

Investor Conference Call First six months 2017 >

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Release of nuclear storage obligations; Refund of nuclear fuel tax

— EnBW

Transfer of funds to federal state

Contract signing on 26 June enabling to long-term legal security for all parties involved

Transfer of **€ 4.8bn** in 12 partial payments on 3 July

Release from intermediate and final storage obligations

Final decision on nuclear fuel tax

Between 2011 and 2016 EnBW paid an overall sum of **€ 1.44bn**

No law-conformity decision on 7 June by federal Constitutional Court led to repayment requirement

On 3 July last partial payment of principal amount (interest of ~€ 200m outstanding)



The VNG full consolidation enables EnBW to become one of the leading gas players in Germany

— EnBW

Full consolidation contributes € 41m to EnBW's adjusted EBITDA H1 2017

EnBW is now number 2 in gas transportation business and number 3 in gas supply

~50% of VNG's future earnings will be regulated and therefore stable

VNG fits perfectly into EnBW 2020 strategy

Flexible at use and with low emission natural gas supports climate protection targets 2030



Rating decisions reflecting nuclear payments and market situation

— EnBW

One-notch downgrade by Moody's - S&P and Fitch ratings confirmed
All agencies with stable outlook

MOODY'S
INVESTORS SERVICE

Long-term rating: Baa1
Outlook: stable

 **STANDARD & POOR'S**
RATINGS SERVICES
McGRAW HILL FINANCIAL

Long-term rating: A-
Outlook: stable

FitchRatings

Long-term rating: A-
Outlook: stable



Stabilized rating situation

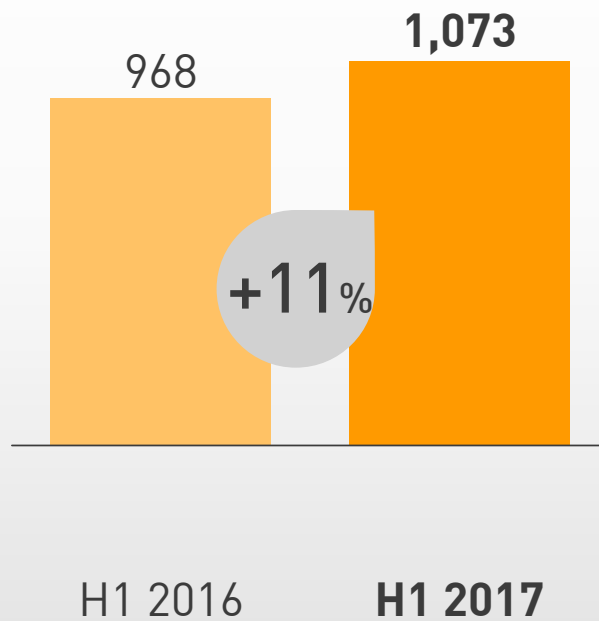


Increased adjusted EBITDA temporarily above forecast; Strong group profit due to refund of nuclear fuel tax

