

# Investor and Analyst Conference Call H1 2018 >

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26 July 2018





## Business development highlights



Rating upgrade  
to A3 from  
Moody's



Agreement to  
sell VNG's  
E&P-business  
(VNG Norge AS)



Progress in  
selective  
internationalization

Taiwan  
North America  
France  
Sweden



Expansion of  
e-mobility  
network and  
charging  
stations



# H1 2018 – as expected

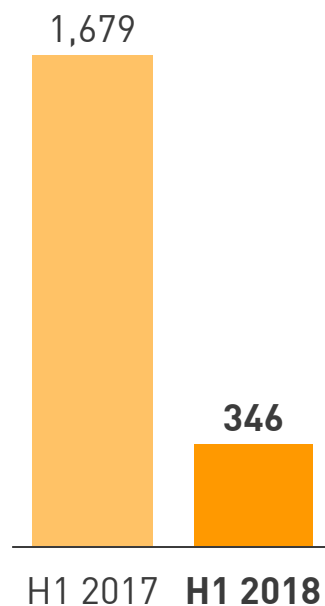


## Key Financials

**Adjusted EBITDA**  
in € million



**Group net profit<sup>1</sup>**  
in € million



## Financial highlights

- ✓ Adjusted EBITDA increased by 6.4% YOY
- ✓ Group net profit decreased by 79% YOY
- ✓ FY 2018 adjusted EBITDA guidance confirmed



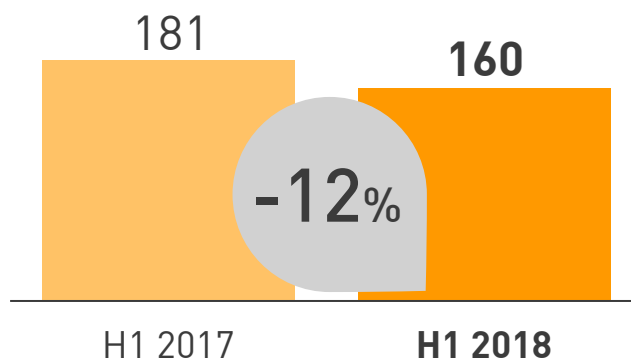
# Sales and Grids: In line with forecast



## Adjusted EBITDA

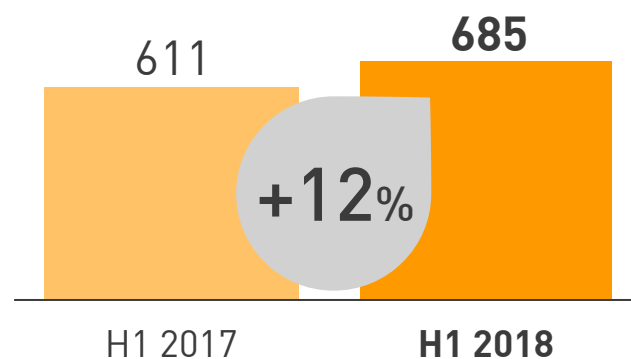
in € million

Sales



⊖ Elimination of positive one-off effects in prior year period

Grids



⊕ Full consolidation of VNG  
⊕ Higher revenues from the electricity grid user charges

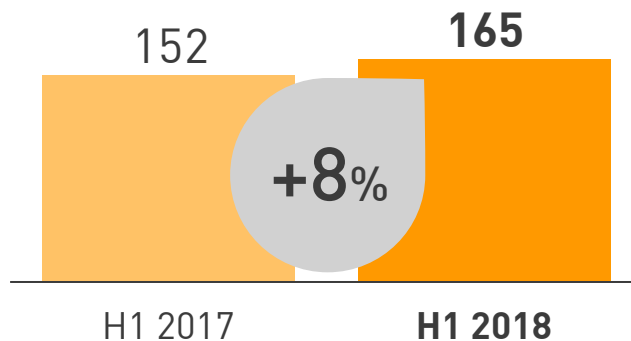


# Renewable Energies and Generation & Trading: Overall positive performance

## Adjusted EBITDA

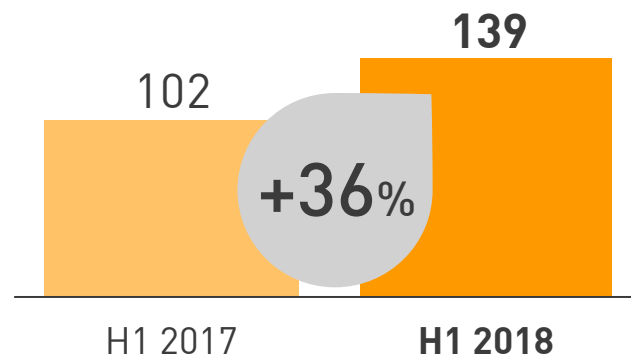
in € million

### Renewable Energies



- + Improved onshore wind performance, substantially due to new installed capacities mainly in 2017 and also 2018
- + Higher volume of electricity generation from our run-of-river plants
- Lower wind yields compared to previous year, notably at offshore wind farms

