

Investor and Analyst Conference Call Q1-Q3 2018 >

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12 November 2018





EnBW goes green – Funding follows strategy



> Issuance of green bond

- > Settlement date: **31 October** 2018
- > Issue size: **€500** million
- > Term to maturity: **15** years
- > Coupon: **1.875%**

> Green bond underpins strategy

- > Portfolio transformation towards share of low-risk earnings of at least 70% in 2020
- > Renewable energies and smart infrastructure solutions as core element of strategy
- > Sustainability is an integral part of EnBW's business model

> Use of proceeds¹: Asset Category

Offshore Wind



Onshore Wind



Solar



E-Mobility



Renewable energy: **98% Portfolio share**

Wind: **93% Portfolio share**

Solar: **5% Portfolio share**

Clean transportation:

2% Portfolio share



Q1-Q3 2018 – in line with forecast, but affected by unfavourable weather conditions

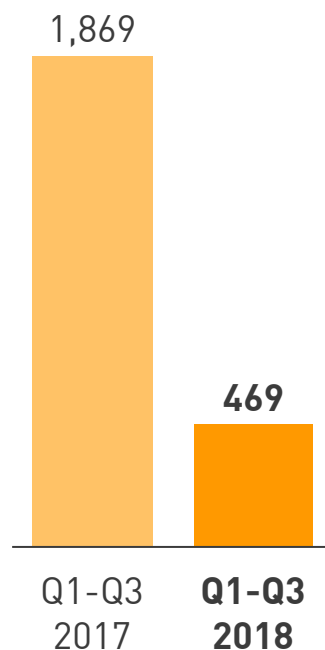


Key Financials

Adjusted EBITDA
in € million



Group net profit¹
in € million



Financial highlights

- ✓ Adjusted EBITDA increased by 3% YOY
- ✓ Group net profit decreased by 75% YOY
- ✓ FY 2018 adjusted EBITDA guidance on group level confirmed



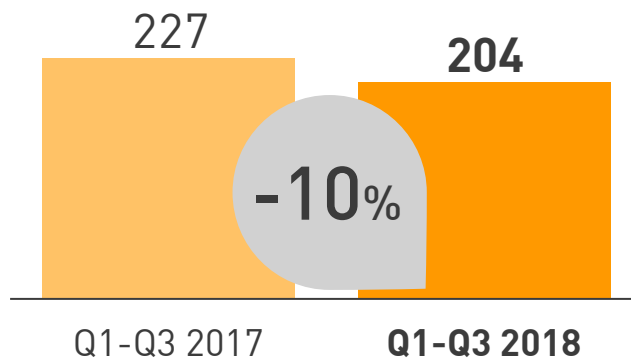
Sales and Grids: In line with forecast



Adjusted EBITDA

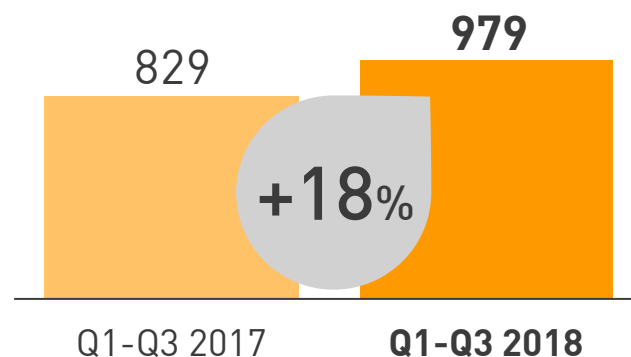
in € million

Sales



Elimination of positive one-off effects in prior year period

Grids



Full consolidation of VNG



Higher revenues from the electricity grid user charges

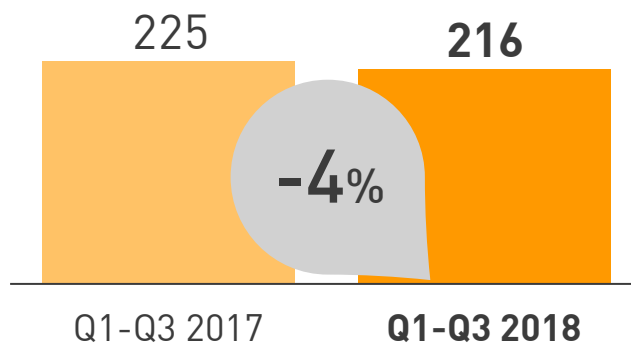


Renewable Energies: Low wind conditions Generation & Trading: Slight negative effects

