

Investor and analyst conference call Q3 2021 >



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12 November 2021



Key messages



Adjusted EBITDA: Slight reduction by 4% – outlook 2021 unchanged

Significant net debt reduction to €10.9 bn

On our way to climate neutrality

Sustainable transition of generation portfolio

- Decommissioning of coal-fired power plants: RDK 7 by mid 2022
- Fuel switch¹: CCGT Altbach/Deizisau - 750 MW electricity/170 MW heat

Sustainable finance

- €500 m green subordinated bond in August
 - ISS ESG rating improved to “B”: EnBW ranks in TOP 5% multi utilities
-

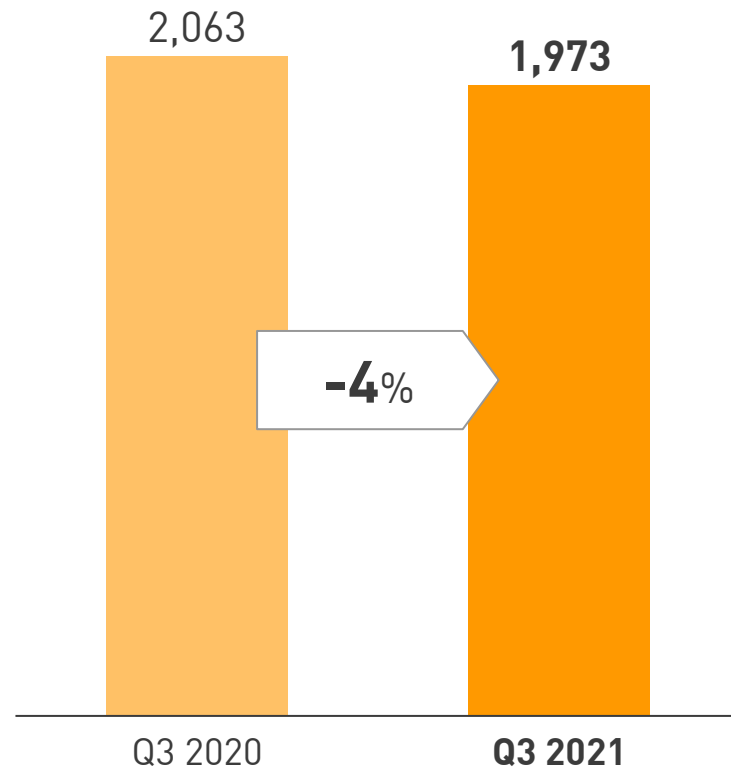
¹ The final investment decision will be taken at a later date

Temporary effects slightly reduced adjusted EBITDA

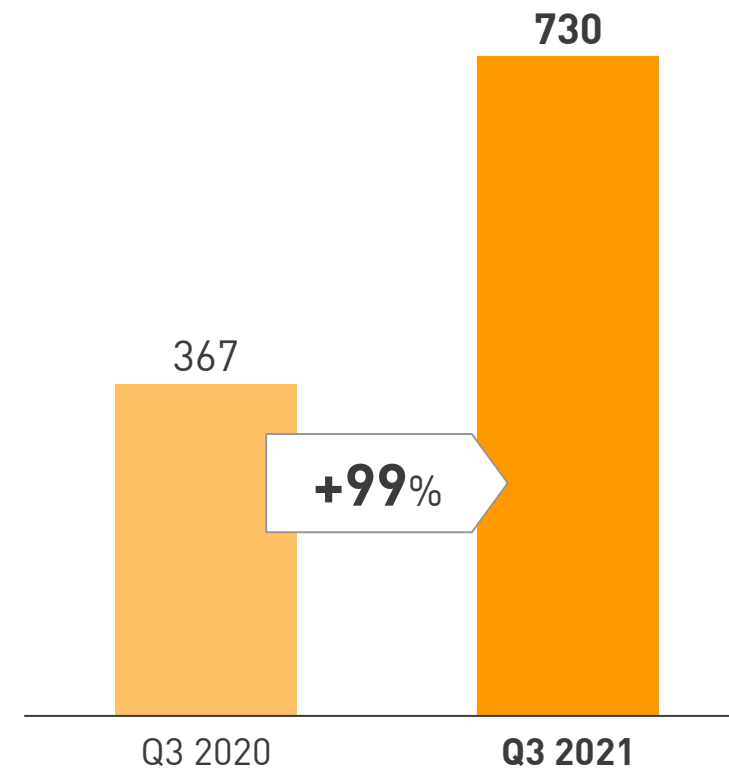
Financial result improvement increases adjusted Group net profit