— EnBW

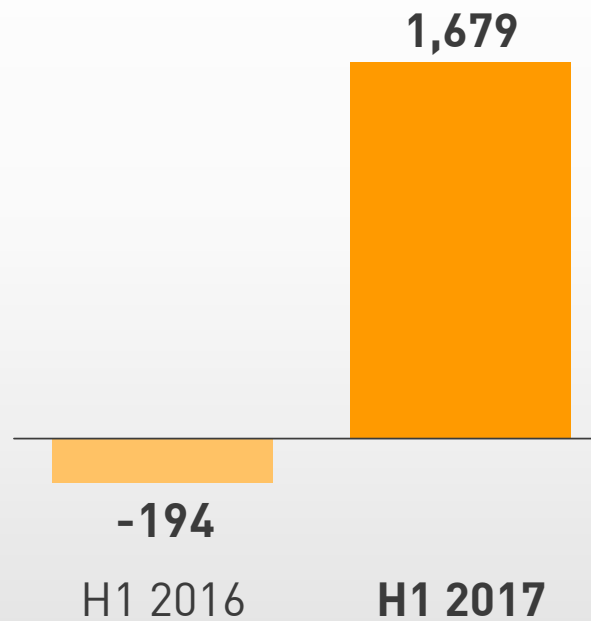
Adjusted EBITDA

in € million



Group profit/loss¹

in € million





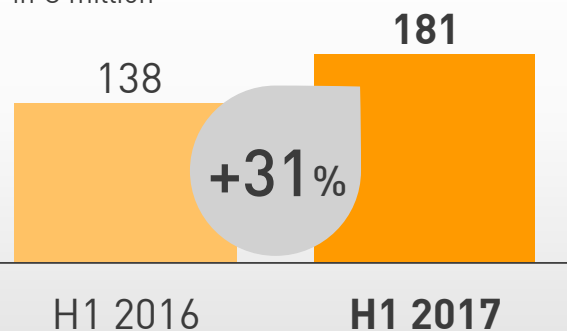
Sales and Grids with positive development

— EnBW

Sales

Adjusted EBITDA

in € million



Positive effects from withdrawal from the unprofitable EnBW and Watt B2B commodity business in 2016

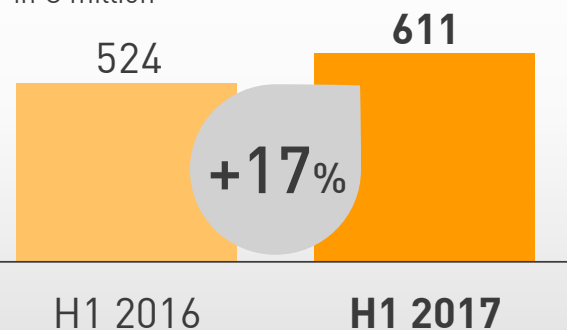


Temporary prior-year effects

Grids

Adjusted EBITDA

in € million



Positive effects due to first-time consolidation of VNG



Temporary prior-year effects



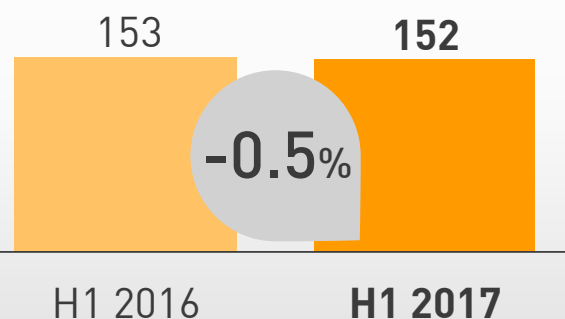
Renewable Energies on prior-year level; Generation & Trading mainly characterised by negative effects

— EnBW

Renewable Energies

Adjusted EBITDA

in € million

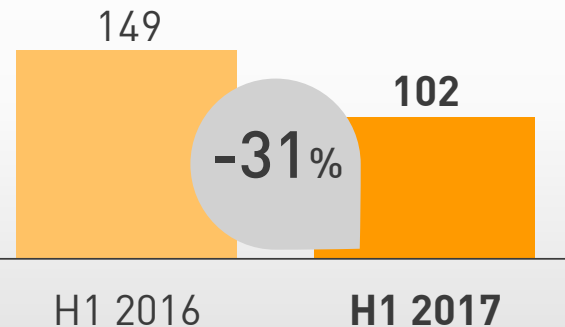


- + Higher wind yields compared to previous year, in particular offshore wind farms
- Reduced water level of our run-of-river power plants
- Electricity delivered from run-of-river power plants was sold on the forward market at lower wholesale market prices