Adjusted EBITDA

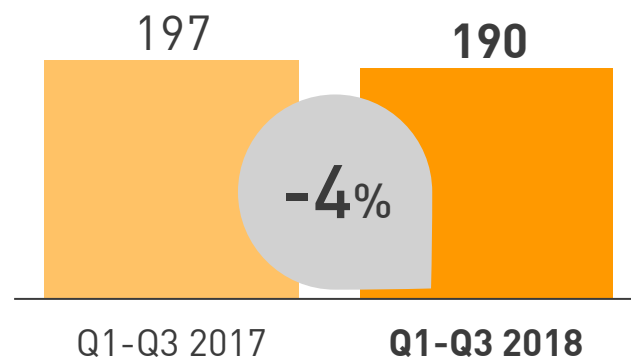
in € million

Renewable Energies



- Lower wind yields compared to previous year, notably at offshore wind farms
- + Improved onshore wind generation output, substantially due to new installed capacities of the last twelve month
- + Slightly higher volume of electricity generation from our run-of-river plants in spring

Generation and Trading



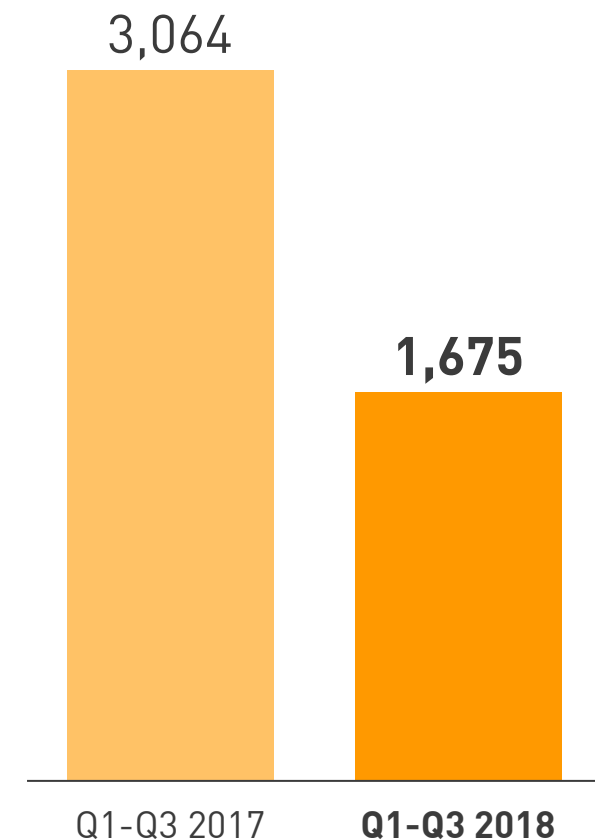
- Most of the electricity deliveries for 2018 placed on the forward market at lower margins than in 2017
- Lower income related to other accounting periods
- + Downtime of KKP 2 nuclear power plant in 2017



