. We offer exclusive prices beginning at CZK 270/1 standard page for our clients. Test the network of our translators. More detailed information at: [objednavky@cianews.cz](mailto:objednavky@cianews.cz). ■

New Profile Hospitals

It offers systematic CIANEWS coverage of what is happening at hospitals and healthcare facilities in individual regions. It focuses on results, tenders, investments, and personnel changes, and summarizes healthcare policy, including health insurers. Samples at: [objednavky@cianews.cz](mailto:objednavky@cianews.cz). ■

Access to ČIANEWS from your mobile phone

Would you like to access the



TRY OUT A WIDE RANGE  
OF CIANEWS'S PRODUCTS  
<http://www.cianews.eu/products/>

(CIA, Jun 1) The Prague Public Transit Company (DPP) will reconstruct the tramway routes from June 1 until September 30 and modernise the information system on tram stops. The reconstruction will take place in three phases in the Motol - Andel - Sidlist Repy section. Eurovia CS and Skanska will participate on the project. The reconstruction costs total CZK 650 mln. EU funds will participate on the financing of the project. ■

## BIDS AND TENDERS



### Territory near Darkov mine to be rehabilitated

(CIA, Jun 1) The association Sdruzeni Stonavka 2010 has won a public tender opened by the Finance Ministry of the Czech Republic for the rehabilitation of the territory in extraction areas Darkov and Karvina - Doly II. The tender applied to the rehabilitation of a territory on the total area of nearly 64 hectares. The original estimated price of the contract reached nearly CZK 400 mln, while the final value totalled CZK 147.2 mln.

Sdruzeni Stonavka 2010 consists of OKD, Rekultivace, and Energie - Stavebni a Banska, according to an announcement in the Public Order Information System (ISVZ).

### MF prolongs deadline for applications to eco-tender

(CIA, Jun 1) The Finance Ministry of the Czech Republic has prolonged a deadline for applications to the public tender for the removal of old environmental burdens to December 7. The prolongation is related to the fact that no decision was made about the further participation of the venture PPF in the contractual proceedings due to the fulfilment of qualification requirements.

The deadline has been prolonged so the venture has chance to re-join the contractual proceedings and conduct its own calculation and submit a relevant bid in case it is called to submit a bid.

### Antonie Hotels opens tender for dormitory reconstruction

(CIA, Jun 1) Antonie Hotels has opened a public tender for the reconstruction of the lodging house "Recky Domov" in Frydlant v Cechach into a four-star hotel. The estimated tender value reaches CZK 158.4 mln. The tender will be assessed based on the most advantageous economic offer. According to the Public Order Information System, it is possible to send applications to the tender until July 13. ■

### KKN opens tender for reconstruction of Cheb Hospital

(CIA, Jun 1) Karlovy Vary Regional Hospital (KKN) has opened a public tender for the reconstruction of the pavilion B in Cheb Hospital. According to the Public Order Information System (ISVZ), the estimated price of the contract has been set to CZK 130 mln. Parties interested in the tender can submit their applications until July 19. ■

### SPS urges for using general commercial terms

(CIA, Jun 1) Vaclav Matyas, the president of the Union of Entrepreneurs in the Construction Industry (SPS), said at the 103rd Zofin Forum that the union urged for a use of general commercial terms and conditions. Their goal is to unify contractual conditions for different types of tenders, make easier contractual talks among participants and make the content of contracts simpler. ■

### Act on Public Tender Opening will be changed

(CIA, Jun 1) According to Petr Kuzel, the president of the Chamber of Commerce of the Czech Republic, new provisions adjusting the Act on Public Tender Opening are being prepared. Mr. Kuzel said at the 103rd Zofin Forum that the amendment could be more transparent. ■

## STRATEGIES AND EXPANSIONS



### Share of organic part in fuel grows on Tuesday

(CIA, Jun 1) The share of organic part in fuel increased as of Tuesday, June 1. It rose from 3.5 to 4.1% in case of petrol and from 4.5 to 6% in case of diesel fuel. The measure is to reduce the volume of greenhouse gases emitted to the atmosphere, support the agriculture production and reduce the dependency on imports of fuel in the Czech Republic.

According to Petr Cermak, an analyst with Colosseum, the growth in the organic part share in fuel should not cause significant growths in prices. Prices of fuel will grow by CZK 0.20/litre at most.

### Coffeeshop Company to open up to three cafes in CR

(CIA, Jun 1) Coffeeshop Company plans to open up to three cafes in the Czech Republic this year as franchises. According to the head of the brand development in the Czech Republic, Marek Hofmann, the firm is interested primarily in large regional cities and Prague. Coffeeshop Company wants to become the no. 3 or no. 4 on the Czech market within two to three years.

Coffeeshop Company currently runs seven cafes in the Czech Republic – two in Liberec and Prague each, one in Plzen, Ostrava and Jihlava. ■

### Skoda JS wants to participate on completion of JETE

(CIA, Jun 2) Skoda JS general manager Miroslav Fiala said in an interview for the daily Hospodarske noviny that Skoda wants to participate on the completion of the Temelin nuclear power plant to the maximum possible degree even in case its partnership does not win the tender for supplier of the construction. Economic results of the company currently depend approximately 45 % on orders from CEZ. ■

ČIANEWS news coverage from your smartphone? Test a free beta version of the application ČIANEWS Mobile available at <http://m.cianews.cz>. We recommend it for smartphones branded BlackBerry, HTC, Samsung, or Nokia. We will be glad to answer your questions at e-mail: [objednavky@cianews.cz](mailto:objednavky@cianews.cz) ■