Generation and Trading

Adjusted EBITDA

in € million

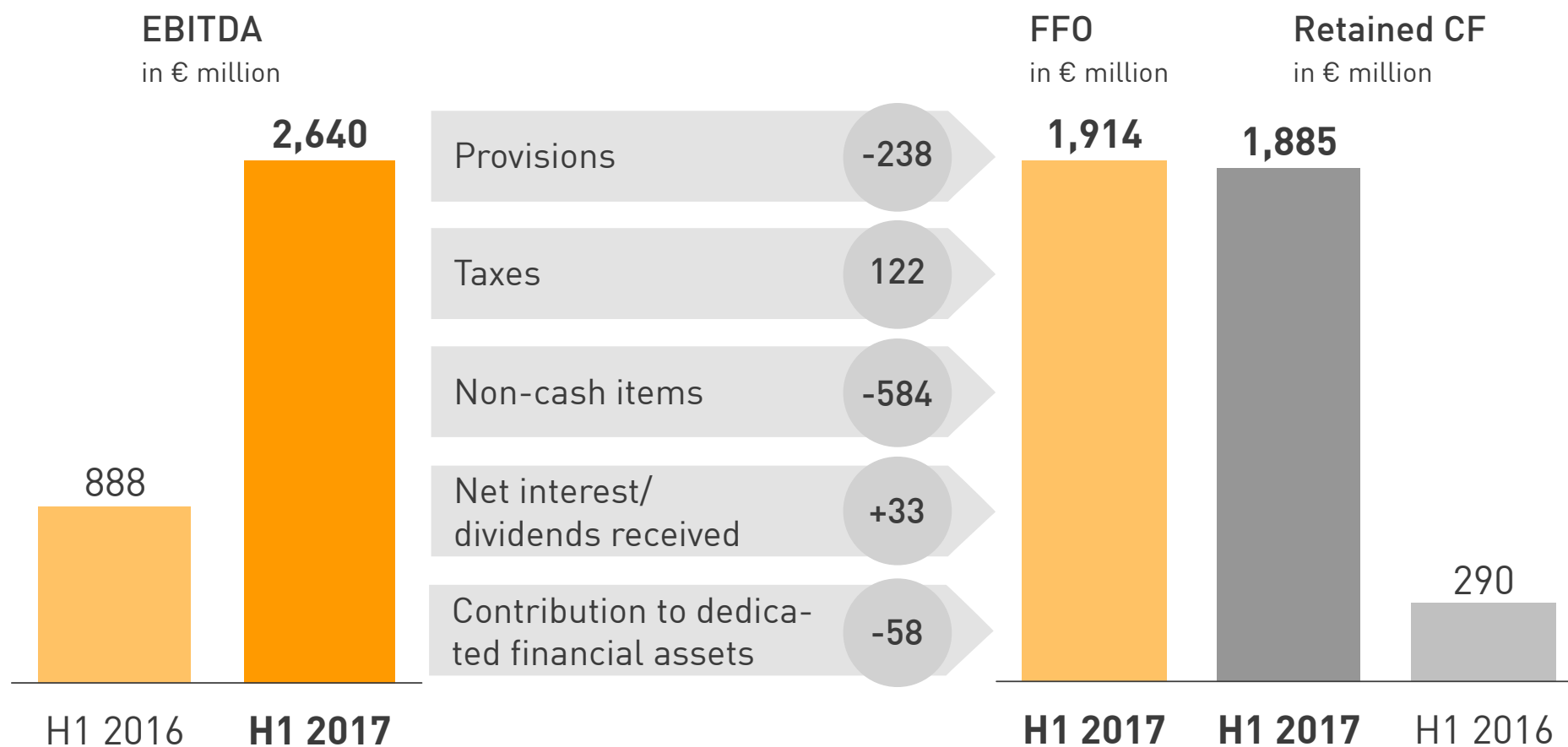


- Downtime and early inspection of nuclear power plant KKP 2
- Electricity delivered was sold on the forward market at lower wholesale market prices
- + Positive effects from the elimination of the nuclear fuel tax which will increase in the course of the year