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

EBITDA

in € million



Provisions

-541

Taxes

-269

Non-cash items

-195

Net interest/
dividends

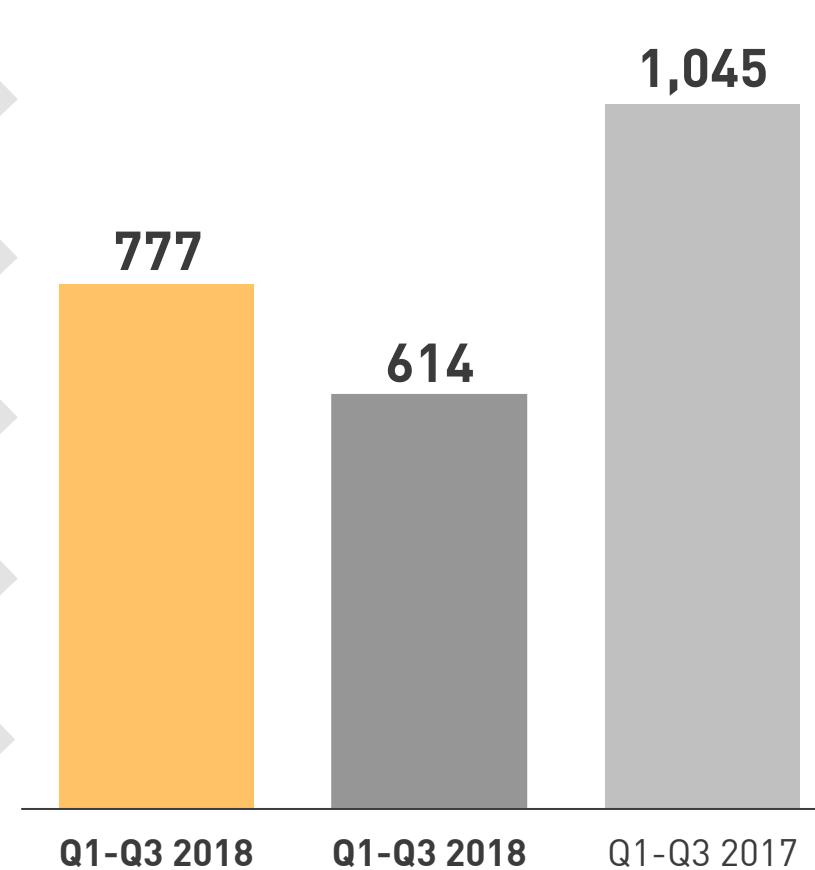
+46

Contribution to dedica-
ted financial assets

+60

FFO

in € million

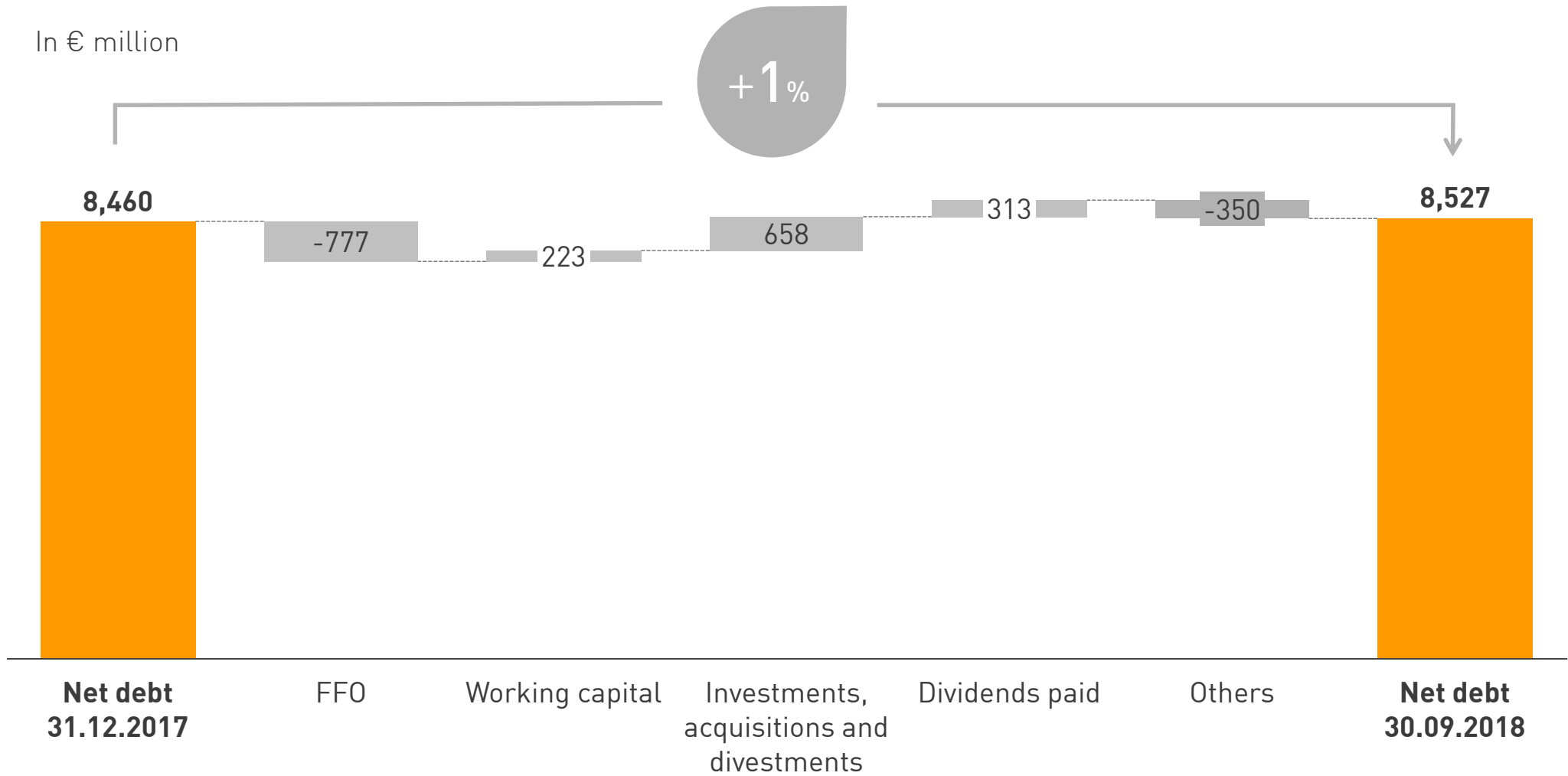


¹ RCF corrected for effects of the nuclear fuel tax refund



Slight increase in net debt

— EnBW





Outlook 2018 on group level confirmed; Outlook renewable energies adjusted



**Adj. EBITDA
2017**
in € million

2,113

**Forecast
2018**
in %

**0 to
+5**

Sales

330

**-5 to
-15**

Grids

1,046

**+5 to
+15**

Renewable
Energies

332

**+10 to
+20**

**NEW
-10 to