## FOR YOUR NOTES



## MERGERS AND ACQUISITIONS



FOR YOUR NOTES

**J&T acquires Atlantik financial group**

(CIA, Jun 1) J&T Finance is buying the Atlantik group, i.e. 100% of the shares Atlantik Finanční Trhy, from the firm KKCG Finance. Based on the agreement of the contractual parties, the purchase price will not be disclosed. The completion of the transaction is subject to approval by the Czech National Bank and the Antimonopoly Office. According to J&T, the transaction should be finalised in June 2010. ■

**ABB acquires semiconductor production from Polovodice**

(CIA, Jun 1) The firm ABB, active in the power industry and automation, has acquired the semiconductor production from the firm Polovodice, a member of the CKD group. Roughly 200 employees will thus transfer into ABB. The contractual parties have decided not to disclose the value of the transaction. Jürgen Winterer was appointed the head of the semiconductor production unit. According to Winterer, the integration of the Polovodice plant into ABB will require integration with the existing ABB semiconductor plant in Switzerland and administrative integration into Czech ABB structure. Within the integration process, the joint venture's product portfolio will be optimised, an optimal point of production will be selected for each product and further technological development will be coordinated. This initial phase should be completed by late 2010. ■

**Group Kasa.cz, Obchodni-dum.cz takes over Vltava.cz**

(CIA, Jun 1) Group of Czech on-line shops Kasa.cz and Obchodni-dum.cz will be extended by sales portal Vltava.cz. It takes over the portal from capital investor Milestone Partners. The web site of Vltava.cz will still offer the traditional assortment, such as books, DVDs, CDs as well as products from the field of electronics and home appliances. ■

**Areva fully controls Multibrid**

(CIA, Jun 1) Areva has acquired the remaining stake of 49% in German wind turbine producer Multibrid, which will be changed to Areva Wind. The company has thus become the fully subordinate branch of the group Areva, which acquired a stake of 51% already in 2007. The new platform will include also the division producing rotor blades, formerly known as PN Rotor.

Anil Srivastava, the CEO of Areva Renewables, has confirmed the commitment of the company to achieve the leading role in the development of the wind energy industry on the shore of the North Sea. Six turbines M5000 have been already installed on the shore wind farm Alpha Ventus and they are being tested.

**Capital investments into properties will grow by 5%**

(CIA, Jun 1) According to DTZ's Money into Property analysis, the volume of capital invested into properties may be expected to grow by 5% to USD 11.4 tln in the full year of 2010 worldwide, while European growth will reach 4%. In the next two years the European markets will offer exceptional investment opportunities and investors should stick to active purchase strategies.

87% of the market in Europe is found on fair value or below it; this is 20% more than a year ago. Up to 90% of the global markets are classified as a buying opportunity. London, Paris, Brussels and/or Moscow offer attractive opportunities for purchases in the administrative sector. ■

**Property investments in CR increased in Q1**

(CIA, Jun 1) The year-on-year drop in the volume of property investments in the Czech Republic reached 58% last year. According to Lenka Hartmanova, the analyst with the Prague office of DTZ, the situation improved in the last quarter-year of 2009 and this trend continues into Q1 2010.

The retail centre and shopping park centre is reviewed as a market offering price below fair value, which means very attractive yields in comparison to other European markets with first-class shopping centres. Investors may expect a return rate exceeding the risks. The office and warehouse property sector offers fair value prices and investors may count on adequate returns with regard to the risks. ■

## ACTIVITY ATTENUATION

**Some 1,338 insolvency petitions filed in Czech Republic**

(CIA, Jun 1) A total of 1,338 insolvency petitions were filed in the Czech Republic in May of this year. It was 92.8% more than in the same period of last year. In the period from January to May of this year the number of insolvencies increased by 90.7% y/y. According to Creditreform, the growth in insolvency petitions slows down slightly.

The slow down trend was caused mainly by insolvency petitions of legal entities and entrepreneurs. Their number was growing in March, when a total of 523 insolvency petitions were filed, and the monthly values have been falling since then. Numbers of insolvency petitions of individuals still reach historical maximums at 894 insolvencies. A total of 703 individuals asked for a debt removal in May and the debt removal was permitted in 455 cases.

**132 bankruptcies declared in Czech Republic in May**

(CIA, Jun 1) A total of 132 bankruptcies were declared in the Czech Republic in May. The biggest companies affected by the bankruptcy in May include for instance Trailer, Odevní Podnik, and the construction company Karel Dvorak. According to Creditreform, bankruptcies were declared also for Hamont or Automobiltechnik Praha in May. ■

**Kovarova: OP Prostejov case in line with law**

(CIA, Jun 1) Justice Minister Daniela Kovarova has presented to the Czech cabinet information on the issues related to the bankruptcy of clothing company Odevni Podnik Prostejov. The report indicates that the insolvency proceeding is taking place in compliance with the law and each step within the proceeding is published in the publicly available insolvency register.

According to Ms. Kovarova, the Justice Ministry is not entitled to intervene into the decisions of the independent court, but the ministry uses all legal options in the case, including supervision over the activities of insolvency assets administrators, and will continue to monitor the case in cooperation with the public prosecutor's office. ■

#### **Footwear dealer John-Garfield-CZ ending activities**

(CIA, Jun 2) The footwear dealer John Garfield-CZ has been bankrupt since March 26 and has gradually been closing down its shops. The company ran 19 shops in the Czech Republic, its losses reached CZK 33.2m last year. The information has been brought by the daily Hospodarske noviny. ■

FOR YOUR NOTES

