

Investor and analyst conference call Q2 2021 >



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29 July 2021



Key messages



Reduction in adjusted EBITDA due to temporary effects
– outlook 2021 unchanged

€1.25 bn one-off effects, mainly due to impairment needs on the power plant portfolio - no impact on operating result

Project news:

Milestone for subsidy-free offshore wind farm He Dreiht: EnBW selects 15-megawatt turbines from Vestas

EnBW to build biggest public fast charging station in Europe

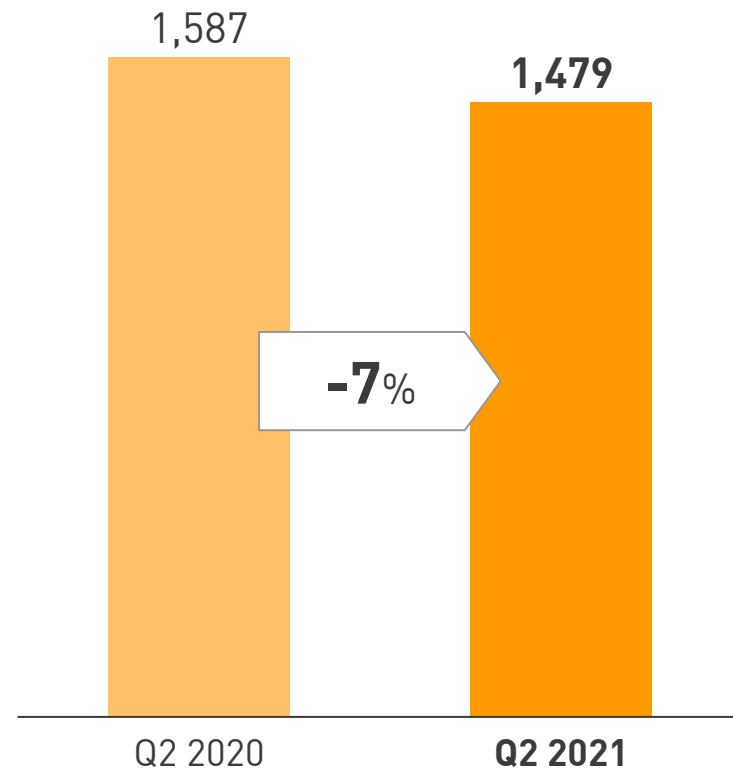
150 MW long-term power purchase agreements for three solar parks signed with Blue Elephant Energy

Temporary effects weigh on adjusted EBITDA

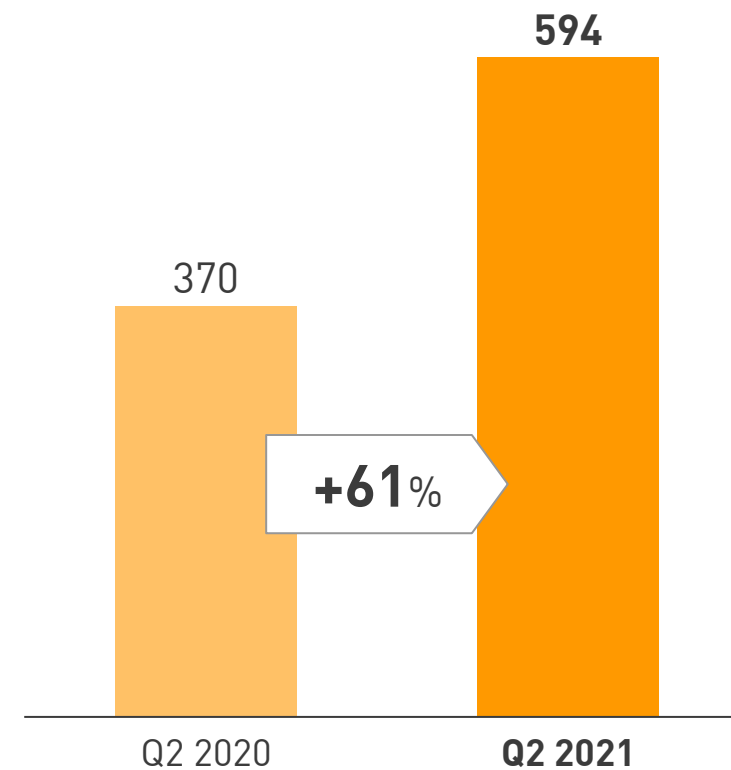
Improvement in the financial result increases adjusted Group net profit