### Generation and Trading



- + Downtime of KKP 2 nuclear power plant in 2017
- Lower income related to other accounting periods
- Most of the electricity deliveries for 2018 placed on the forward market at lower margins than in 2017

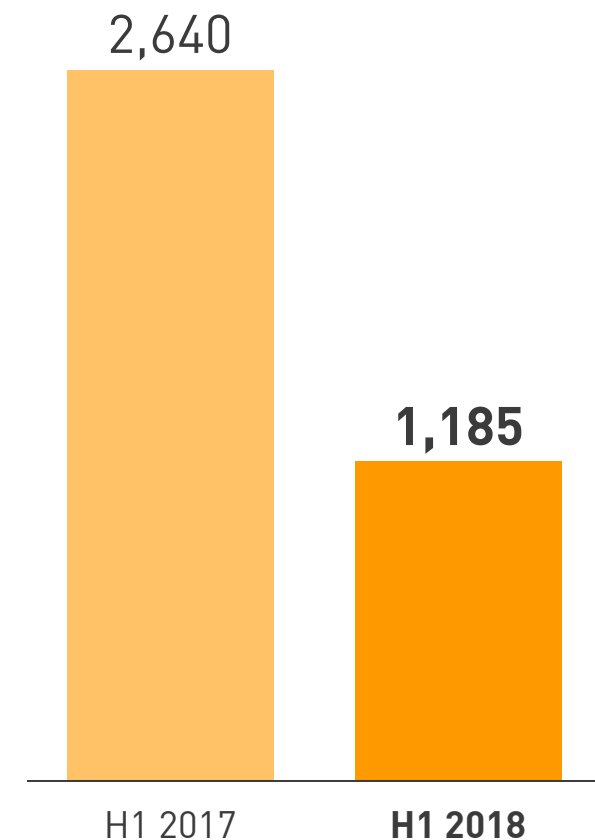


# EBITDA: Significant decrease mainly driven by nuclear fuel tax refund in 2017



## EBITDA

in € million



Provisions

-366

Taxes

-241

Non-cash items

-96

Net interest/  
dividends

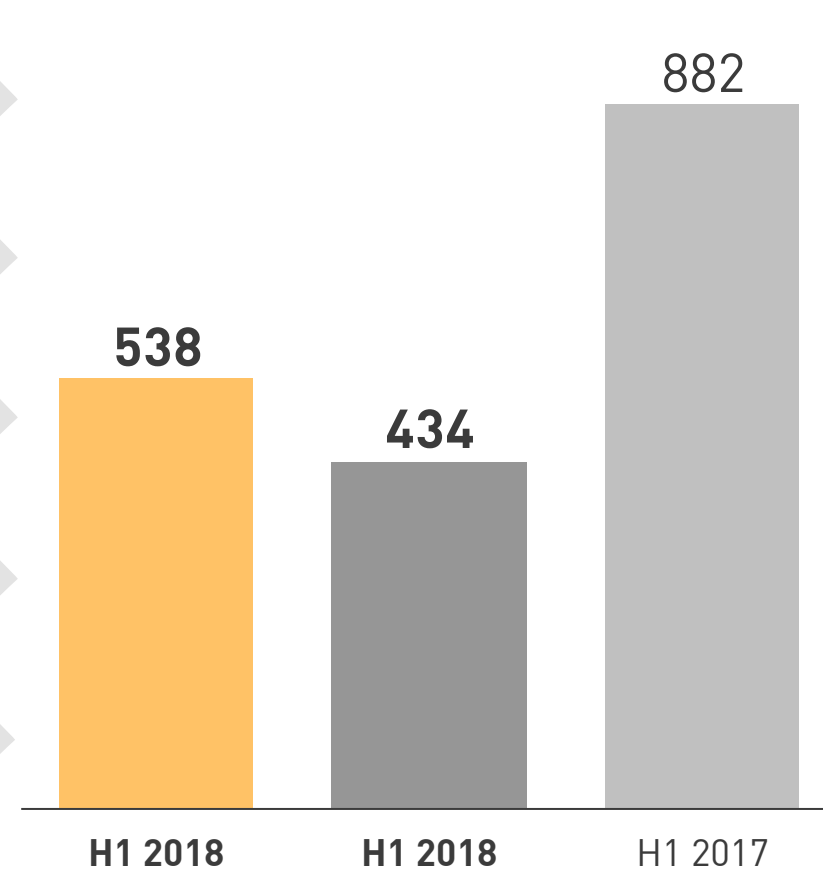
+17

Contribution to dedica-  
ted financial assets

+39

## FFO

in € million



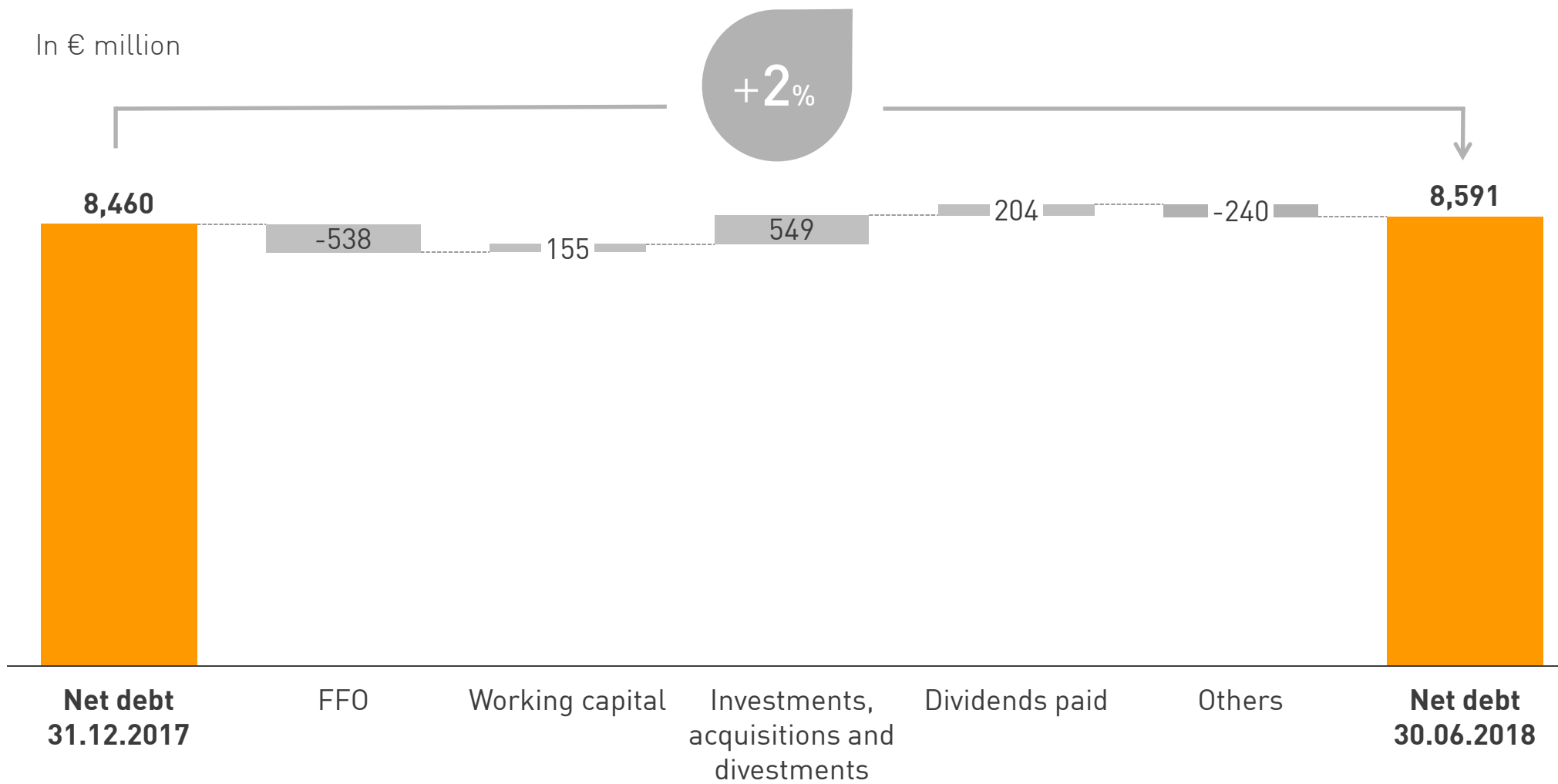
<sup>1</sup> RCF corrected for effects of the nuclear fuel tax refund