Significant FFO increase mainly due to refund of nuclear fuel tax

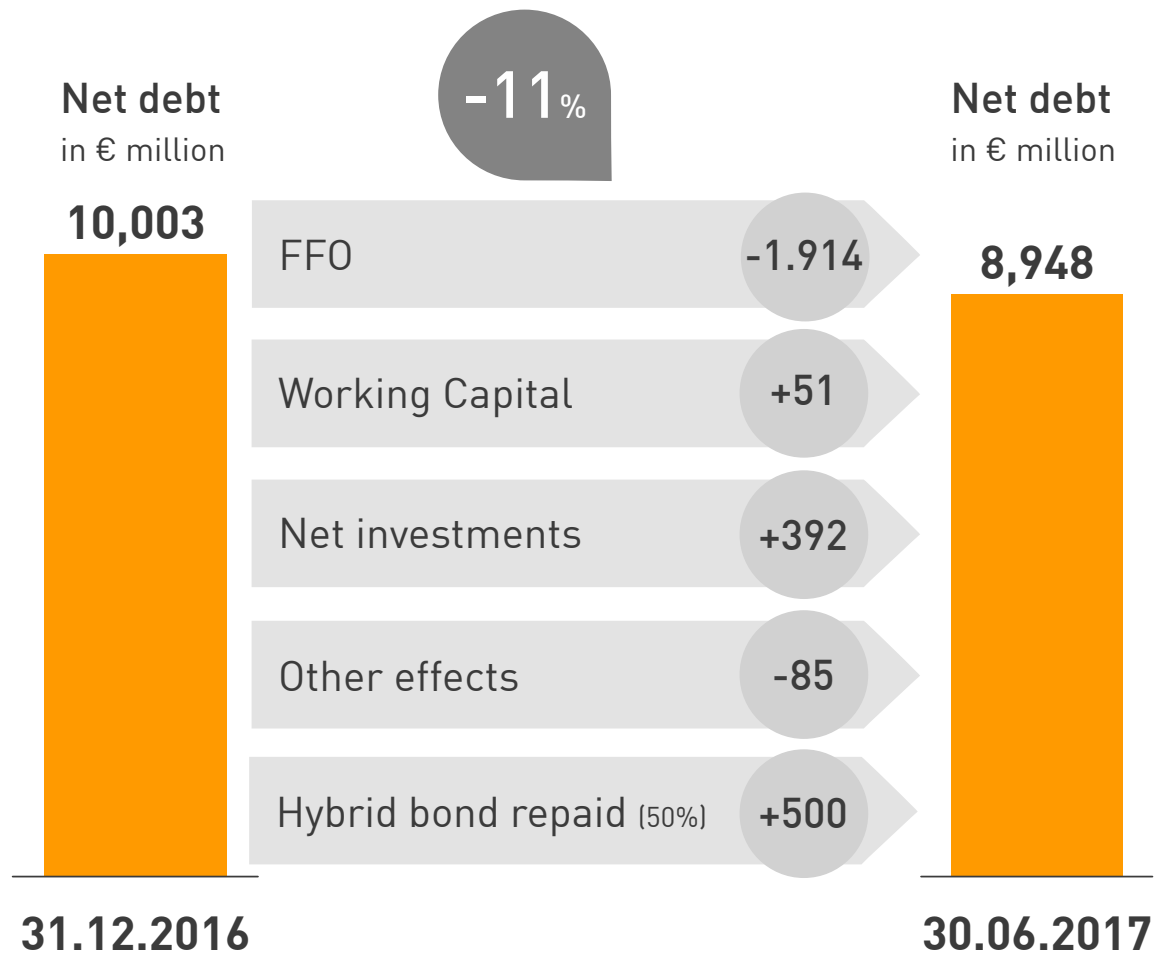
— EnBW





Net debt decreased mainly in the light of the refund of the nuclear fuel tax

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Confirmation of outlook 2017

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	Sales	Grids	Renewable Energies	Generation and Trading	Group
Adj. EBITDA 2016 in € million	250	1,004	295	337	1,939
Forecast 2017 in %	+15 to +25	-5 to +5	+5 to +15	-10 to -20	0 to +5



Questions & Answers





Appendix

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- › Service information Page 21



Non-operating result (in € million)