Adjusted EBITDA
in € m



Adjusted Group net profit¹
in € m



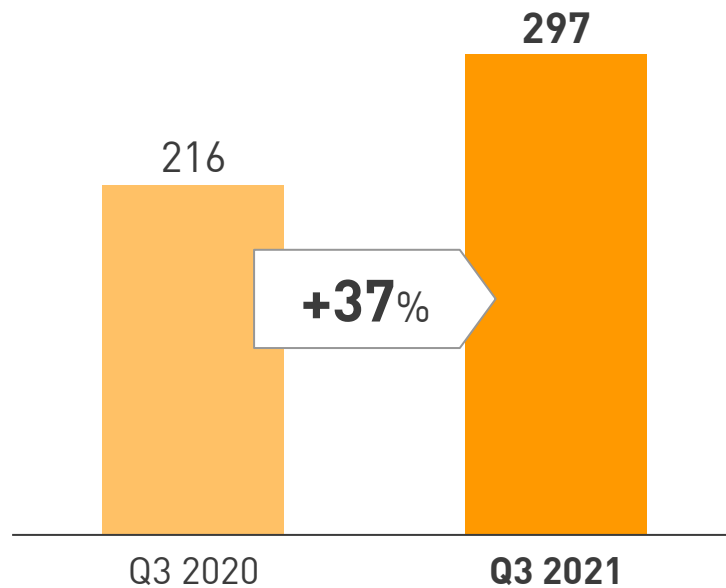
¹ Attributable to the shareholders of EnBW AG



Smart Infrastructure for Customers Improved earnings in the commodity business



Adjusted EBITDA
in € m



Electricity and gas sales

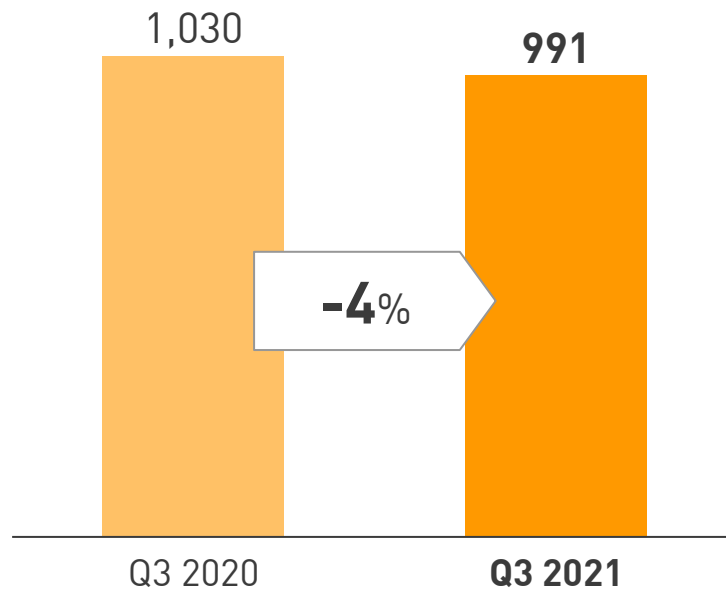
- Improved earnings in the commodity business at all our sales companies
- Positive earnings performance at our subsidiary SENEK

System Critical Infrastructure

As expected, higher expenses due to necessary grid expansion



Adjusted EBITDA
in € m



Transmission and distribution grids

- ▲ Higher grid revenues
- ▼ Higher personnel expenses due to the necessary grid expansion