## Slight increase in net debt

— EnBW

In € million



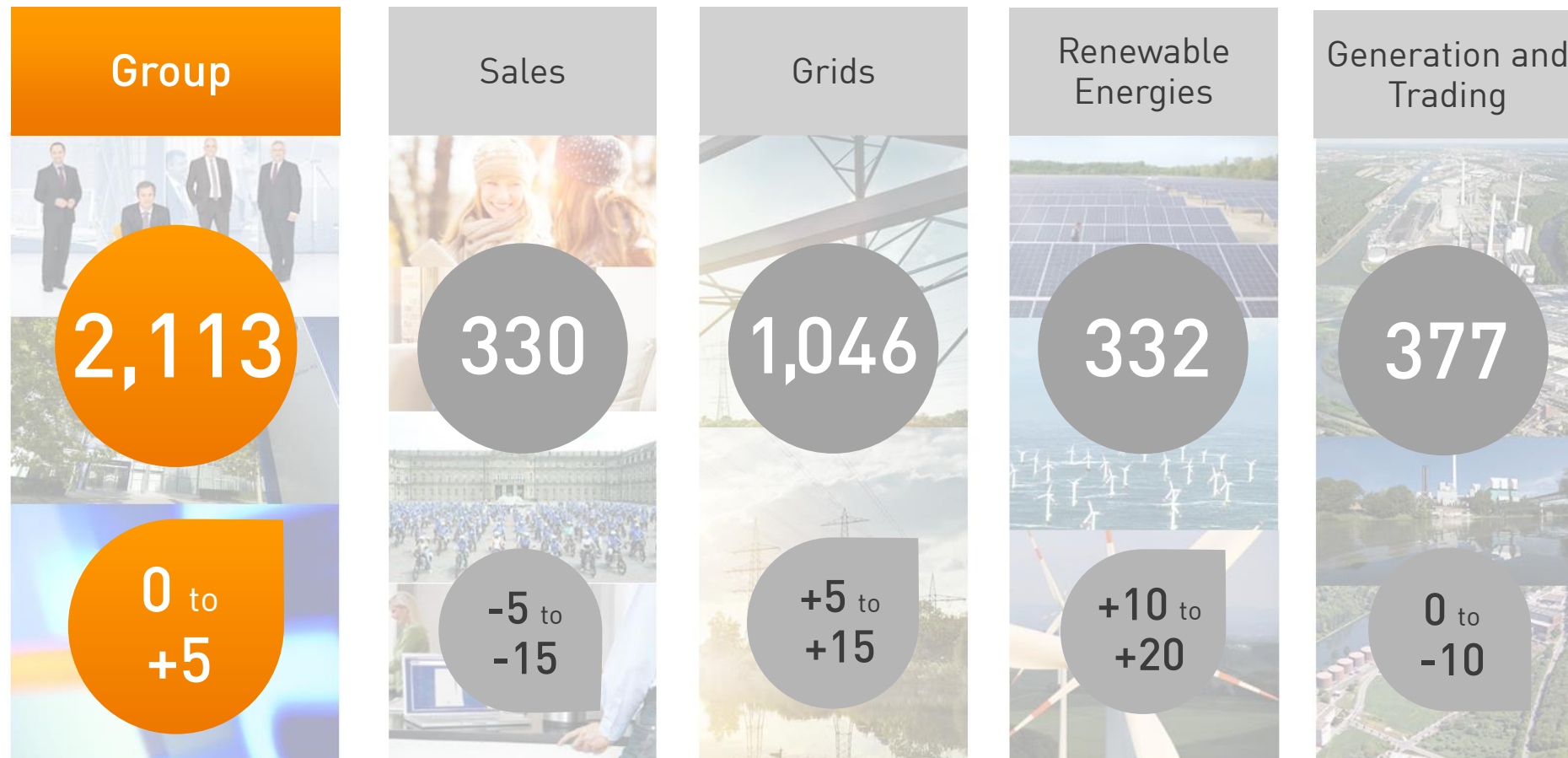


# Outlook 2018 confirmed



**Adj. EBITDA  
2017**  
in € million

**Forecast  
2018**  
in %







# Questions & Answers





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- › Service information Page 19



