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## Press Release >

# EnBW continues positive earnings performance in first quarter

**Growth in Grids and Renewable Energies / Guidance of 9% to 16% earnings growth in full year 2019 confirmed / CFO Thomas Kusterer: “Aim this year to sustain the positive trend”**

Karlsruhe. EnBW has made a good start to the new 2019 financial year. With a workforce of 21,773, the company generated revenue of some 6.67 billion euros and an operating result (adjusted EBITDA) of some 723 million euros in the first quarter of 2019. This marks a rise of 5.3% year-on-year (Q1 2018: approximately 687 million euros). The increase in earnings is mainly due to the good performance of the Grids and the Renewable Energies segments. EnBW has confirmed its earnings guidance for the full year 2019. Adjusted EBITDA for the 2019 financial year is expected to be in a range between 2.35 and 2.5 billion euros, which is 9% to 16% above the previous year.

CFO Thomas Kusterer: “Following on from further earnings growth in the 2018 fiscal year, we aim to sustain and accelerate the positive trend. To that end, we are building on a broad business portfolio combined with systematic expansion of our growth segments. In Renewable Energies most of all, we expect substantially higher earnings in 2019 than in the previous year, not least as we gradually bring our Hohe See and Albatros offshore wind farms into operation this autumn.”

Net profit attributable to the shareholders of EnBW AG increased from 137.5 million euros in the previous year’s period to 273.8 million euros in the period under review. Earnings per share came to 1.01 euros in the reporting period, compared with 0.51 euros a year earlier. The doubling in net profit is largely attributable to an improvement in the financial result. This reflects a higher valuation of securities portfolios as of the reporting date.

## Performance by segment

Adjusted EBITDA in the Sales segment was down 33.6% year-on-year to 58.4 million euros in the first three months of 2019. One of the main reasons for the lower earnings consisted of higher procurement costs for electricity and gas.

At 418.5 million euros, adjusted EBITDA in the Grids segment showed an increase of 16.4% in the first quarter of 2019. A major factor in the positive earnings performance comprised higher grid fees.

In the Renewable Energies segment, the adjusted EBITDA of 118.6 million euros exceeded the previous year’s figure by 24.3%. The substantial earnings growth is partly due to good wind conditions this spring, most of all with an improvement in offshore wind yields. New builds and purchases of onshore wind farms in 2018, among other places in Sweden, also had a positive impact on earnings.

Adjusted EBITDA in the Generation and Trading segment decreased in the first three months of 2019 by 7.1% to 136.4 million euros. One negative impact on earnings related to the sale of

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VNG Norge AS in the previous year, which removed the earnings contribution from that company.

The EnBW Group's total investment, at 330 million euros, was 40% higher than in the first three months of the previous year (approximately 235 million euros). 76% of total gross investment related to growth projects, primarily in Grids and Renewable Energies segments.

The additional investment in the Grids segment in the first quarter of 2019 mostly related to construction of the EUGAL gas pipeline and to investment in the upgrading strategy, electric mobility and smart grids. In Renewable Energies, the increased investment was primarily directed at the EnBW Hohe See and EnBW Albatros construction projects. Construction of EnBW's first two North Sea wind farms is progressing well and they are planned to go into operation by the year-end. These two wind farms together comprise the largest offshore wind farm project currently under construction in Germany.

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## Performance indicators of the EnBW-Group

### Financial and strategic performance indicators

in € million	01/01– 31/03/2019	01/01– 31/03/2018	Change in %	01/01– 31/12/2018
External revenue <sup>1</sup>	6,671.3	5,934.2	12.4	20,617.5
Adjusted EBITDA	722.9	686.6	5.3	2,157.5
Share of adjusted EBITDA accounted for by Sales in € million/in % <sup>1</sup>	58.4/8.1	87.9/12.8	-33.6/-	268.4/12.4
Share of adjusted EBITDA accounted for by Grids in € million/in %	418.5/57.9	359.5/52.4	16.4/-	1,176.9/54.5
Share of adjusted EBITDA accounted for by Renewable Energies in € million/in %	118.6/16.4	95.4/13.9	24.3/-	297.7/13.8
Share of adjusted EBITDA accounted for by Generation and Trading in € million/in % <sup>1</sup>	136.4/18.9	146.9/21.4	-7.1/-	430.8/20.0
Share of adjusted EBITDA accounted for by Other/Consolidation in € million/in %	-9.0/-1.3	-3.1/-0.5	-/-	-16.3/-0.7
EBITDA	707.9	687.8	2.9	2,089.6
Adjusted EBIT	375.9	392.1	-4.1	957.5
EBIT	360.7	393.3	-8.3	875.8
Adjusted Group net profit <sup>2</sup>	323.9	135.9	138.3	438.3
Group net profit <sup>2</sup>	273.8	137.5	99.1	334.2
Earnings per share from Group net profit <sup>2</sup> in €	1.01	0.51	99.1	1.23
Retained cash flow	536.2	511.9	4.7	999.1
Total investments	329.9	234.9	40.4	1,769.9

### Employees<sup>3,4</sup>

	31/03/2019	31/03/2018	Change in %	31/12/2018
Employees	21,773	21,425	1.6	21,775
Full-time equivalents	20,382	20,025	1.8	20,379

1 The figures for the previous year have been restated.

2 In relation to the profit/loss attributable to the shareholders of EnBW AG.

3 Number of employees excluding apprentices/trainees and inactive employees.

4 The number of employees for the ITOs (ONTRAS Gastransport GmbH, terranets bw GmbH and TransnetBW GmbH) is only updated at the end of the year; for intervals of less than a year, the number of employees from 31/12/2018 is carried forward.

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