

11 November 2022



Investor and analyst conference call 9M 2022

Thomas Kusterer
Marcel Münch

Chief Financial Officer
SVP Finance, M&A and Investor Relations



Key messages



Adjusted EBITDA 9M almost at prior year level, outlook revised

Comfortable liquidity position of €3.1 bn plus available credit lines of more than €7 bn

Debut US Private Placement with total volume equivalent US\$0.85 bn (9 Nov 2022)

- Proceeds in €, US\$ and GB£ with maturities of 3 to 12 years
-

Limited extension for three German nuclear power plants until 15 Apr 2023

- Includes EnBW's power plant Neckarwestheim 2 (1,400 MW)
 - No extension beyond that and no procurement of new fuel rods
-

Update credit ratings

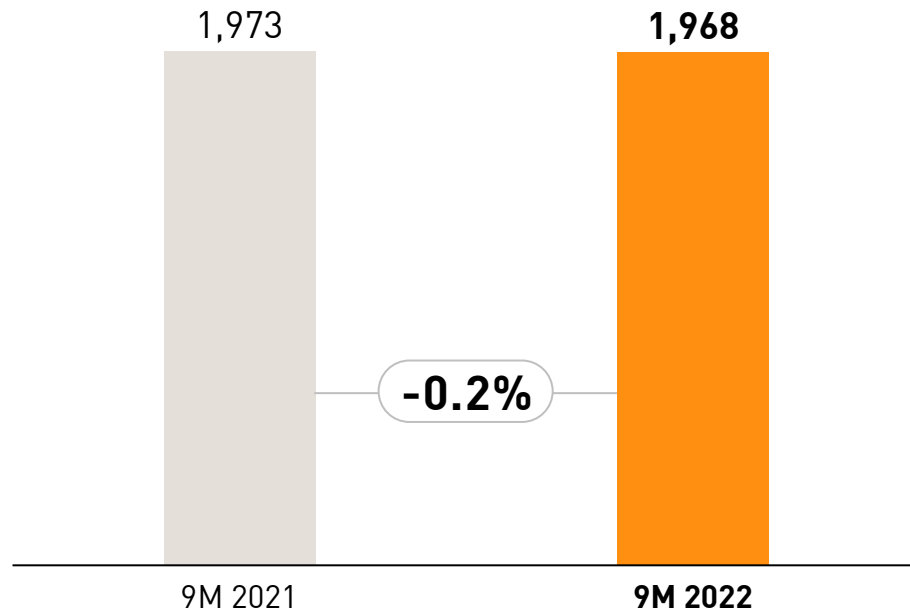
- S&P: Confirmation of rating at A- lowering outlook to “negative” (15 Sep 2022)
- Moody's: Baa1 stable rating left unchanged (13 Se 2022)

Adjusted EBITDA almost at prior year level

Adj. Group net profit halved due to IFRS 9 valuation effects

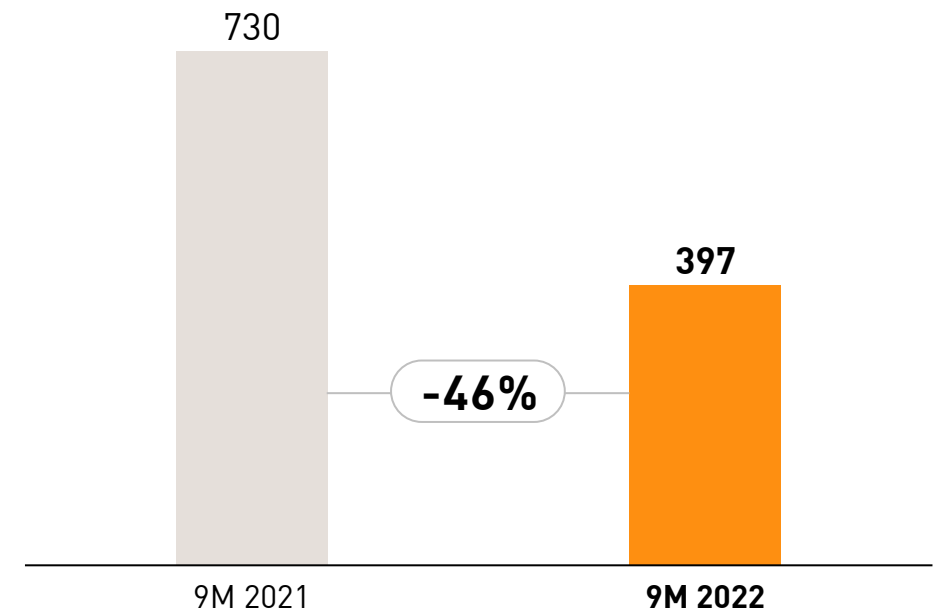
Adjusted EBITDA

in € m



Adjusted Group net profit¹

in € m



¹ Attributable to the shareholders of EnBW AG

Significant reduction of risks for VNG from replacement procurement of natural gas



From beginning of 2023 no more risks under either of the two purchase contracts

- 65 TWh contract with WIEH¹ concluded with a settlement as of 10 Oct 2022
 - WIEH meets all additional costs of replacement procurement in 2022
 - Early termination of contract effective year-end 2022
- 35 TWh contract with Gazprom Export (GPE)
 - VNG continues to supply customers at agreed prices
 - Mechanism for compensation of replacement procurement costs still in discussion with German government
- Both contracts will run out by year-end 2022 and VNG will not bear any residual exposure beyond that

Financial impact 2022

- ~€1,180 m negative impact on adjusted EBITDA recorded in 9M 2022 (costs incurred by Q3 and residual expected for Q4)
- €599 m negative impact on non-operating EBITDA for remaining replacement procurement costs in Q4 2022; to (partially) reverse in case of lower gas prices and compensation by federal government for cancelled gas levy