Adjusted EBITDA
in € m



Adjusted Group net profit¹
in € m



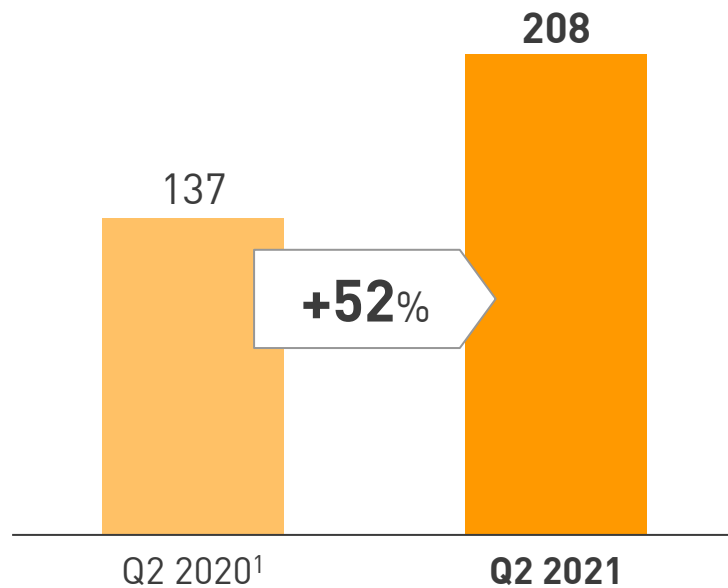
¹ Attributable to the shareholders of EnBW AG

Smart Infrastructure for Customers

Earnings increase driven by improved earnings in the commodity business



Adjusted EBITDA
in € m



Electricity and gas sales

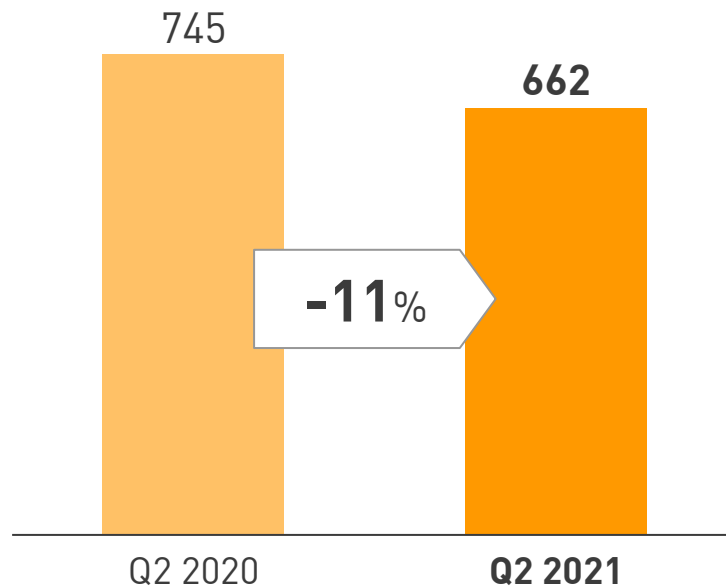
- Improved earnings in the commodity business at all our sales companies
- Positive earnings development of our subsidiary SENEK

¹ Previous year's figures restated




System Critical Infrastructure As expected higher expenses due to necessary grid expansion



Adjusted EBITDA
in € m



Transmission and distribution grids

-  Higher revenue from use of gas and electricity
-  Higher personnel expense due to the necessary grid expansion
-  Increase in expenses for balancing energy