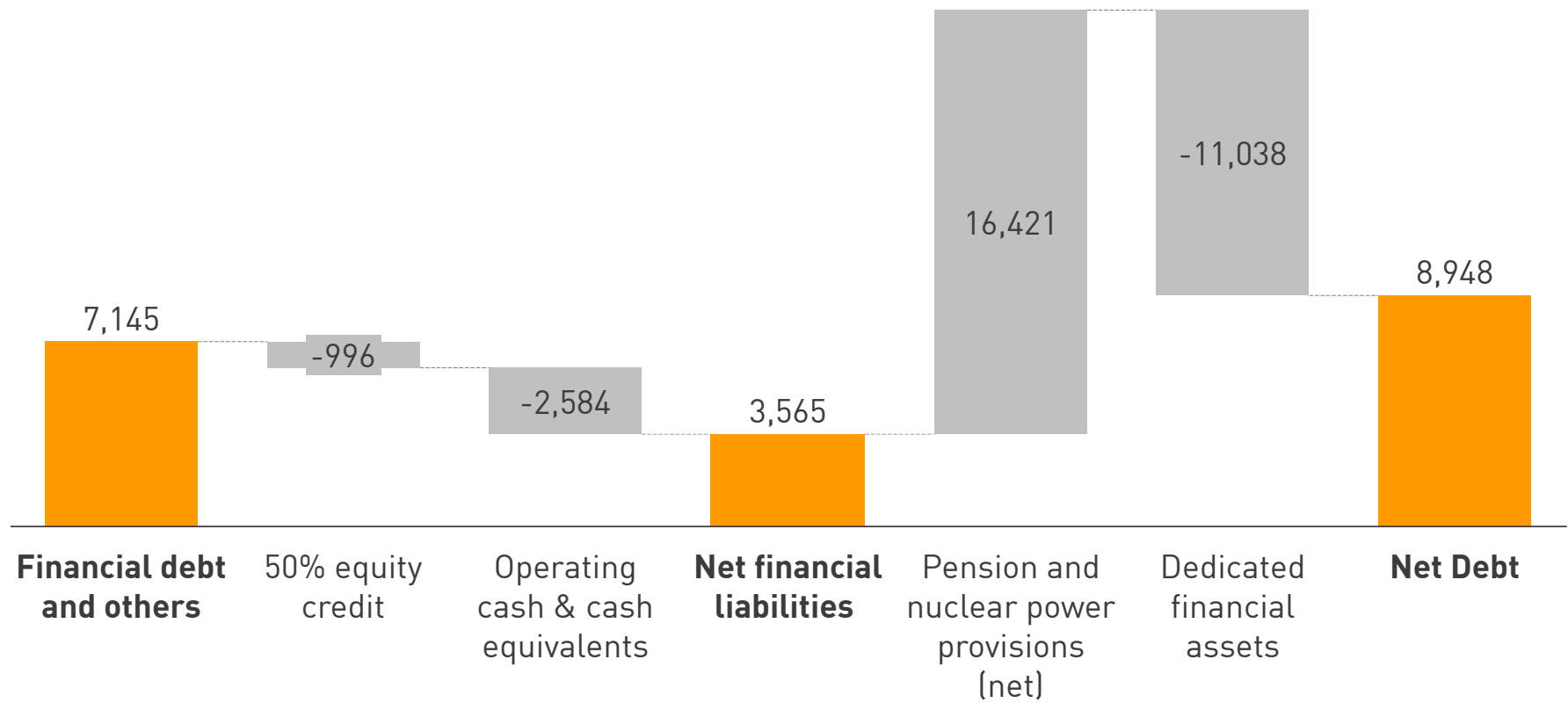
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	H1 2017	H1 2016	Variance in %
Income/expenses relating to nuclear power	1,317.8	-7.3	-
Result from disposals	272.3	11.5	-
Restructuring	-29.2	-77.8	-62.5
Other non-operating result	6.1	-6.1	-
Non-operating EBITDA	1,567.0	-79.7	-
Impairment losses	-27.4	-22.3	-
Non-operating EBIT	1,539.6	-102.0	-



Calculation of net debt (in € million)