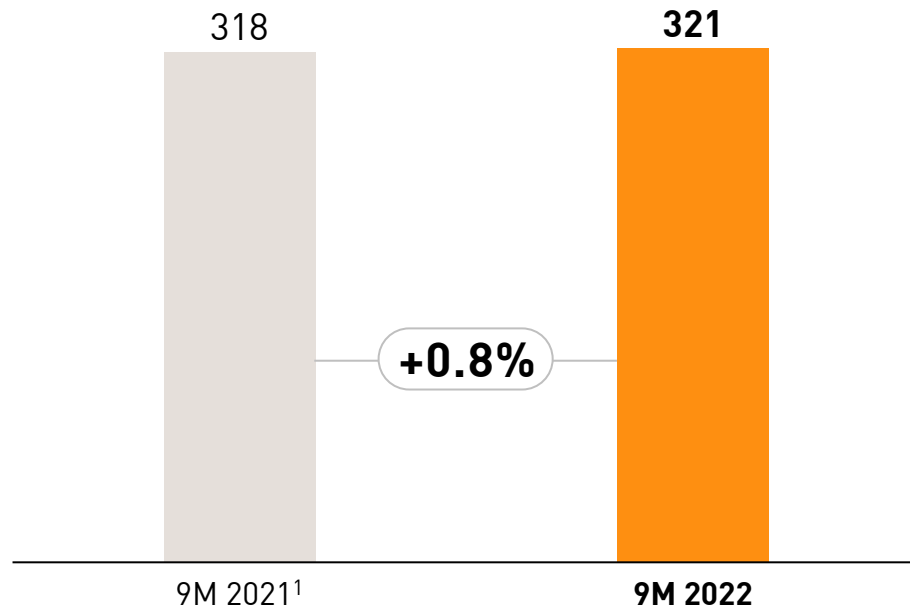
¹ A subsidiary of Gazprom Germania, now operating as SEFE, Securing Energy for Europe, under trusteeship of BNetzA

Smart Infrastructure for Customers

Increased procurement costs compensated by earnings contribution from new subsidiaries at SENECE

Adjusted EBITDA

in € m



Electricity and gas sales

- ▲ Contribution by newly acquired subsidiaries at home storage provider SENECE
- ▼ Increased procurement costs

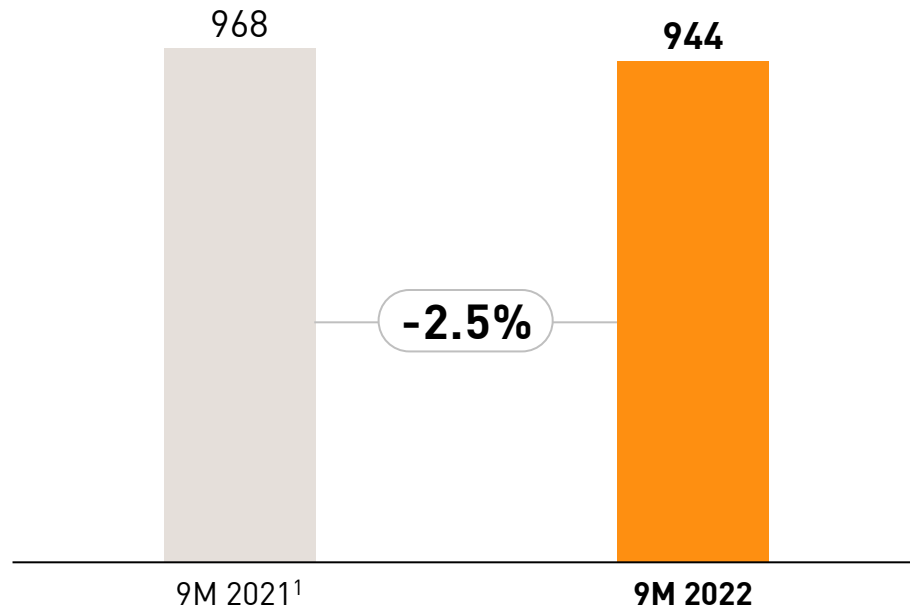
¹ Previous year's figures restated

⌚ System Critical Infrastructure

Reserve power plant capacity necessary for future grid stabilisation using redispatch

Adjusted EBITDA

in € m



Transmission and distribution grids

- Higher expenses for grid reserve measures including redispatch to maintain security of supply as a result of sharp rise in number of deployments and market prices