+5**

Generation and
Trading

377

**0 to
-10**



Questions & Answers





- › Additional information Page 11
- › Service information Page 19



Non-operating result

— EnBW

In € million

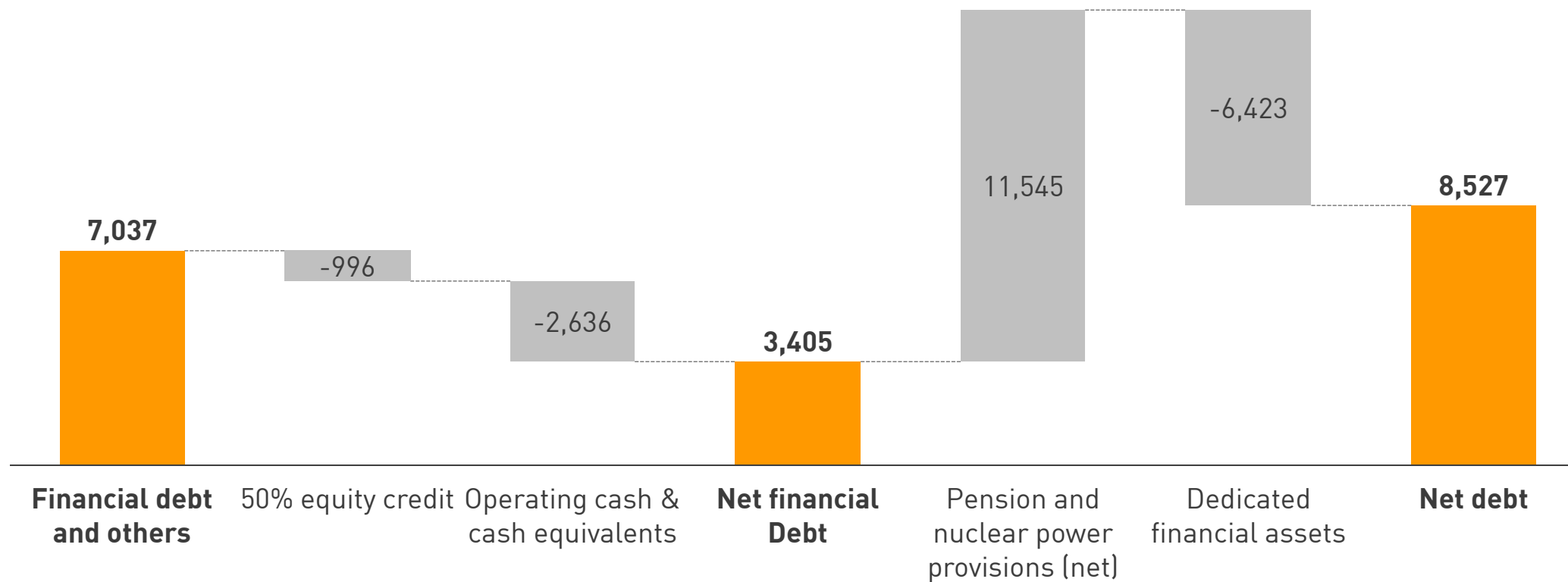
	Q1-Q3 2018	Q1-Q3 2017	Variance
Income/expenses relating to nuclear power	12.2	1,279.9	-1,267.7
Result from disposals	93.1	273.1	-180.0
Reversals of/additions to the provisions for onerous contracts relating to electricity procurement agreements	31.0	20.3	10.7
Restructuring	-26.0	-37.1	11.1
Other non-operating result	-7.0	6.1	-13.1
Non-operating EBITDA	103.3	1,542.3	-1,439.0
Impairment losses	-6.3	-27.6	21.3
Non-operating EBIT	97.0	1,514.7	-1,417.7