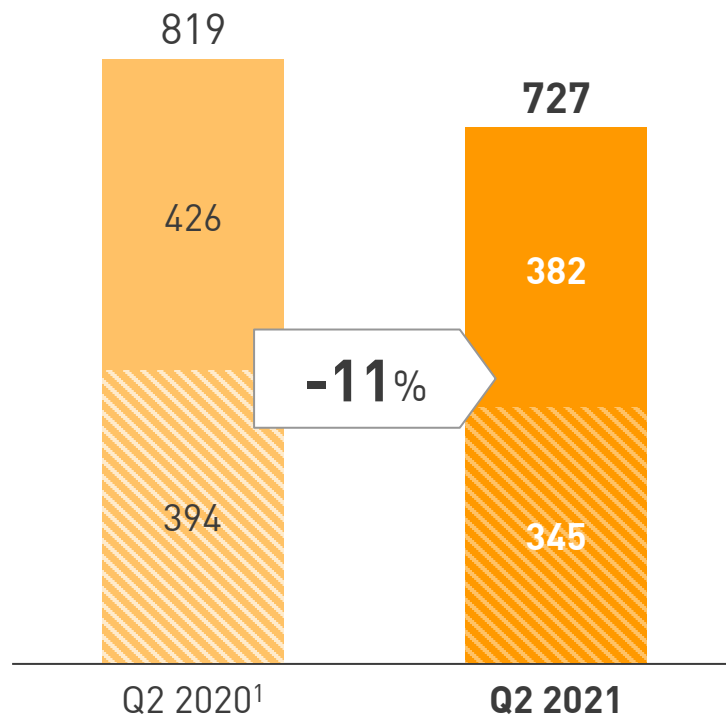


Sustainable Generation Infrastructure

Lower wind yields and temporary valuation effects



Adjusted EBITDA
in € m



Renewable Energies

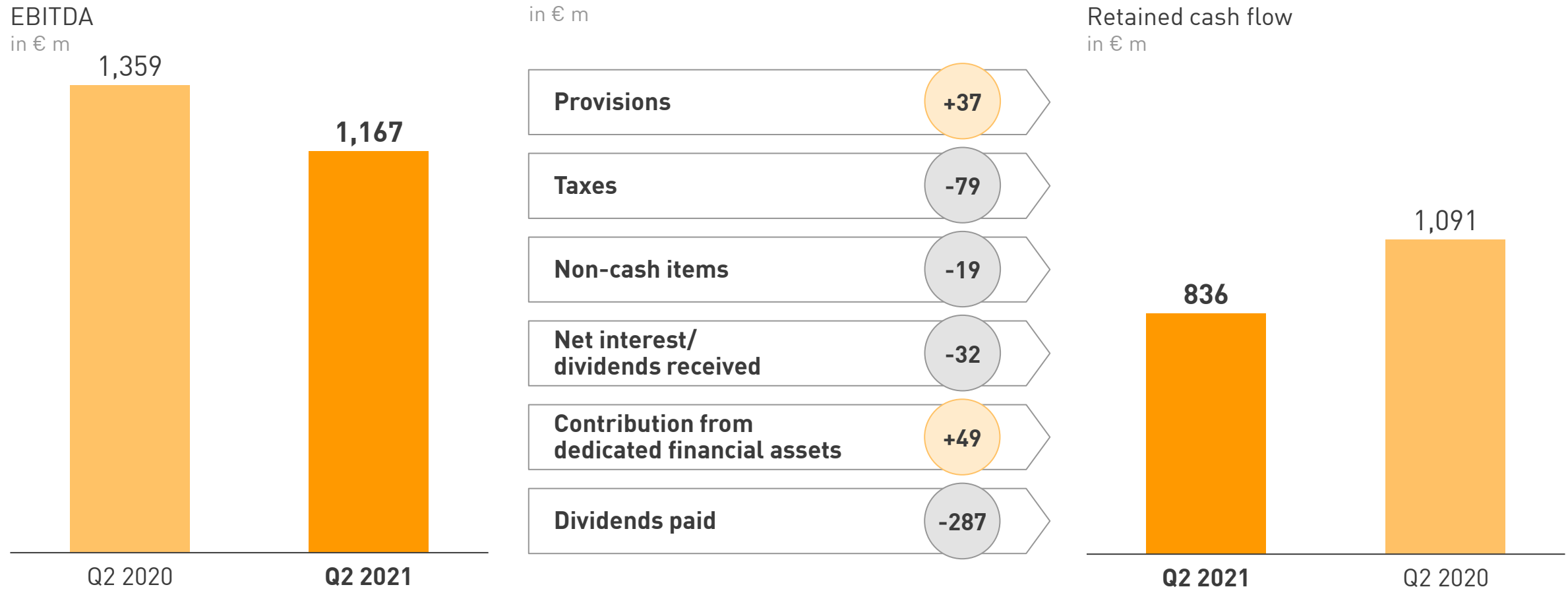
- ▼ Lower wind yields compared to previous year and long-term average