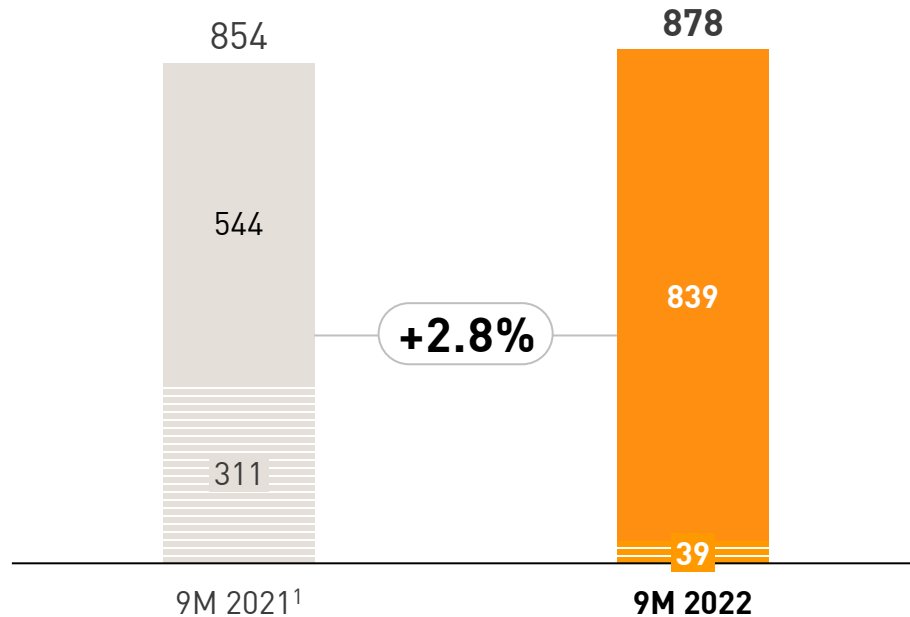
¹ Previous year's figures restated



Higher market prices and expansion of renewables

Adjusted EBITDA

in € m



Renewable Energies

- ▲ Earnings contribution from newly commissioned solar parks
- ▲ Marketing above the fixed EEG tariff
- ▲ Better wind yields



Thermal Generation and Trading

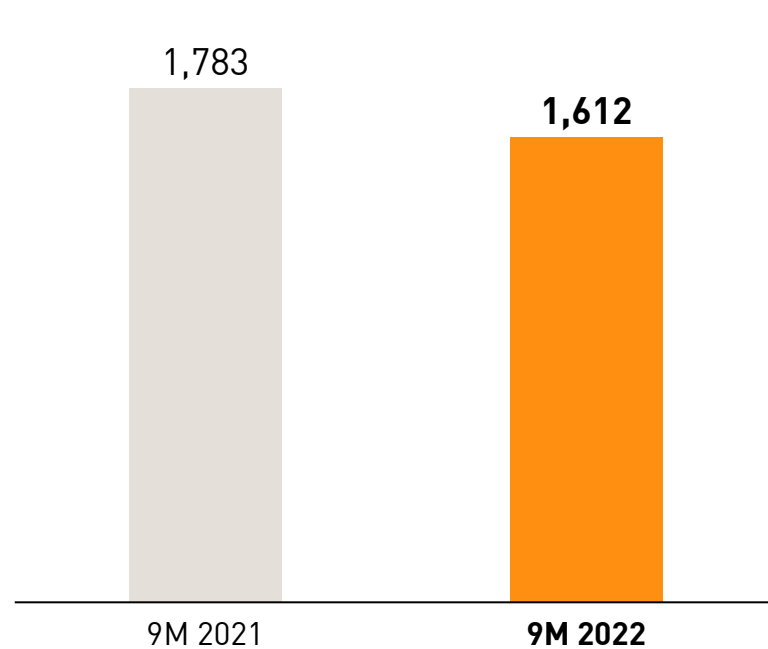
- ▼ Effects from the curtailment and suspension of gas supplies due to the Russia-Ukraine war
- ▼ Negative valuation effects on derivative financial instruments
- ▲ Higher market prices and earnings contribution from trading activities