## Non-operating result

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In € million

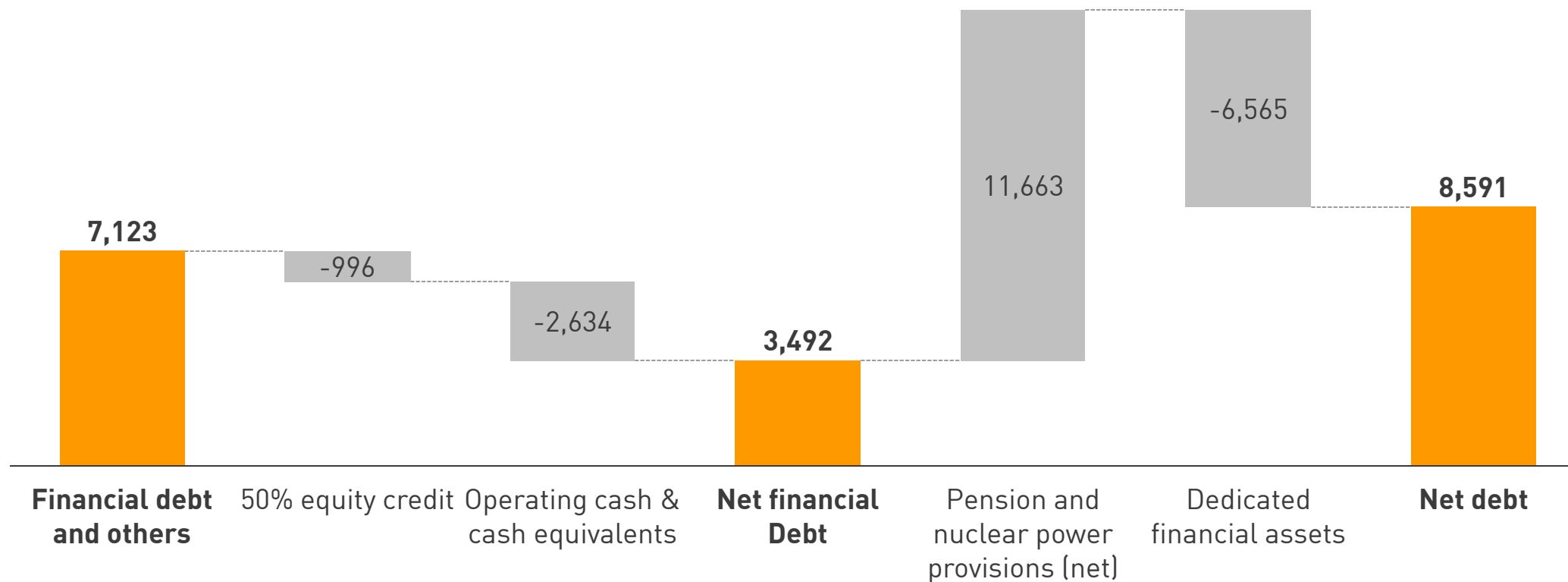
	H1 2018	H1 2017	Variance in %
Income/expenses relating to nuclear power	11.6	1,317.8	-99.1
Result from disposals	8.9	272.3	-96.7
Reversals of/additions to the provisions for onerous contracts relating to electricity procurement agreements	32.3	0.0	-
Restructuring	-13.6	-29.2	53.4
Other non-operating result	4.5	6.1	-26.2
<b>Non-operating EBITDA</b>	<b>43.7</b>	<b>1,567.0</b>	<b>-97.2</b>
Impairment losses	-6.3	-27.4	-77.0
<b>Non-operating EBIT</b>	<b>37.4</b>	<b>1,539.6</b>	<b>-97.6</b>