Calculation of net debt



In € million

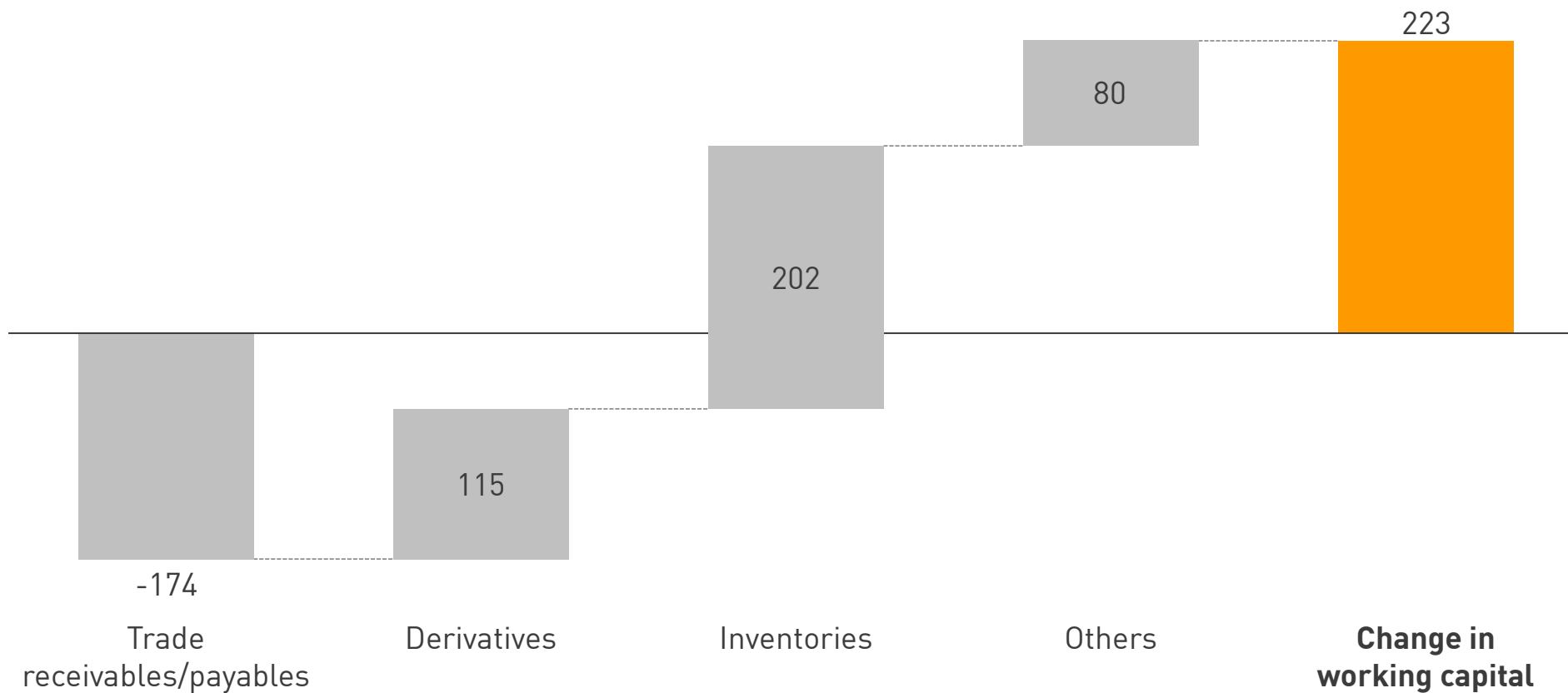




Working capital effects



In € million





Income statement



In € million	Q1-Q3 2018	Q1-Q3 2017	Variance in %
Revenue	17,397.4	15,337.4	13.4
Changes in inventories/other own work capitalised	132.7	126.5	4.9
Cost of materials	-14,284.5	-12,570.5	13.6
Personnel expenses	-1,309.6	-1,249.9	-4.8
Other operating income/expenses	-260.8	1,420.6	-
EBITDA	1,675.2	3,064.1	-45.3
Amortisation and depreciation	-897.8	-840.9	-6.8
EBIT	777.4	2,223.2	-65.0
Investment and financial result	-40.9	375.1	-
EBT	736.5	2,598.3	-71.7
Income tax	-170.3	-644.5	73.6
Group net profit/loss	566.2	1,953.8	-71.0
of which profit/loss shares attributable to non-controlling interests	97.5	85.1	14.6
of which profit/loss shares attributable to the shareholders of EnBW AG	468.7	1,868.7	-74.9