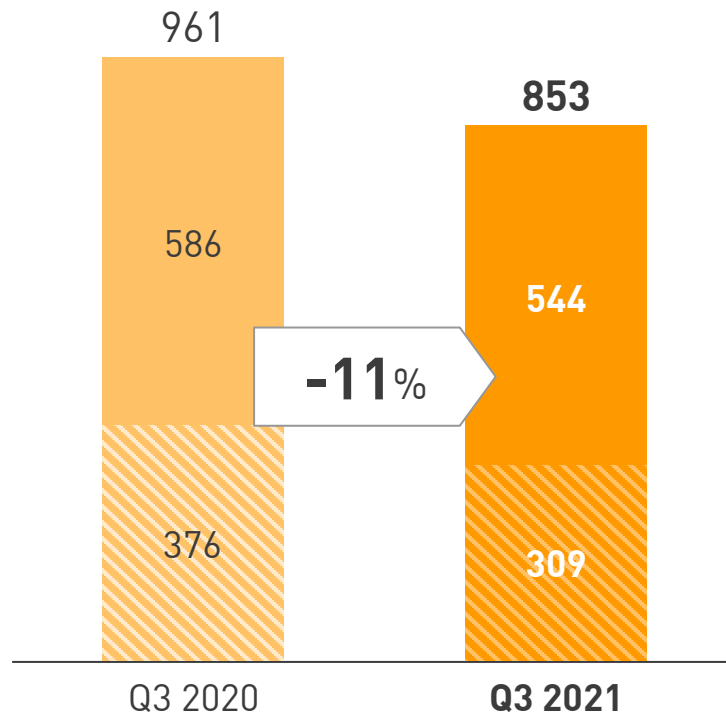


Sustainable Generation Infrastructure

Lower wind yields and temporary valuation effects



Adjusted EBITDA
in € m



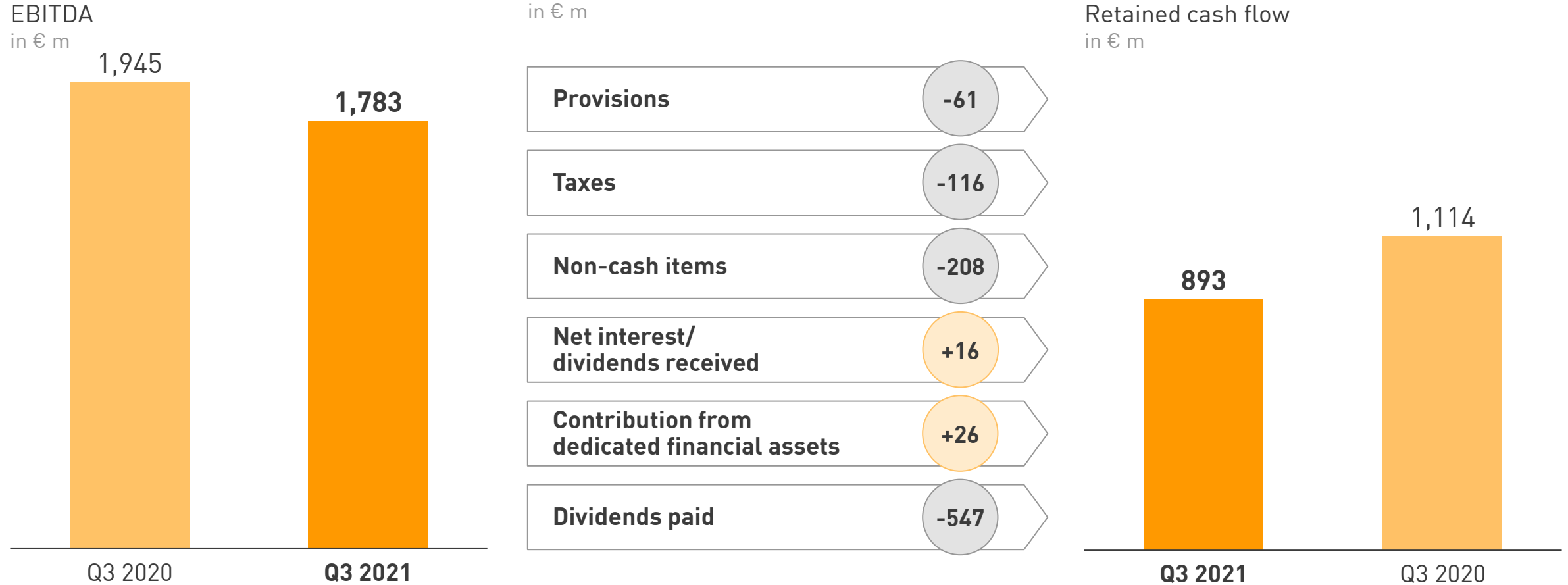
Renewable Energies

- Lower wind yields compared to previous year and long-term average

Thermal Generation and Trading

- Temporary negative valuation effects

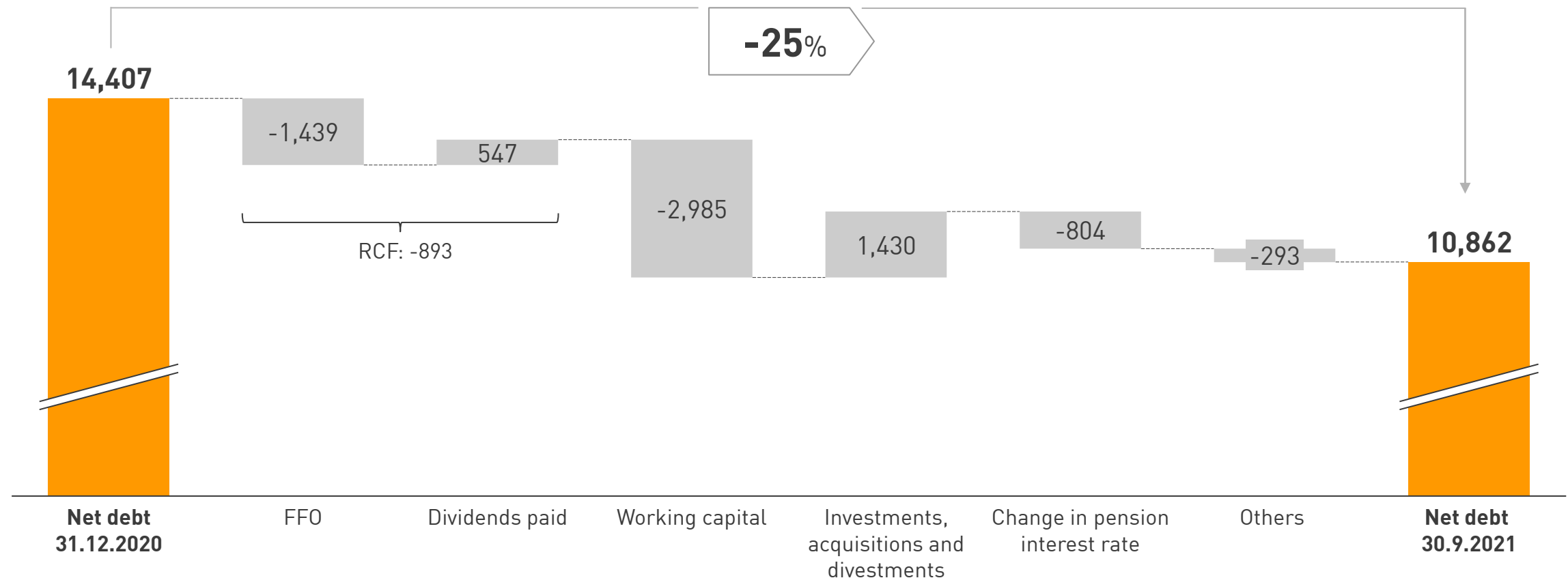
Decrease in RCF mainly due to higher dividend payout and interest paid



Significant reduction of net debt mainly driven by RCF, a significant reduction in WC as well as EEG payments received and increased pension discount rate



in € m



Outlook 2021 confirmed



in € m

Group

2,825 to 2,975



Smart Infrastructure for Customers

335

Adj. EBITDA 2020

**300
to
375**



System Critical Infrastructure

1,347

Adj. EBITDA 2020

**1,300
to
1,400**



Sustainable Generation Infrastructure

1,278

Adj. EBITDA 2020

**1,375
to
1,475**

Questions & Answers



Appendix



- Additional information [Page 12](#)
- Service information [Page 22](#)