# Calculation of net debt



In € million

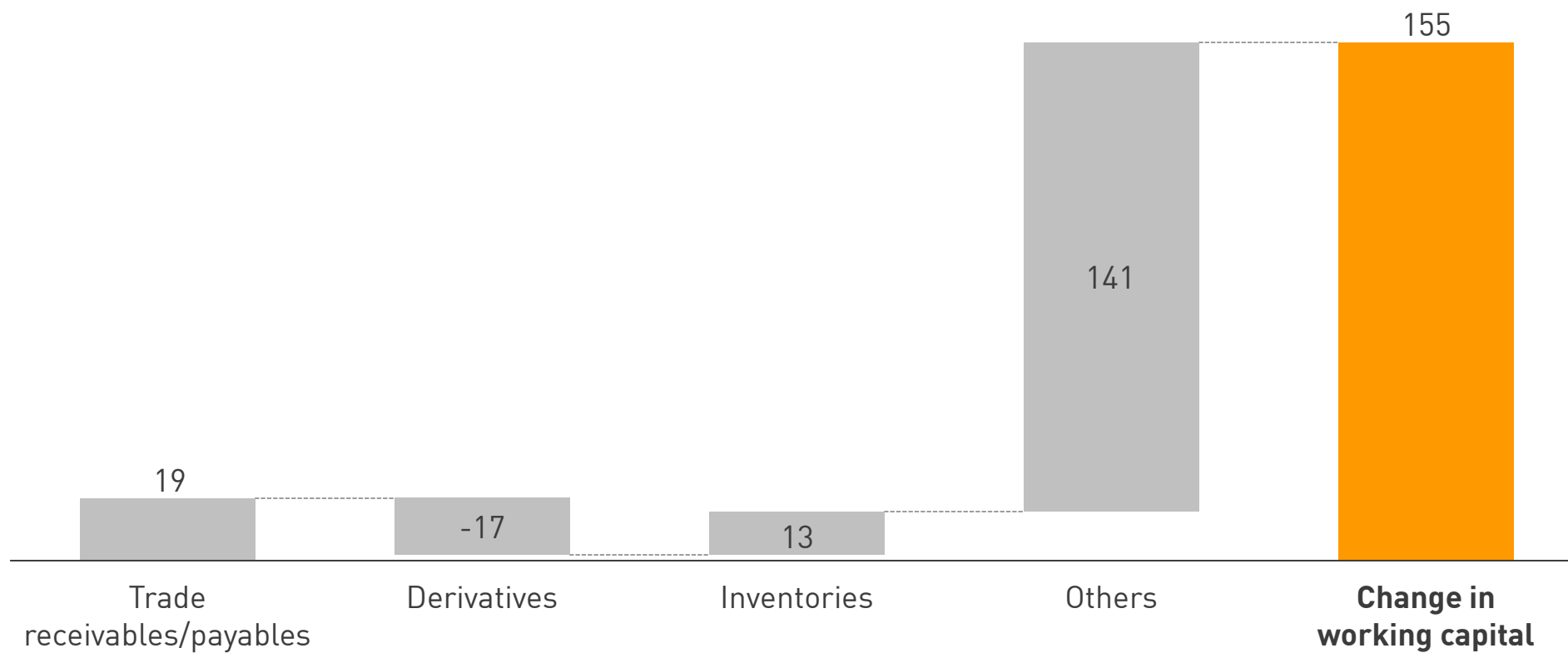




## Working capital effects



In € million





# Income statement

— EnBW

In € million

	H1 2018	H1 2017	Variance in %
<b>Revenue</b>	<b>11,561.8</b>	<b>10,475.8</b>	10.4
Changes in inventories/other own work capitalised	249.4	97.9	155.8
Cost of materials	-9,664.2	-8,532.6	13.3
Personnel expenses	-884.6	-849.1	4.2
Other operating income/expenses	-77.7	-1,447.6	-94.6
<b>EBITDA</b>	<b>1,184.7</b>	<b>2,639.6</b>	-55.1
Amortisation and depreciation	-597.9	-557.0	7.3
<b>EBIT</b>	<b>586.8</b>	<b>2,082.6</b>	-71.8
Investment and financial result	-14.9	341.5	-
<b>EBT</b>	<b>571.9</b>	<b>2,424.1</b>	-76.4
Income tax	-150.6	-686.0	-78.1
<b>Group net profit/loss</b>	<b>421.3</b>	<b>1,738.1</b>	-75.8
of which profit/loss shares attributable to non-controlling interests	75.1	58.8	27.7
of which profit/loss shares attributable to the shareholders of EnBW AG	346.2	1,679.3	-79.4