¹ Previous year's figures restated

Increase in RCF due to valuation effects

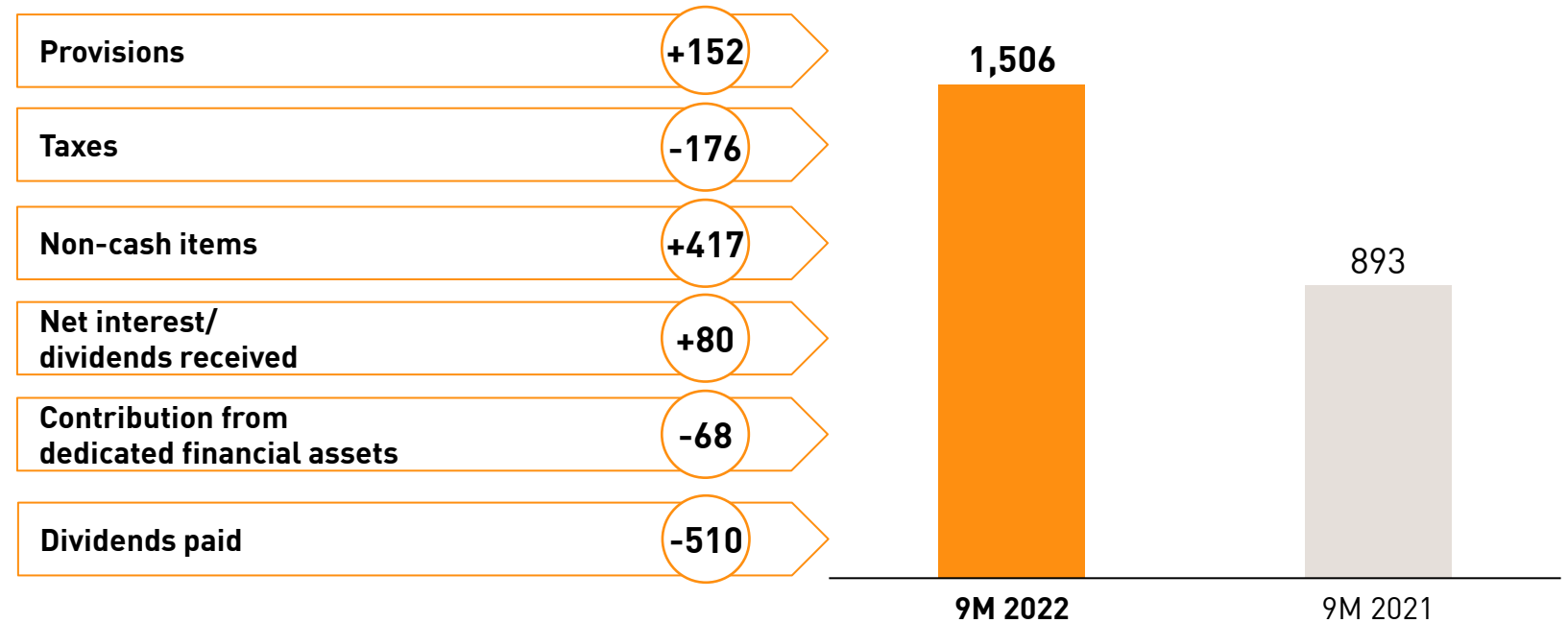
EBITDA

in € m



Retained cash flow

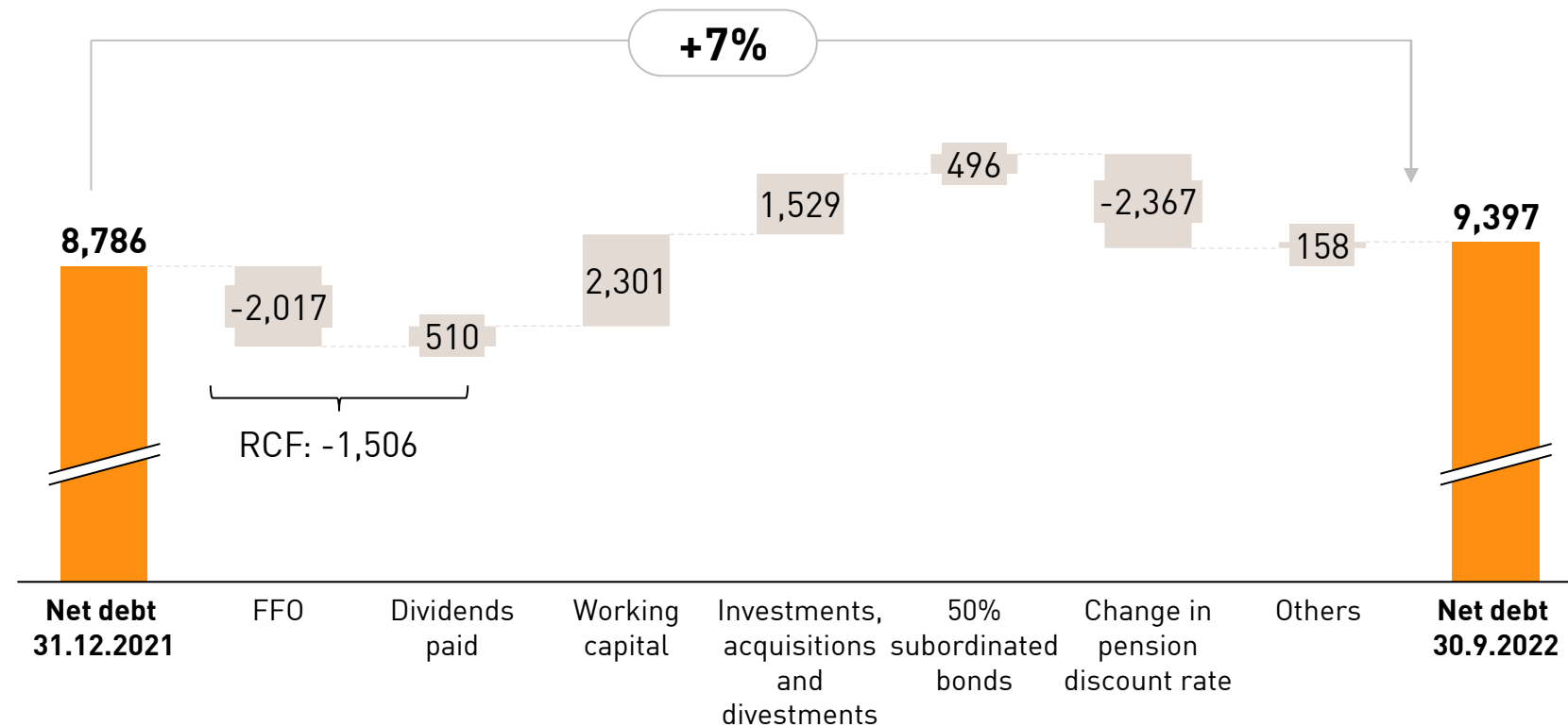
in € m



Increase in net debt mainly due to working capital development

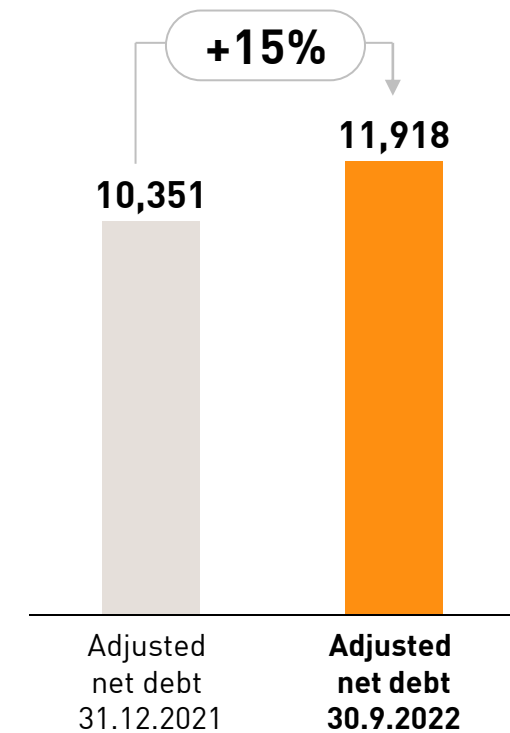
Net debt

in € m



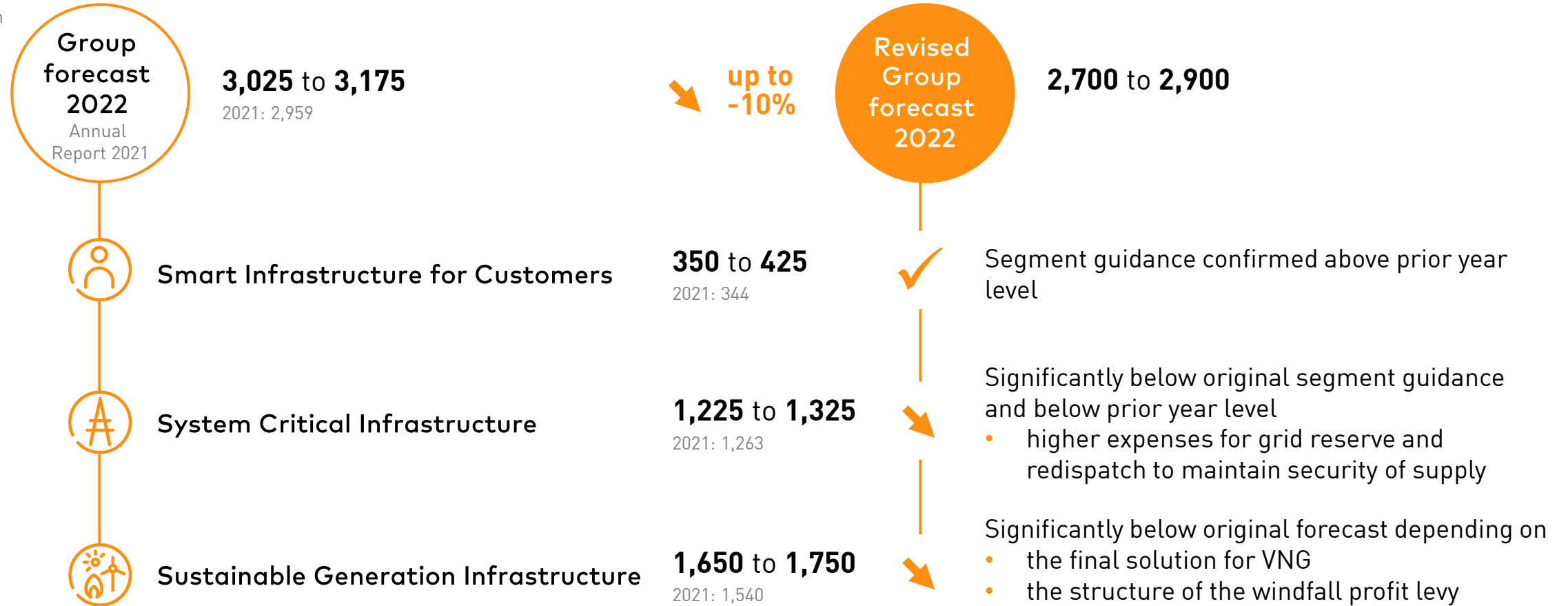
Net debt adj. for EEG funds

in € m adjusted for restricted cash on EEG account



Adjusted EBITDA expected to fall by up to 10% below 2022 forecast range

in € m





Questions & Answers

1. Additional information
2. Service information