Non-operating result



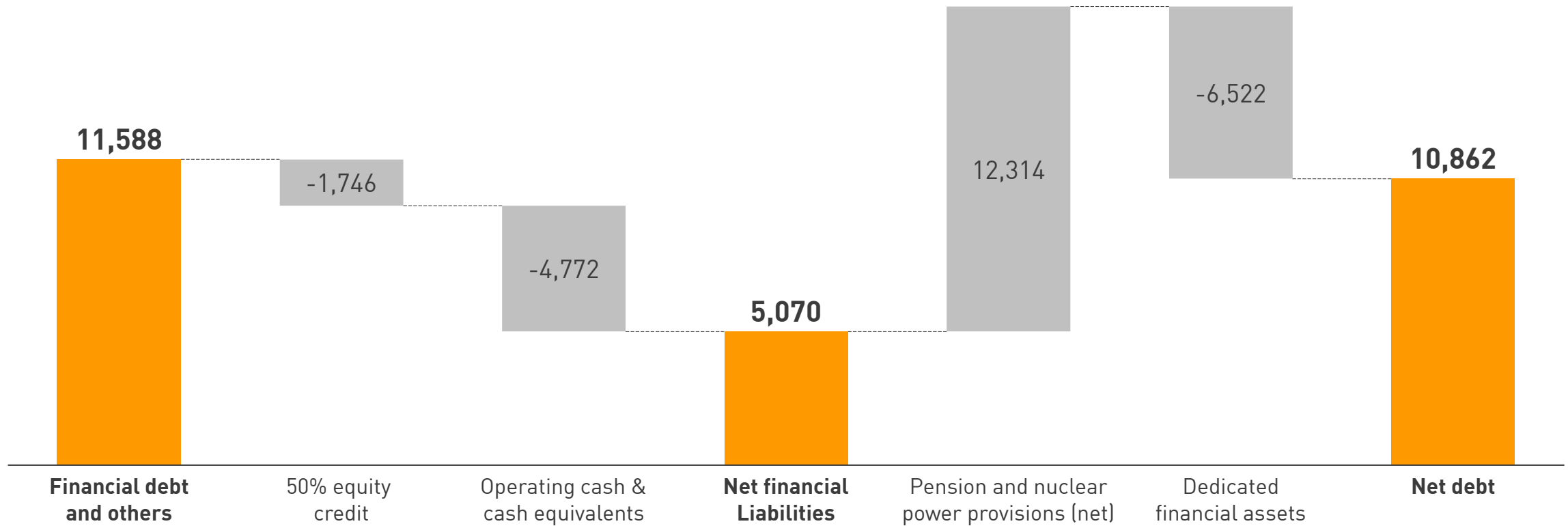
in € m

	Q3 2021	Q3 2020	Change in %
Income/expenses relating to nuclear power	95.8	14.6	-
Result from disposals	-4.5	-3.2	40.6
Reversals of/additions to the provisions for onerous contracts relating to electricity procurement agreements	-303.9	0.0	-
Restructuring	-24.4	-18.1	34.8
Valuation effects	62.3	-40.2	-
Other non-operating result	-15.3	-71.0	-78.5
Non-operating EBITDA	-190.0	-117.9	61.2
Impairment losses	-957.4	-89.2	-
Non-operating EBIT	-1,147.4	-207.1	-

Calculation of net debt¹



in € m

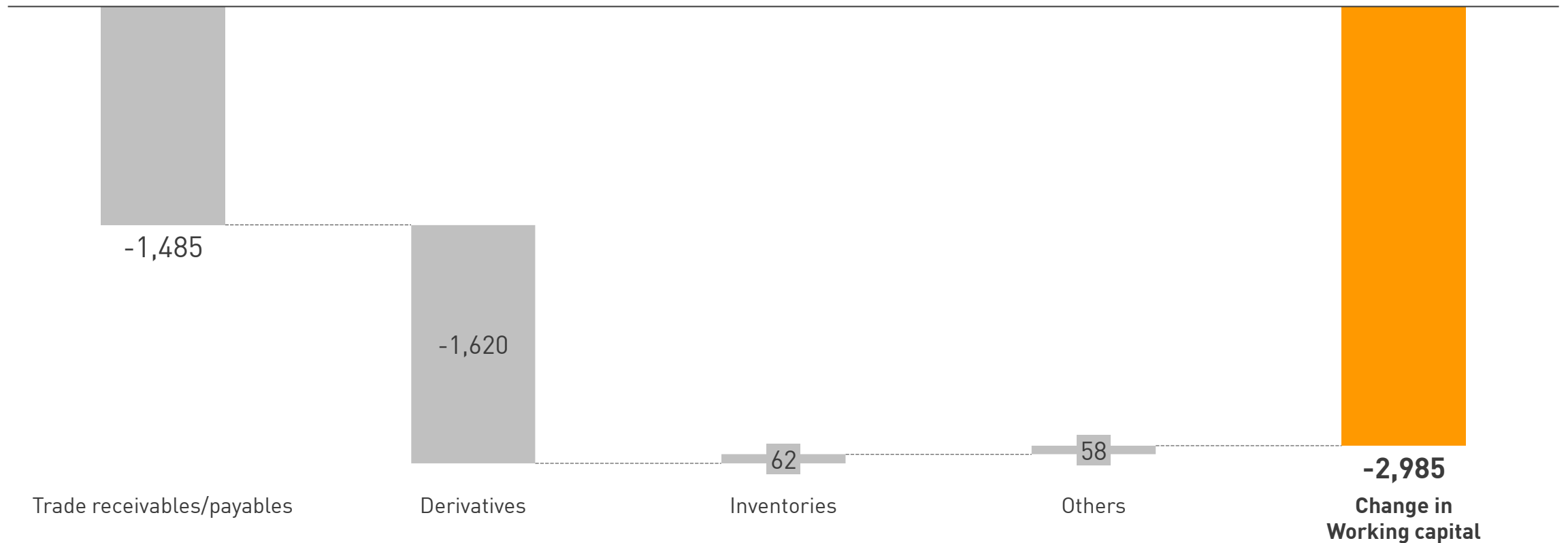


¹ As of 30 September 2021

Working capital effects¹



in € m

¹ 1.1. – 30.9.2021

Income statement



in € m

	Q3 2021	Q3 2020	Change in %
Revenue	18,720.8	13,682.0	36.8
Changes in inventories/other own work capitalized	185.0	204.7	-9.6
Cost of materials	-14,769.7	-9,819.1	50.4
Personnel expenses	-1,741.4	-1,537.8	13.2
Other operating income/expenses	-612.1	-585.2	4.6
EBITDA	1,782.6	1,944.6	-8.3
Amortization and depreciation	-2,069.0	-1,064.3	94.4
EBIT	-286.4	880.3	-
Investment and financial result	236.8	-284.0	-
EBT	-49.6	596.3	-
Income tax	45.3	-217.8	-
Group net profit	-4.3	378.5	-
of which profit shares attributable to non-controlling interests	(22.3)	(128.3)	-
of which profit shares attributable to the shareholders of EnBW AG	(-26.6)	(250.2)	-