# Cash flow statement



In € million

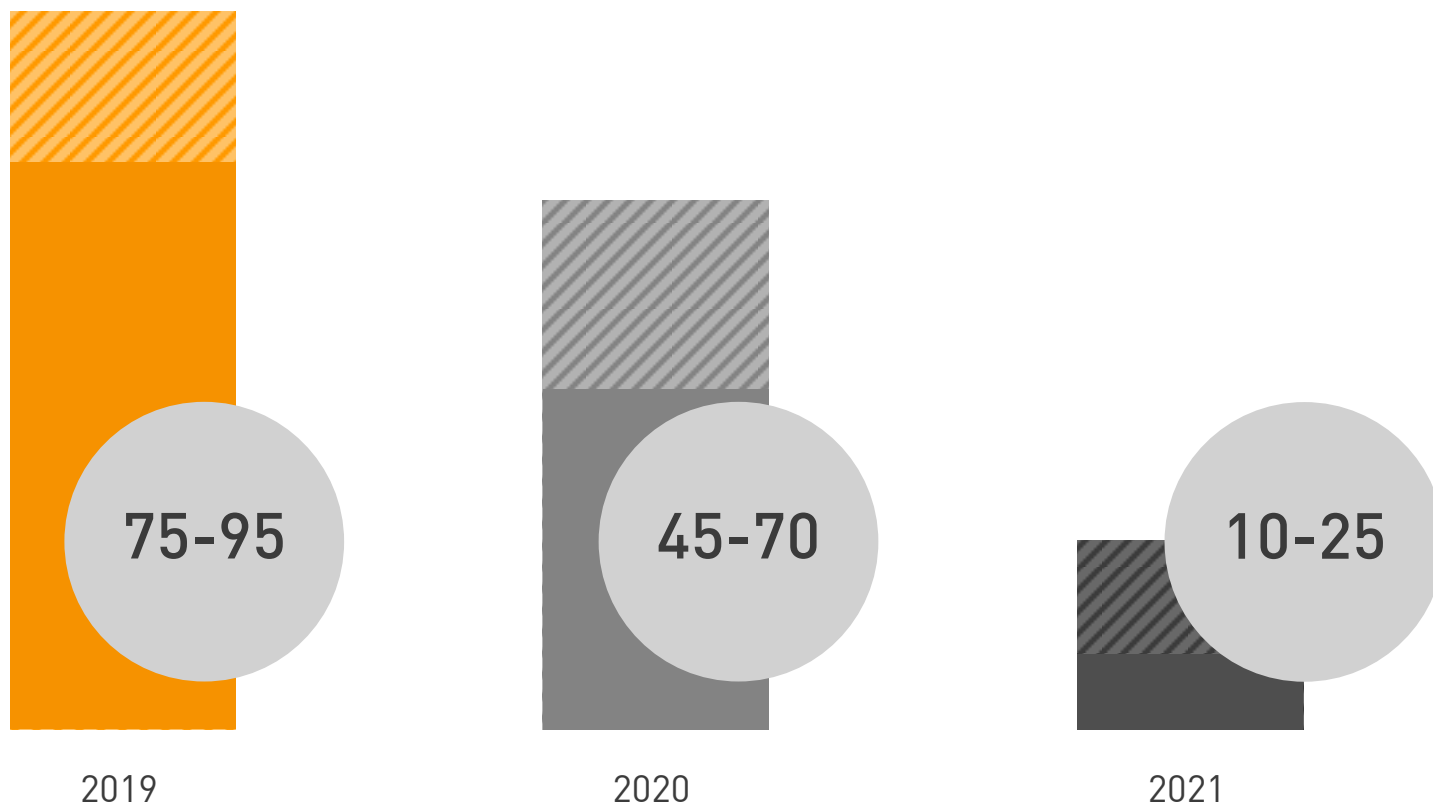
	H1 2018	H1 2017	Variance in %
<b>EBITDA</b>	<b>1,184.7</b>	<b>2,639.6</b>	<b>-55.1</b>
Changes in provisions	-366.1	-237.8	54.0
Non-cash-relevant expenses/income	-96.1	-584.3	-83.6
Income tax paid/received	-240.6	121.9	-
Interest and dividends received	143.4	216.6	-33.8
Interest paid for financing activities	-126.9	-184.1	-31.1
Contribution of dedicated financial assets	39.1	-57.7	-
<b>Funds from Operations (FFO)</b>	<b>537.5</b>	<b>1,914.2</b>	<b>-71.9</b>
Change in assets and liabilities from operating activities	-155.4	-51.2	-
Capital expenditures on intangible assets and property, plant and equipment	-434.6	-486.1	-10.6
Disposals of intangible assets and property, plant and equipment	39.1	42.2	-7.3
Cash received from construction cost and investment subsidies and refund of taxes from capitalized exploration expenses	28.0	33.1	-15.4
<b>Free cash flow</b>	<b>14.6</b>	<b>1,452.2</b>	<b>-99.0</b>