Non-operating result

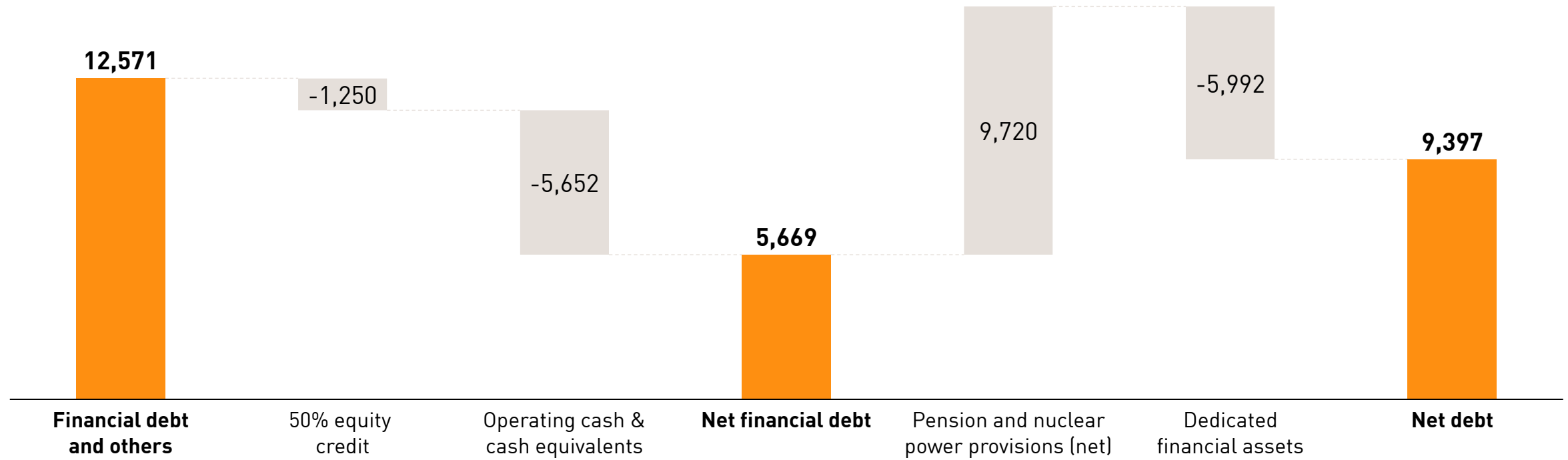
in € m

	9M 2022	9M 2021	Change in %
Income/expenses relating to nuclear power	-375.7	95.8	-
Result from disposals	20.4	-4.5	-
Reversals/increase of provisions for onerous contracts relating to electricity and gas procurement agreements	128.2	-303.9	-
Income from reversals of impairment losses	236.9	0.0	-
Restructuring	-20.3	-24.4	-16.8
Valuation effects ¹	-331.8	62.3	-
Other non-operating result	-13.6	-15.3	-11.1
Non-operating EBITDA	-355.9	-190.0	87.3
Impairment losses	-95.8	-957.4	-
Non-operating EBIT	-451.7	-1,147.4	-