Retained cash flow

in € m

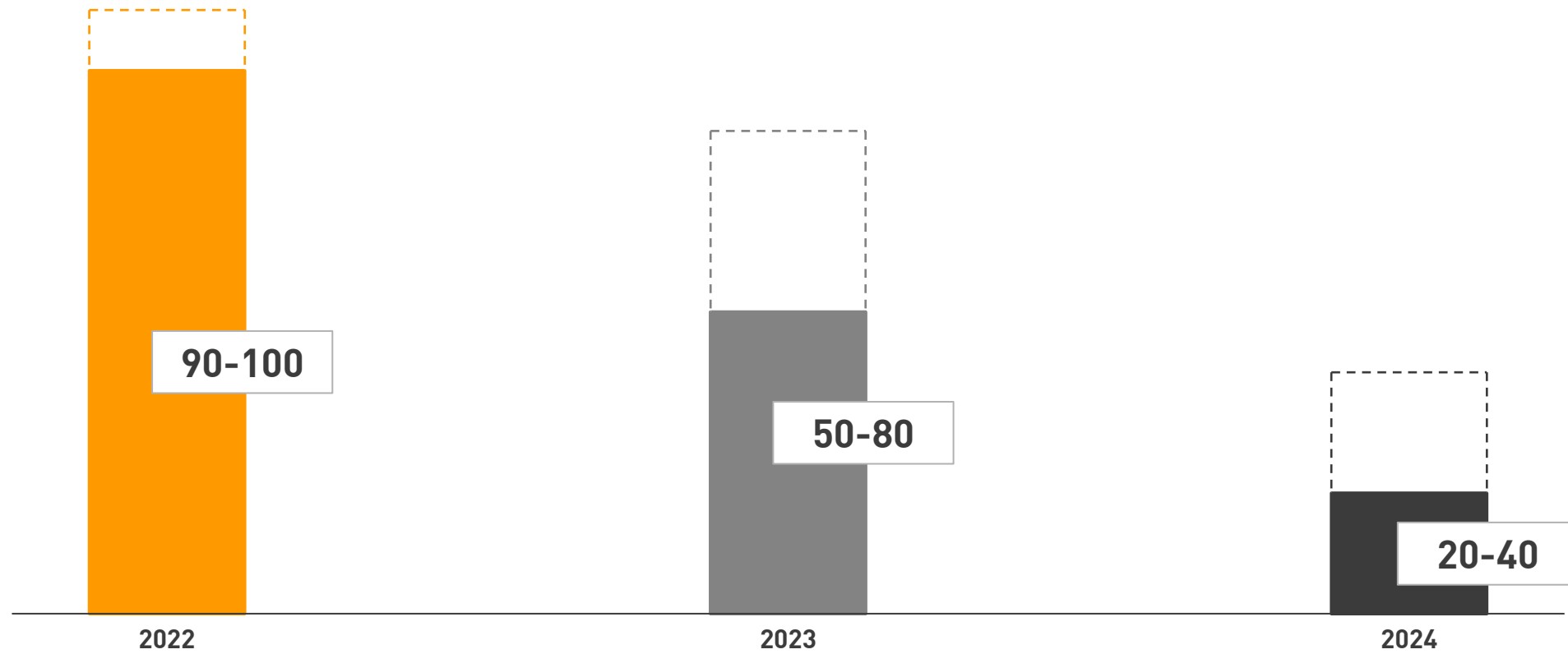
	Q3 2021	Q3 2020	Change in %
EBITDA	1,782.6	1,944.6	-8.3
Changes in provisions	-60.7	-410.0	-85.2
Non-cash-relevant income/expenses	-208.2	56.6	-
Income tax paid	-116.3	-137.3	-15.3
Interest and dividends received	270.4	186.6	44.9
Interest paid for financing activities	-254.0	-192.3	32.1
Dedicated financial assets contribution	25.5	53.6	-52.4
Funds from Operations (FFO)	1,439.3	1,501.8	-4.2
Dividends paid	-546.5	-388.1	40.8
Retained Cashflow¹	892.8	1,113.7	-19.8

¹ Adjusted for the effects of the nuclear fuel tax refund of €180.0 m, the adjusted retained cash flow in the previous year amounted to €1,293.7 m (1.1.-30.9.2020). The adjustment does not apply in the reporting year.