# Hedge levels<sup>1</sup>

— EnBW

In %



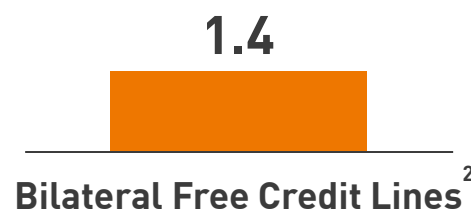
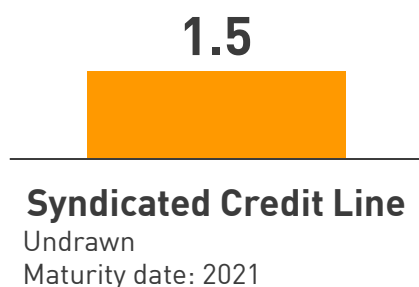
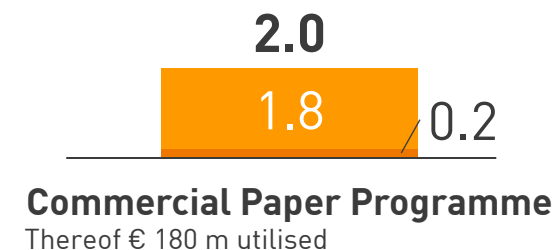
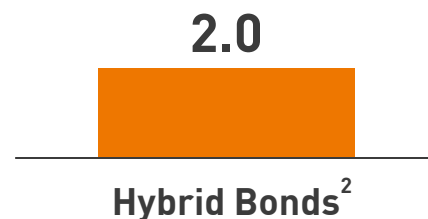
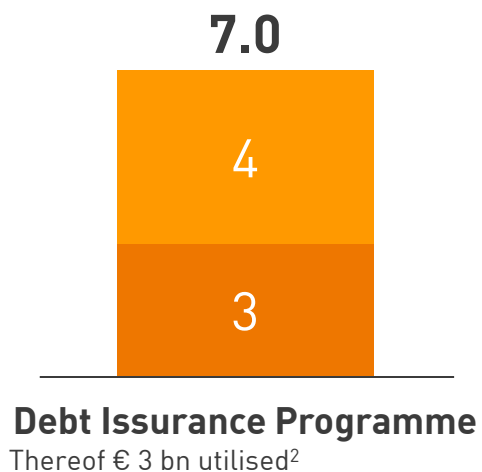