¹ Includes expenses of €599 m at VNG due to uncertainties regarding compensation mechanisms for the replacement procurement of Russian gas volumes

Calculation of net debt¹

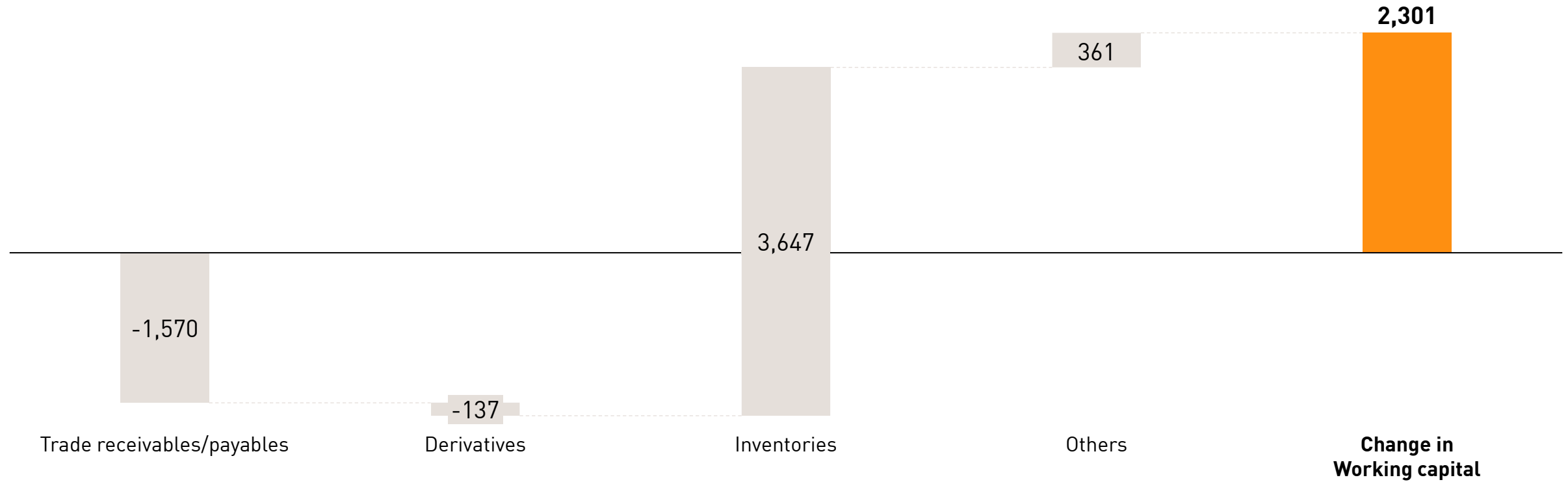
in € m



¹ As of 30 September 2022

Working capital effects¹

in € m



¹ 1.1. – 30.9.2022

Income statement

in € m

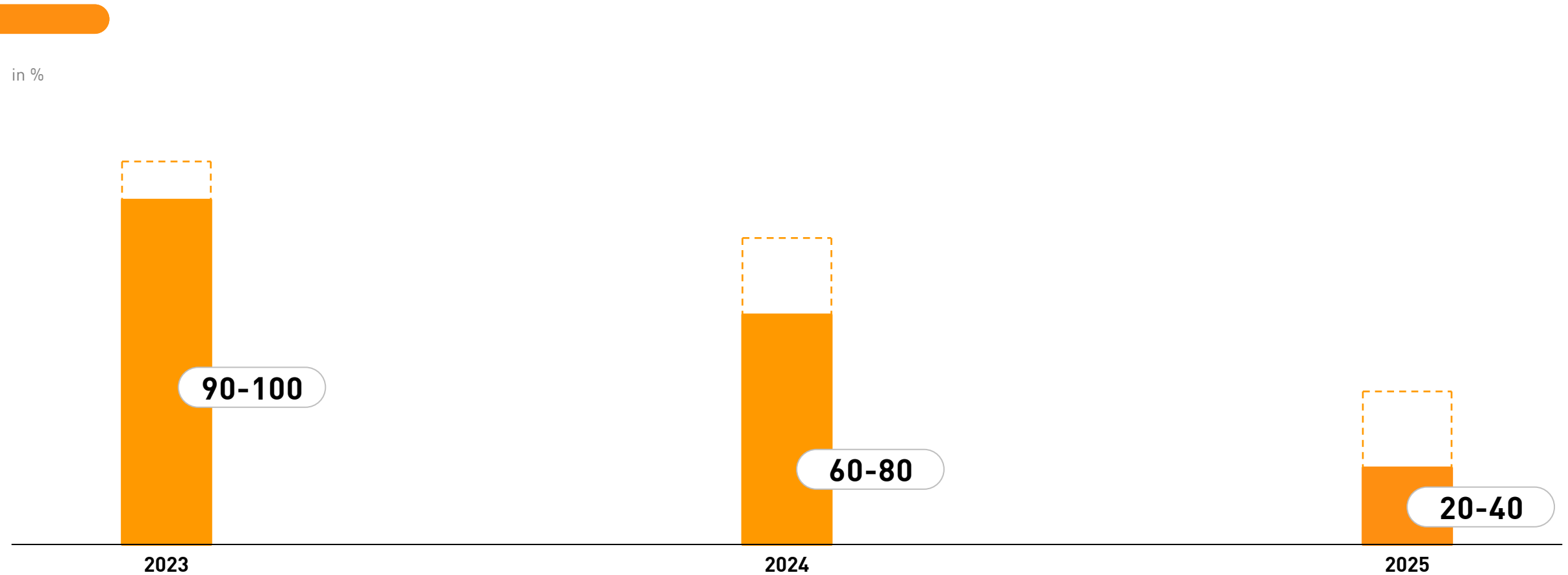
	9M 2022	9M 2021	Change in %
Revenue	39,453.8	18,720.8	110.7
Changes in inventories/other own work capitalized	294.5	185.0	59.2
Cost of materials	-33,400.5	-14,769.7	-126.1
Personnel expenses	-1,847.9	-1,741.4	-6.1
Other operating income/expenses	-2,887.9	-612.1	-
EBITDA	1,612.0	1,782.6	-9.6
Amortization and depreciation	-1,278.5	-2,069.0	38.2
EBIT	333.5	-286.4	-
Investment and financial result	70.3	236.8	-70.3
EBT	403.8	-49.6	-
Income tax	-382.0	45.3	-
Group net profit	21.8	-4.3	-
of which profit shares attributable to non-controlling interests	(-141.4)	(22.3)	-
of which profit shares attributable to the shareholders of EnBW AG	(163.2)	(-26.6)	-