Cash flow statement



In € million

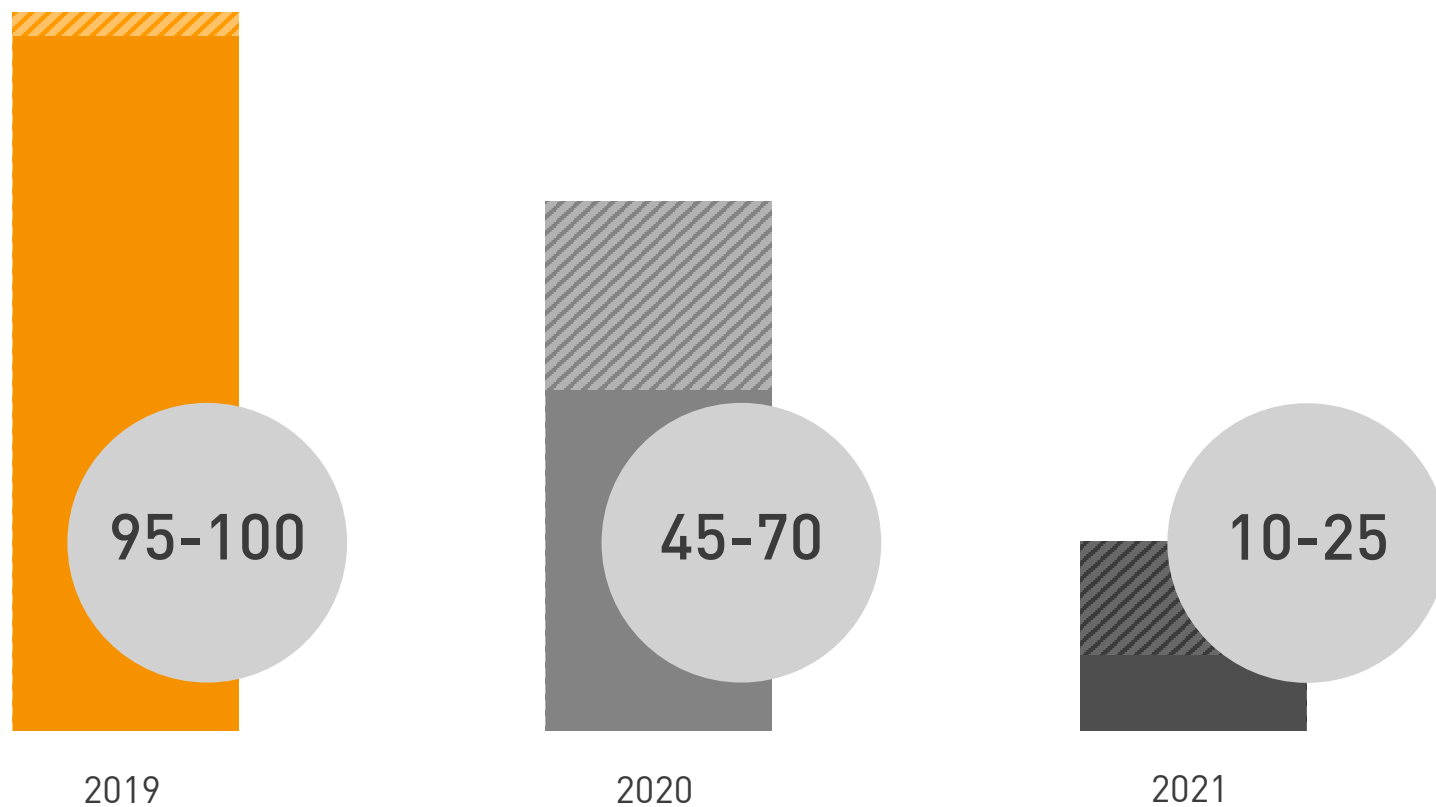
	Q1-Q3 2018	Q1-Q3 2017	Variance in %
EBITDA	1,675.2	3,064.1	-45.3
Changes in provisions	-540.9	-401.3	34.8
Non-cash-relevant expenses/income	-194.7	-308.3	-36.8
Income tax paid/received	-269.1	131.8	-
Interest and dividends received	221.7	530.5	-58.2
Interest paid for financing activities	-175.4	-339.0	-48.3
Contribution of dedicated financial assets	60.0	-28.9	-
Funds from Operations (FFO)	776.8	2,648.9	-70.7
Change in assets and liabilities from operating activities	-222.7	-4,647.8	-95.2
Capital expenditures on intangible assets and property, plant and equipment	-742.3	-761.2	-2.5
Disposals of intangible assets and property, plant and equipment	56.0	44.9	24.7
Cash received from construction cost and investment subsidies and refund of taxes from capitalized exploration expenses	49.9	47.1	5.9
Free cash flow	-82.3	-2,668.1	-96.9