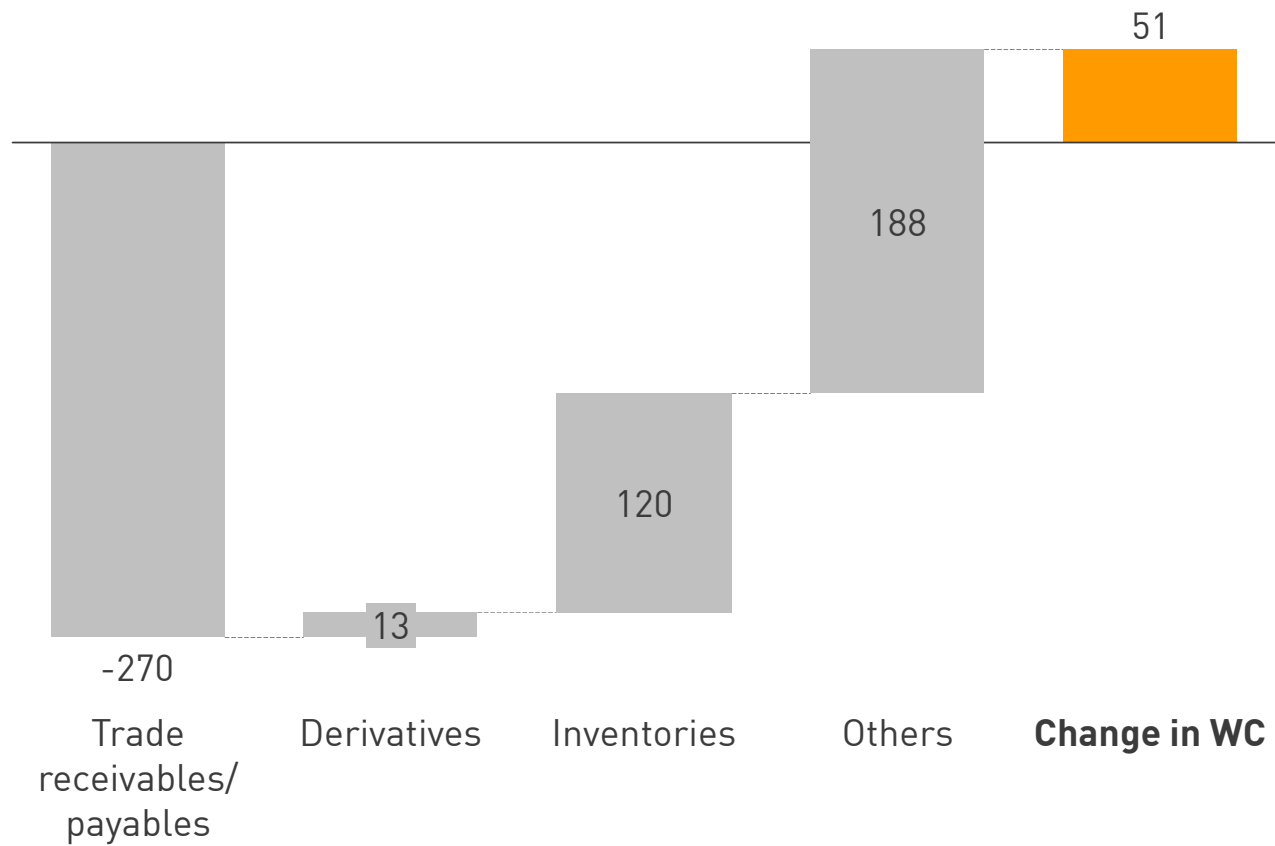
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Working capital effects (in € million)

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Income statement (in € million)

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	H1 2017	H1 2016	Variance in %
Revenue	10,475.8	9,811.4	6.8
Changes in inventories/other own work capitalised	97.6	76.6	27.4
Cost of materials	-8,532.6	-7,814.4	9.2
Personnel expenses	-849.1	-849.2	-
Other operating income/expenses	1,447.6	-336.6	-
EBITDA	2,639.6	887.8	-
Amortisation and depreciation	-557.0	-485.8	14.7
EBIT	2,082.6	402.0	-
Investment and financial result	341.5	-466.3	-
EBT	2,424.1	-64.3	-
Income tax	-686.0	-74.2	-
Group net profit/loss	1,738.1	-138.5	-
of which profit/loss shares attributable to non-controlling interests	58.8	55.7	5.6
of which profit/loss shares attributable to the shareholders of EnBW AG	1,679.3	-194.2	-



Cash flow statement (in € million)