Thermal Generation and Trading

- ▼ Temporary negative valuation effects related to gas storage

¹ Previous year's figures restated

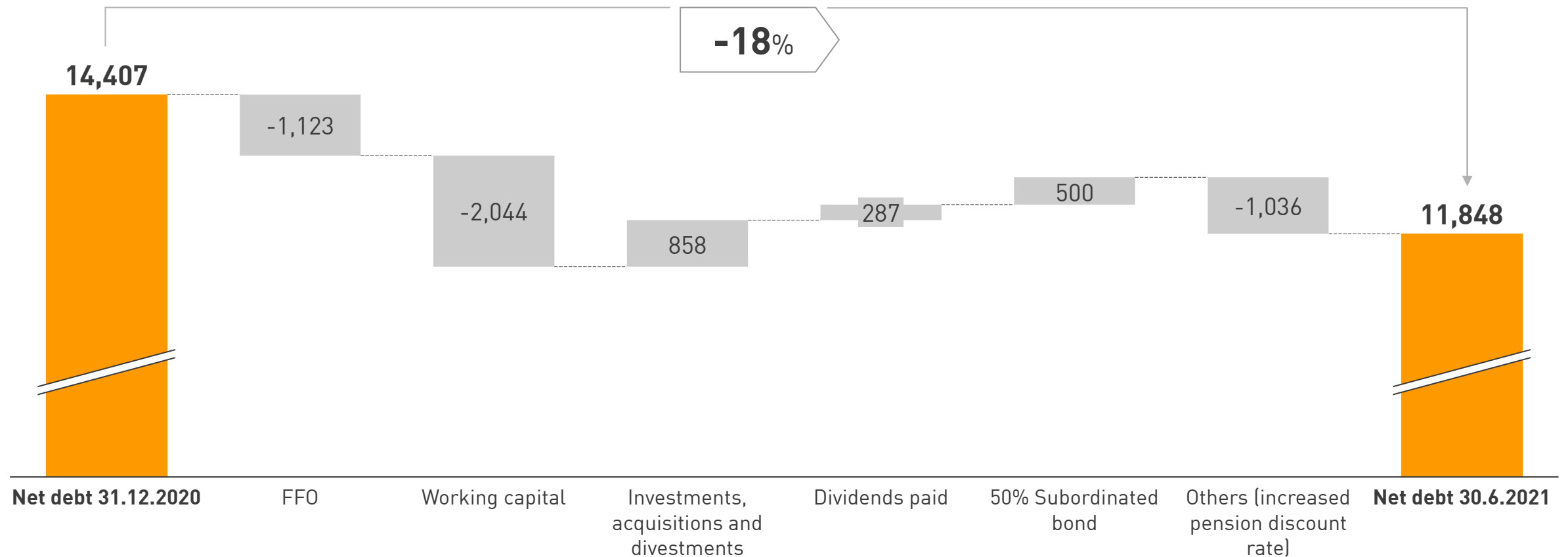
Decrease in retained cash flow mainly due to higher dividend payout