# EnBW has a flexible access to various financing sources<sup>1</sup>



In € billion



Project financing and low-interest loans from the EIB

<sup>1</sup> As of 30 June 2018

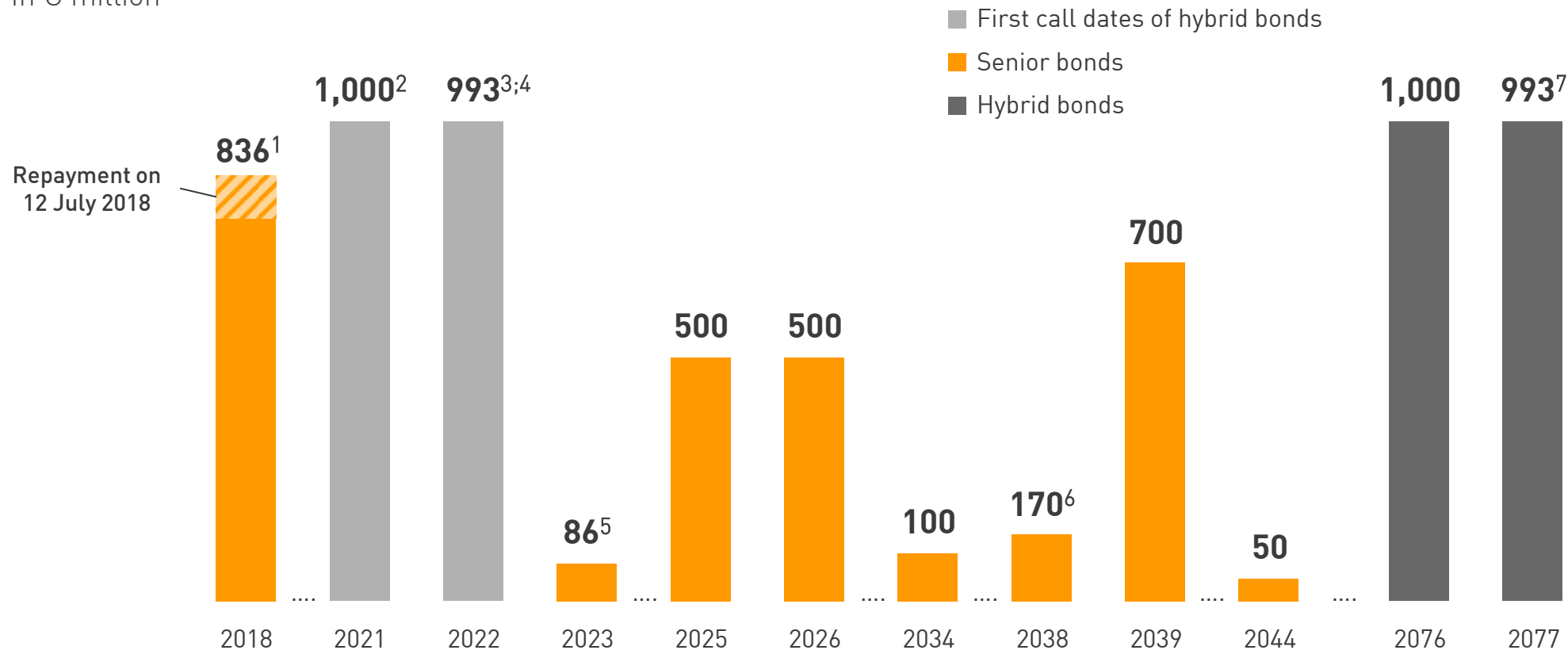
<sup>2</sup> Rounded figures



# Maturities of EnBW's bonds



In € million



<sup>1</sup> Includes CHF 100 million, converted as of the reporting date of 30/06/2018

<sup>3</sup> First call date: hybrid maturing in 2077

<sup>5</sup> CHF 100 million, converted as of the reporting date of 30/06/2018

<sup>7</sup> Includes USD 300 million, converted as of 05/10/2016

<sup>2</sup> First call date: hybrid maturing in 2076

<sup>4</sup> Includes USD 300 million (swap in EUR), Coupon for Swap 5.125%

<sup>6</sup> JPY 20 billion (swap in EUR), Coupon for Swap 3.880%



# Financial calendar 2018 & important links



## Financial calendar 2018



17 October 2018

Capital Markets Day

12 November 2018

Quarterly Statement January to September 2018 (Conference time: 01:00 pm CET)

28 March 2019

Integrated Annual Report January to December 2018

8 May 2019

Annual General Meeting

10 May 2019

Quarterly Statement January to March 2019

25 July 2019

Six-Monthly Financial Report January to June 2019

8 November 2019

Quarterly Statement January to September 2019

## Important links



Quarterly Statement H1 2018

[https://www.enbw.com/company/investors/events/conference-calls/2018/q2-2018\\_en.html](https://www.enbw.com/company/investors/events/conference-calls/2018/q2-2018_en.html)

Financial Calendar

<https://www.enbw.com/company/investors/events/finance-calender/>

Financing facilities

<https://www.enbw.com/company/investors/strategy/>

Maturities of our bonds

<https://www.enbw.com/company/investors/bonds-share/bonds/>



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