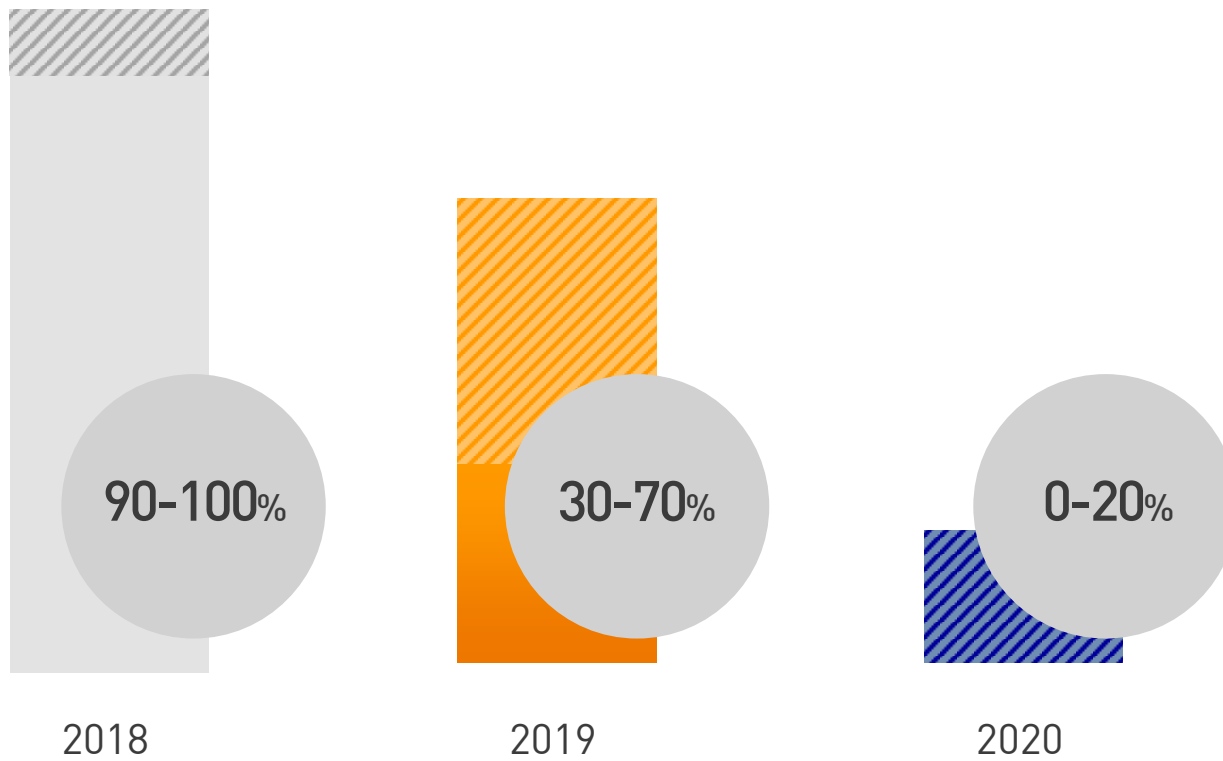
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	H1 2017	H1 2016 ¹	Variance in %
EBITDA	2,639.6	887.8	-
Changes in provisions	-237.8	-132.1	80.0
Non-cash-relevant expenses/income	-584.3	-45.3	-
Income tax paid/received	121.9	-232.5	-
Interest and dividends received	216.6	190.2	13.9
Interest paid for financing activities	-184.1	-191.7	-4.0
Contribution of dedicated financial assets	-57.7	-12.3	-
Funds from Operations (FFO)	1,914.2	464.1	-
Change in assets and liabilities from operating activities	-51.2	-840.3	-93.9
Capital expenditures on intangible assets and property, plant and equipment	-486.1	-342.4	42.0
Disposals of intangible assets and property, plant and equipment	42.2	71.7	-41.1
Cash received from construction cost and investment subsidies and refund of taxes from capitalized exploration expenses	33.1	27.2	21.7
Free cash flow	1,452.2	-619,7	-



Hedge levels¹

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EnBW has a flexible access to various financing sources¹