Retained cash flow

in € m

	9M 2022	9M 2021	Change in %
EBITDA	1,612.0	1,782.6	-9.6
Changes in provisions	152.4	-60.7	-
Non-cash-relevant income/expenses	416.6	-208.2	-
Income tax paid	-175.8	-116.3	51.2
Interest and dividends received	327.7	270.4	21.2
Interest paid for financing activities	-248.2	-254.0	-2.3
Dedicated financial assets contribution	-68.2	25.5	-
Funds from Operations (FFO)	2,016.5	1,439.3	40.1
Dividends paid	-510.3	-546.5	-6.6
Retained cash flow	1,506.2	892.8	68.7

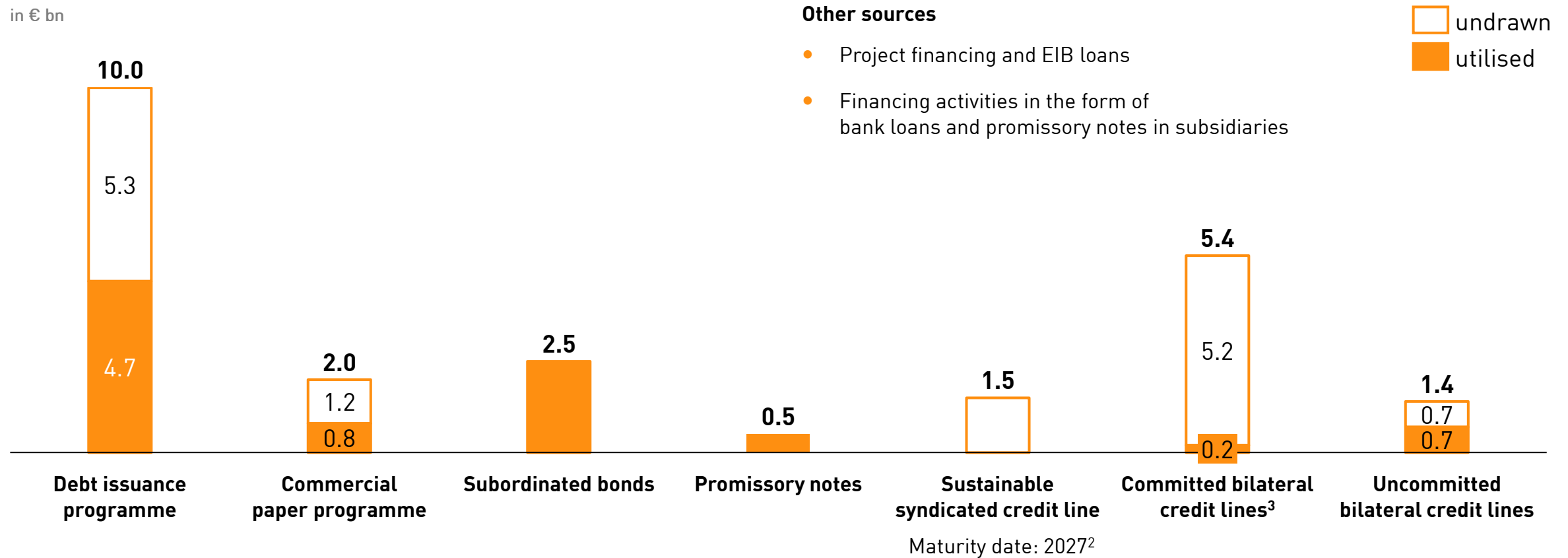
Electricity generation hedge levels¹



¹ As of 30 September 2022

EnBW Group has flexible access to various financing sources¹

in € bn



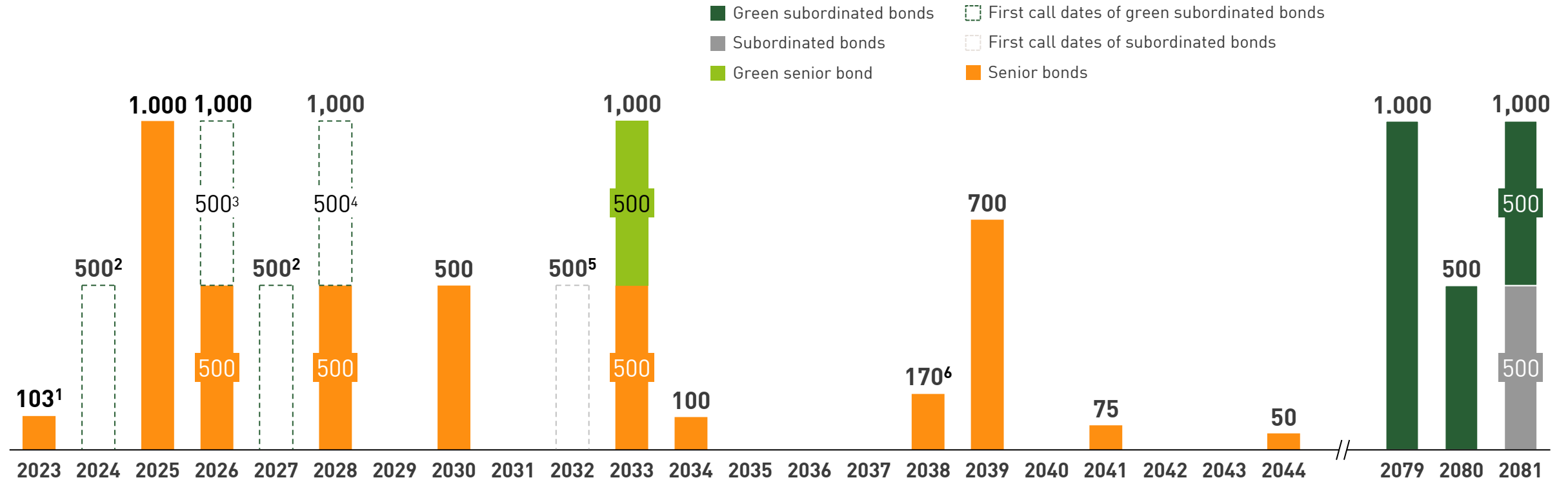
¹ Rounded figures as of 30 September 2022

² Term until the end of June 2027 after exercise of the second extension option for a further year

³ €660 m loan agreement of VNG with KfW (until April 2023) as of 5 April 2022

Maturities of EnBW's bonds

in € m, as of 30 September 2022



¹ CHF 100 m, converted as of the reporting date of 30.9.2022

² First call date: green subordinated maturing in 2079

³ First call date: green subordinated maturing in 2080

⁴ First call date: green subordinated maturing in 2081

⁵ First call date: subordinated maturing in 2081

⁶ JPY 20 bn (swap in €), coupon before swap 5.460

Fixed income: Credit ratings

MOODY'S
INVESTORS SERVICE

Baa1 / stable

Latest update
13 September 2022

CONFIRMED

- **Leadership position** as vertically integrated utility within Baden-Württemberg
- **High share of regulated earnings** (transmission and distribution grid) and growing share of renewable assets under contracts
- Exposure to Russian gas supply through VNG subsidiary which is seeking support measures could be negative, credit implications depend on terms and conditions of any support to be provided
- **Solid set of results for the first half of 2022** in spite of taking losses and provisions of €545 million resulting from restrictions in gas supply arrangements of VNG
- Historically **balanced financial policy** and track record to defend credit quality
- Supportive stance of shareholders

S&P Global
Ratings

A- / negative

Latest update
15 September 2022

CONFIRMED

- **Diversified and integrated position**, which has demonstrated its resilience across different economic and geopolitical cycles
- High share of regulated EBITDA and expanding share of renewable generation provides **stability and predictability to earnings and cash flow**