Electricity generation hedge levels¹

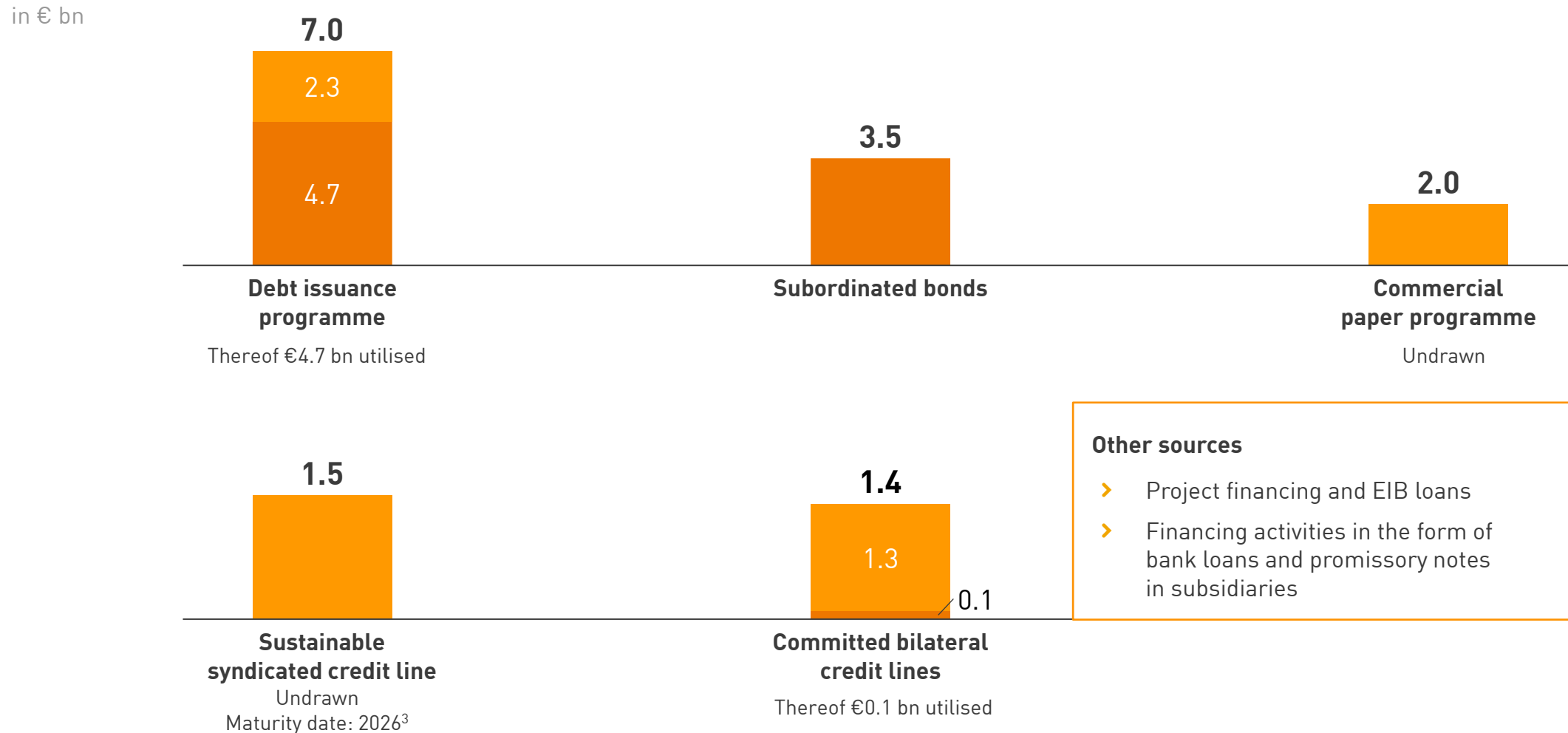


in %



¹ As of 30 September 2021

EnBW has flexible access to various financing sources ^{1,2}



¹ As of 30 September 2021

² Rounded figures

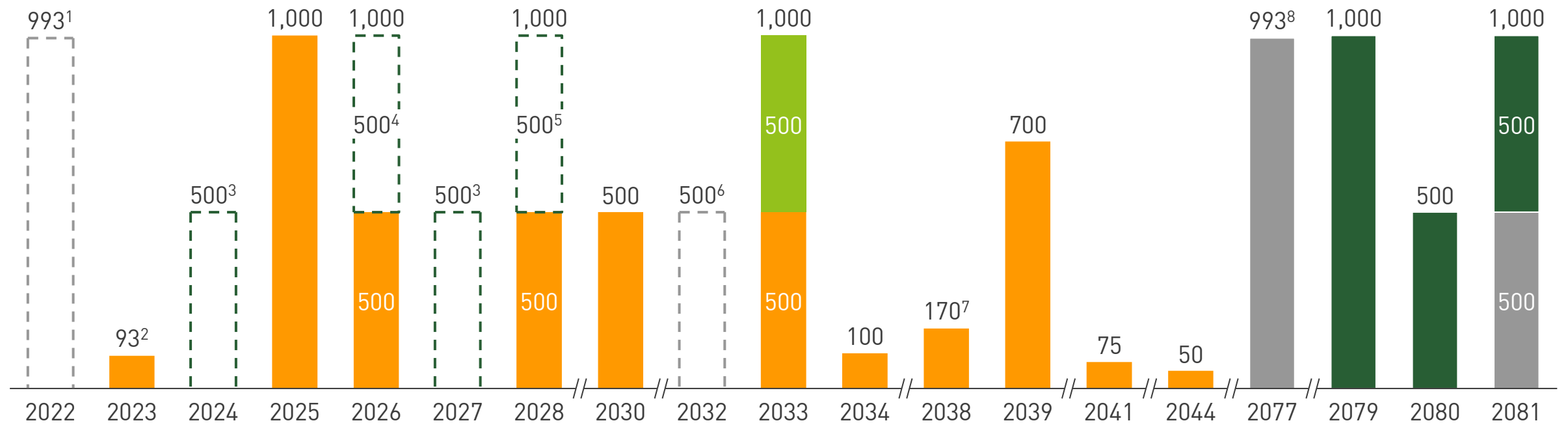
³ Following exercise of the first annual renewal option after the first year. There is a second renewal option after the second year with the potential maximum term until end of June 2027.

Maturities of EnBW's bonds



in € m
as of 30 Sep. 2021

■ Green subordinated bonds ■ Green senior bond First call dates of subordinated bonds
■ Subordinated bonds First call dates of green subordinated bonds ■ Senior bonds



¹ First call date: subordinated maturing in 2077; includes USD 300 m (swap in €), coupon before swap 5.125%

² CHF 100 m, converted as of the reporting date of 30.9.2021

³ First call date: green subordinated maturing in 2079

⁴ First call date: green subordinated maturing in 2080

⁵ First call date: green subordinated maturing in 2081

⁶ First call date: subordinated maturing in 2081

⁷ JPY 20 bn (swap in €), coupon before swap 5.460

⁸ Includes USD 300 m, converted as of 5.10.2016

Fixed income: Credit ratings



MOODY'S INVESTORS SERVICE

Baa1 / stable
18 May 2021

- › Leadership position as vertically integrated utility within Baden-Württemberg
- › Significant proportion of EBITDA, around 50%, from low-risk regulated distribution and transmission activities
- › Growing share of renewables under contracts as EnBW continues to invest in line with its strategy
- › Historically balanced financial policy and demonstrated commitment to robust credit quality
- › Difficult operating environment in Germany for conventional generation and challenging retail markets