Debt Issuance Programme

€7 billion

Thereof € 3 bn utilised²

Hybrid bonds

€2 billion²

Commercial Paper Programme

€2 billion

undrawn

Syndicated credit line

€1.5 billion

undrawn
Maturity date: 2021

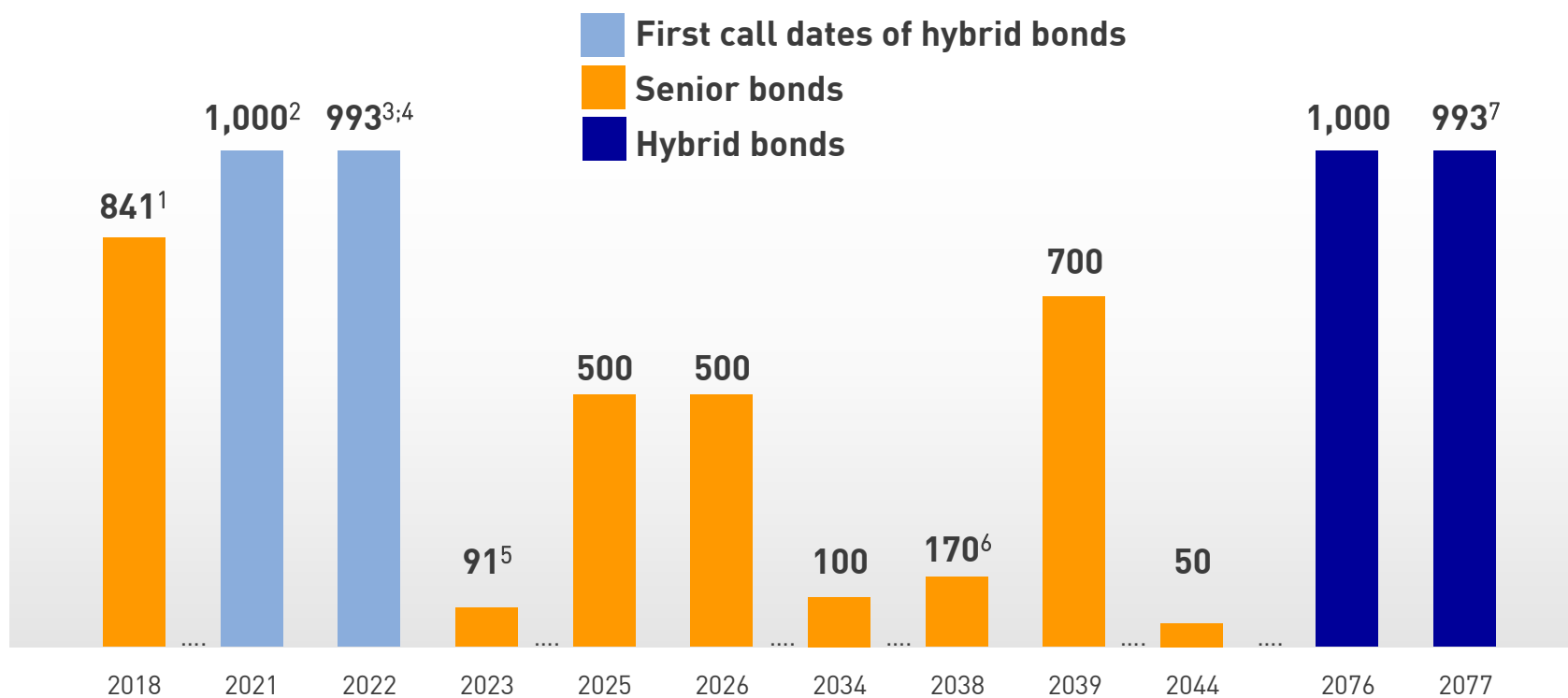
Bilateral free credit lines

€1.3 billion²

Project financing and low-interest loans from the EIB



Maturities of EnBW's bonds (in € million)



¹ Includes CHF 100 million, converted as of the reporting date of 30/6/2017

³ First call date: hybrid maturing in 2077

⁵ CHF 100 million, converted as of the reporting date of 30/6/2017

⁷ Includes USD 300 million, converted as of the reporting date of 05/10/2016

² First call date: hybrid maturing in 2076

⁴ Includes USD 300 million (swap in EUR)

⁶ JPY 20 billion (swap in EUR)



Financial calendar 2017 and 2018

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20.09.2017

Capital Markets Day 2017

10.11.2017

Quarterly Statement January to September 2017
Conference time: 01:00 pm

22.03.2018

Annual Report January to December 2017
Conference time: 03:00 pm

08.05.2018

Annual General Meeting 2018



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Important links

Check further information on our webpage:

[Quarterly Statement H1 2017](#)

[Financial Calender](#)

[EnBW Investor Relations contact](#)

[Financing facilities](#)

[Maturities of EnBW's bonds](#)



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