- Investment strategy with focus on regulated infrastructure and renewable capacity deployment provides a long-term earnings base
- Gas repurchase losses and potential equity support for subsidiary VNG could pressure EnBW's credit metrics and causes negative rating outlook. Full effect depends on an agreement with the German government and improved performance of other business areas
- **Rating outlook could be revised back to stable** after gaining clarity on VNG's full-year losses and sufficient visibility on the German gas market
- Financial policy, including shareholder support, geared toward protecting the 'A-' rating

Major sustainability ratings

CDP¹

Climate Rating

Status quo



Management

Sustainalytics²

ESG Risk Rating



Medium Risk

ISS ESG³

ESG Rating



Prime Status

MSCI⁴

ESG Rating



Average


¹ CDP Scale: A to D (Leadership A/A-; Management B/B-; Awareness C/C-; Disclosure D/D-; Failure F)² Sustainalytics Scale: 0 to 40+ (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)

IR contacts

 investor.relations@enbw.com

**Marcel
Münch**

SVP Finance, M&A and
Investor Relations

 +49 721 63 16 102


**Peter
Berlin**

Director Capital Markets

 +49 721 63 12 844

**Julia
von Wietersheim**

Senior Manager
Investor Relations

 +49 721 63 12 060

**Lea
Gantz**

Manager
Investor Relations

 +49 721 63 13 646


**Regina
Martin**

Manager
Investor Relations

 +49 721 63 13 613

**Julia
Reinhardt**

Manager
Investor Relations

 +49 721 63 12 697

Financial calendar

Upcoming events



27 **March 2023, 03:00 pm CET**
Publication of figures for full year 2022
Investor and analyst conference call

3 **May 2023, 10:00 am CET**
Annual General Meeting 2023

12 **May 2023, 01:00 pm CET**
Publication of figures for 3M 2023
Investor and analyst conference call

11 **August 2023, 01:00 pm CET**
Publication of figures for 6M 2023
Investor and analyst conference call

13 **November 2023, 01:00 pm CET**
Publication of figures for 9M 2023
Investor and analyst conference call

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EnBW Energie Baden-Württemberg AG

Investor Relations

✉ investor.relations@enbw.com

☎ +49 721 63-12060

Durlacher Allee 93

76131 Karlsruhe

Companies registered office: Karlsruhe

Local court Mannheim · HRB no. 107956

Chairman of the Supervisory Board: Lutz Feldmann

Board of management: Dirk Güsewell, Thomas Kusterer,
Colette Rückert-Hennen, Dr. Georg Stamatelopoulos