Decrease in net debt mainly driven by received EEG payments and decreased security margin payments



in € m



Outlook 2021 unchanged



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

— EnBW



Appendix



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

Non-operating result



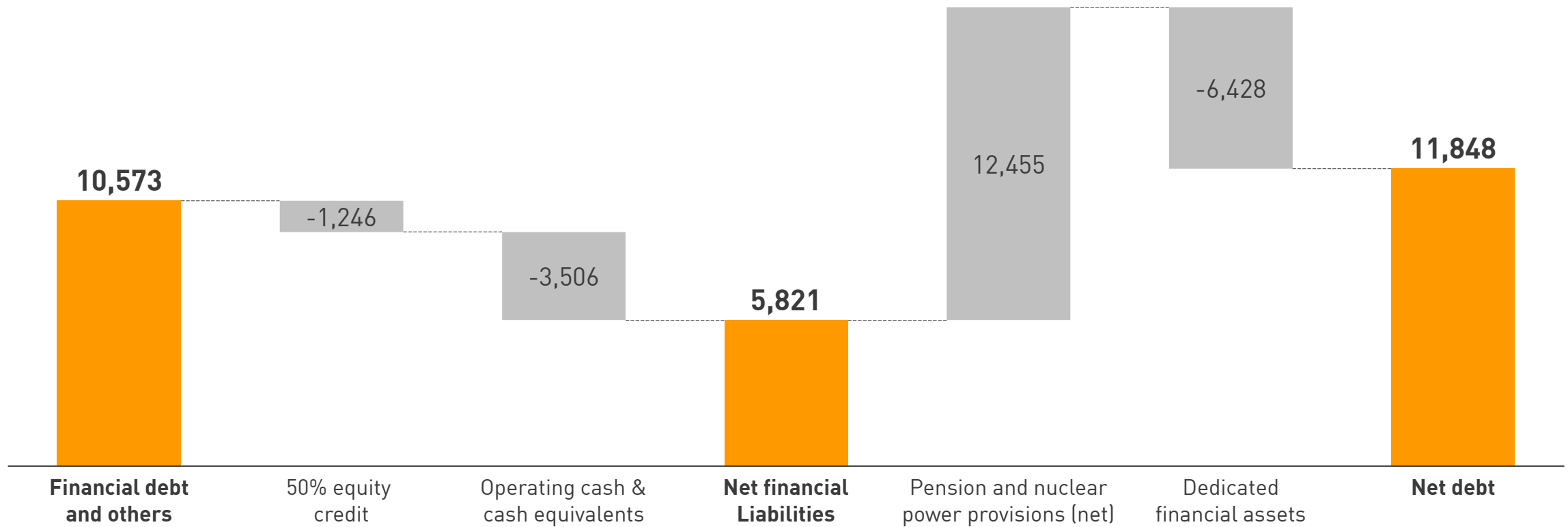
in € m

	Q2 2021	Q2 2020	Change in %
Income/expenses relating to nuclear power	27.8	14.6	90.4
Result from disposals	-4.8	-4.0	20.0
Reversals of / additions to the provisions for onerous contracts relating to electricity procurement agreements	-301.4	0.0	-
Restructuring	-14.2	-12.1	17.4
Valuation effects	0.0	-159.1	-100.0
Other non-operating result	-19.6	-66.9	-70.7
Non-operating EBITDA	-312.2	-227.5	37.2
Impairment losses	-943.4	-89.1	-
Non-operating EBIT	-1.255.6	-316.6	-