Hedge levels¹



In %



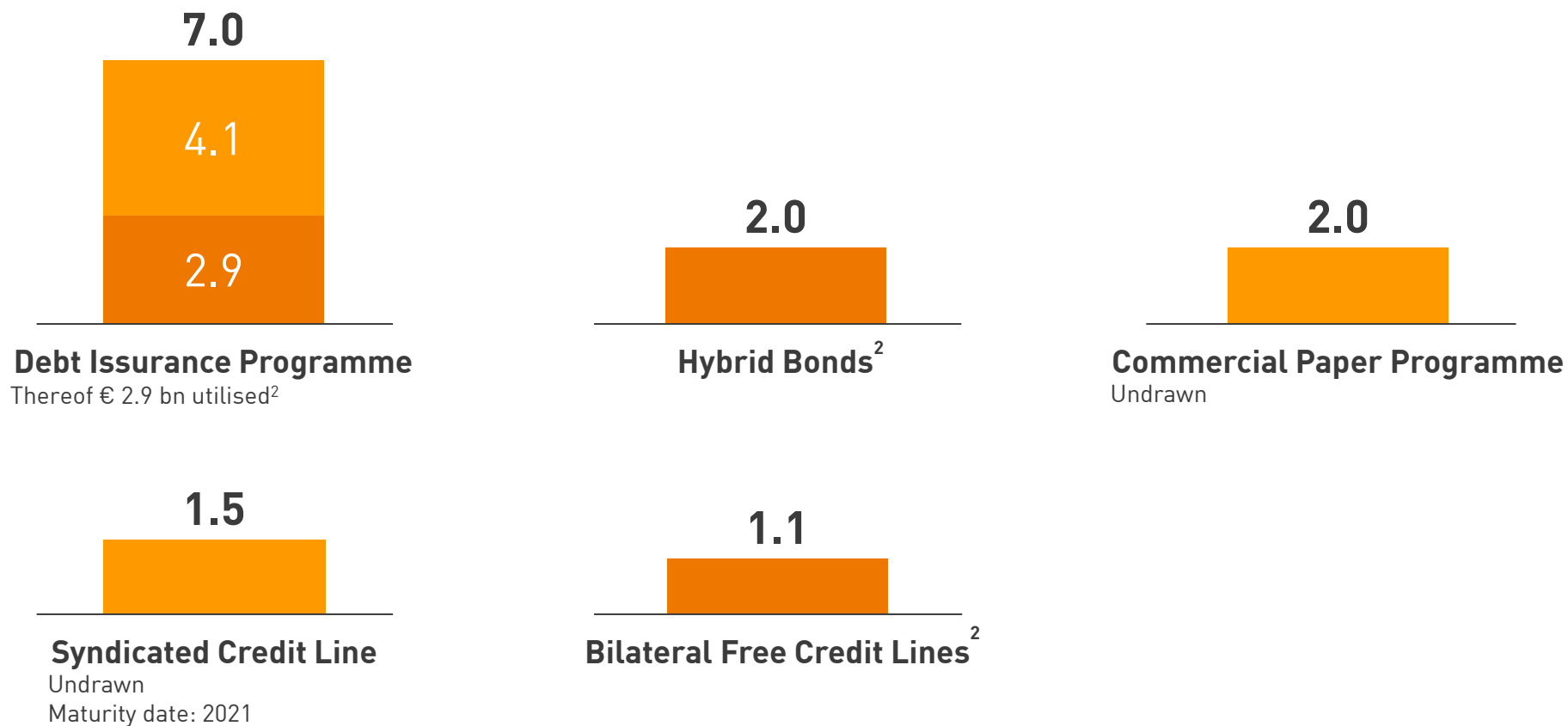
¹As of 30 September 2018



EnBW has a flexible access to various financing sources¹



In € billion



Project financing and low-interest loans from the EIB

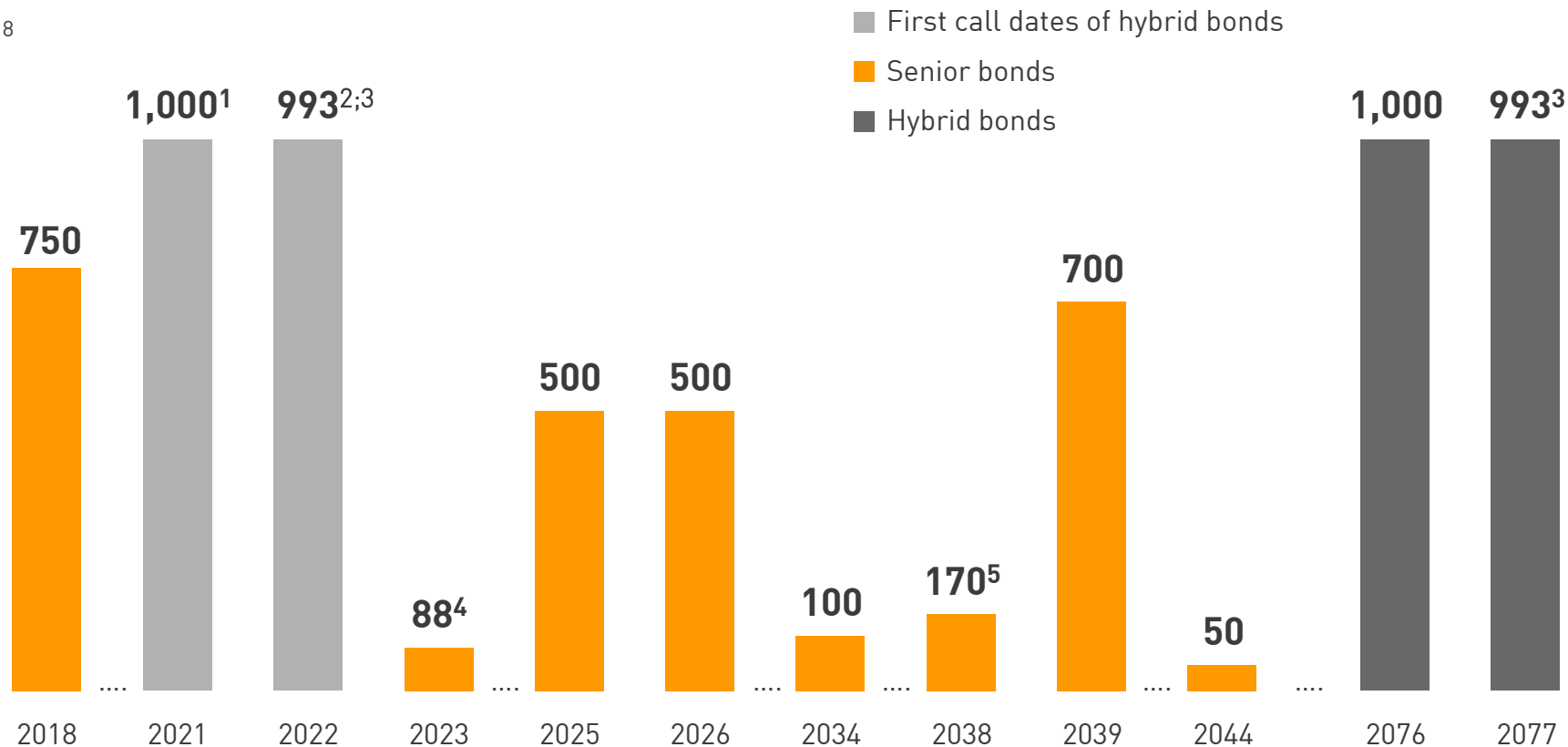
¹ As of 30 September 2018
² Rounded figures



Maturities of EnBW's bonds



In € million
As of 30 September 2018



¹ First call date: hybrid maturing in 2076

² First call date: hybrid maturing in 2077

³ Includes USD 300 million, Coupon for Swap in EUR 5.125% (converted as of 05/10/2016)

⁴ CHF 100 million, converted as of the reporting date of 30/09/2018

⁵ JPY 20 billion (swap in EUR), Coupon for Swap 3.880%



Financial calendar 2019 & important links



Financial calendar 2018



28 March 2019

8 May 2019

10 May 2019

25 July 2019

8 November 2019

Integrated Annual Report January to December 2018

Annual General Meeting

Quarterly Statement January to March 2019

Six-Monthly Financial Report January to June 2019

Quarterly Statement January to September 2019

Important links



Statement Q1-Q3 2018

Financial Calendar

Financing facilities

Maturities of our bonds

https://www.enbw.com/company/investors/events/conference-calls/2018/q2-2018_en.html

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

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

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



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