- › Execution risks relating to a large investment programme, including offshore wind development
- › Supportive stance of shareholders

S&P Global Ratings

A- / stable
2 June 2021

- › Well positioned amid the European energy transition, with a business mix that is proving resilient to economic downturns
- › EnBW to enter an intensive investment circle focusing mostly on low-risk grid projects and increasing renewable capacity
- › Capex intensification will increase leverage, but consistent with current rating
- › Regulated business and low-risk renewable portfolio will translate into stable and sustainable cash flow streams
- › Prudent risk-sharing strategy; increasing share of minority shareholdings factored in in S&P's rating triggers
- › Moderate likelihood of government support

Major sustainability ratings



¹ CDP Scale: A to D (Leadership A/A-; Management B/B-; Awareness C/C-; Disclosure D/D-; Failure F)

² Sustainalytics Scale: 0-100 (Risk Score: negligible (0-10); low (10-20); medium (20-30); high (30-40); severe (40+))

³ ISS ESG Scale: A+ to D- (absolute best-in-class basis; Prime Status awarded)

⁴ MSCI Scale: AAA to CCC (Leader AAA – AA; Average A – BB, Laggard B – CCC)

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Financial calendar



23 March 2022	Publication Integrated Annual Report 2021 Investor and analyst conference call: 03:00 pm
5 May 2022	Annual General Meeting 2022
13 May 2022	Publication figures Q1 2022 Investor and analyst conference call: 01:00 pm
12 August 2022	Publication figures Q2 2022 Investor and analyst conference call: 01:00 pm
11 November 2022	Publication figures Q3 2022 Investor and analyst conference call: 01:00 pm