Calculation of net debt¹



in € m

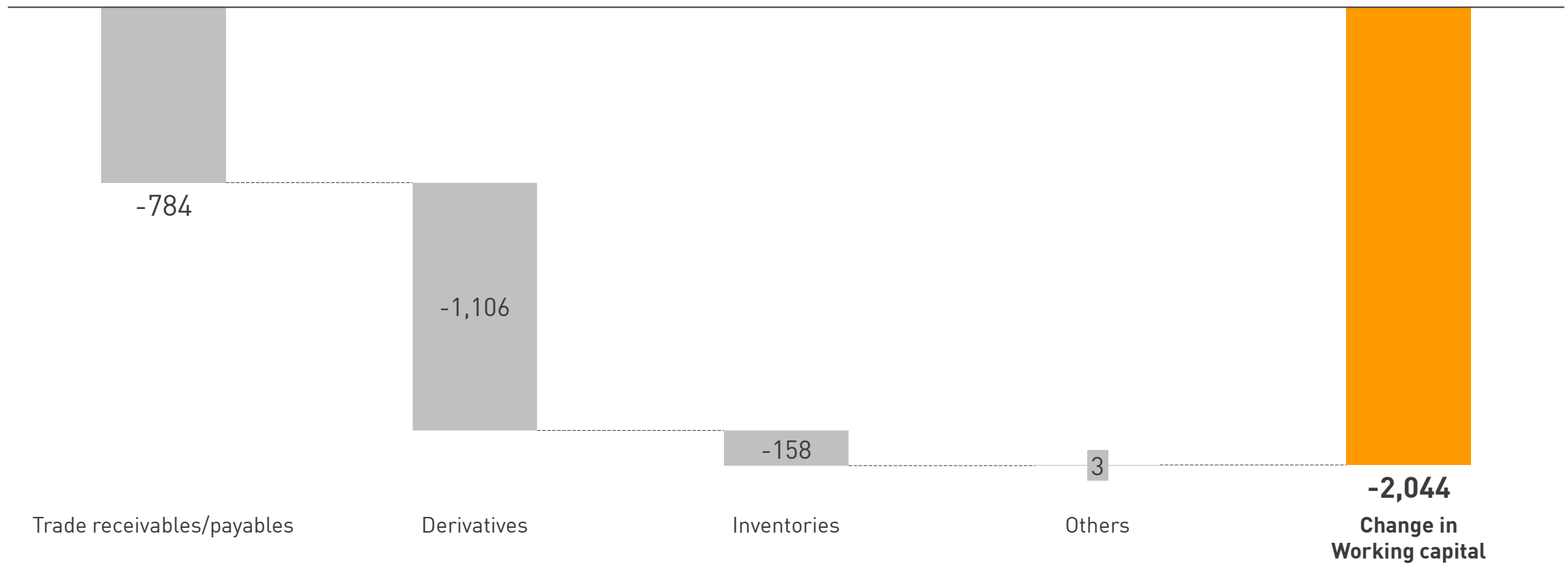


¹ As of 30 June 2021

Working capital effects¹



in € m



¹ 1.1. – 30.6.2021

Income statement

in € m¹

	Q2 2021	Q2 2020	Change in %
Revenue	12,654.7	9,802.5	29.1
Changes in inventories/other own work capitalized	127.2	130.8	-2.8
Cost of materials	-10,136.2	-7,127.6	-42.2
Personnel expenses	-1,180.9	-1,037.4	-13.8
Other operating income/expenses	-297.6	-409.2	27.3
EBITDA	1,167.2	1,359.1	-14.1
Amortization and depreciation	-1,691.1	-731.9	-
EBIT	-523.9	627.2	-
Investment and financial result	214.7	-251.7	-
EBT	-309.2	375.5	-
Income tax	136.5	-118.2	-
Group net profit	-172.7	257.3	-
of which profit shares attributable to non-controlling interests	(-9.9)	(73.1)	-
of which profit shares attributable to the shareholders of EnBW AG	(-162.8)	(184.2)	-

¹ Prior-year figures adjusted

Retained cash flow



in € m

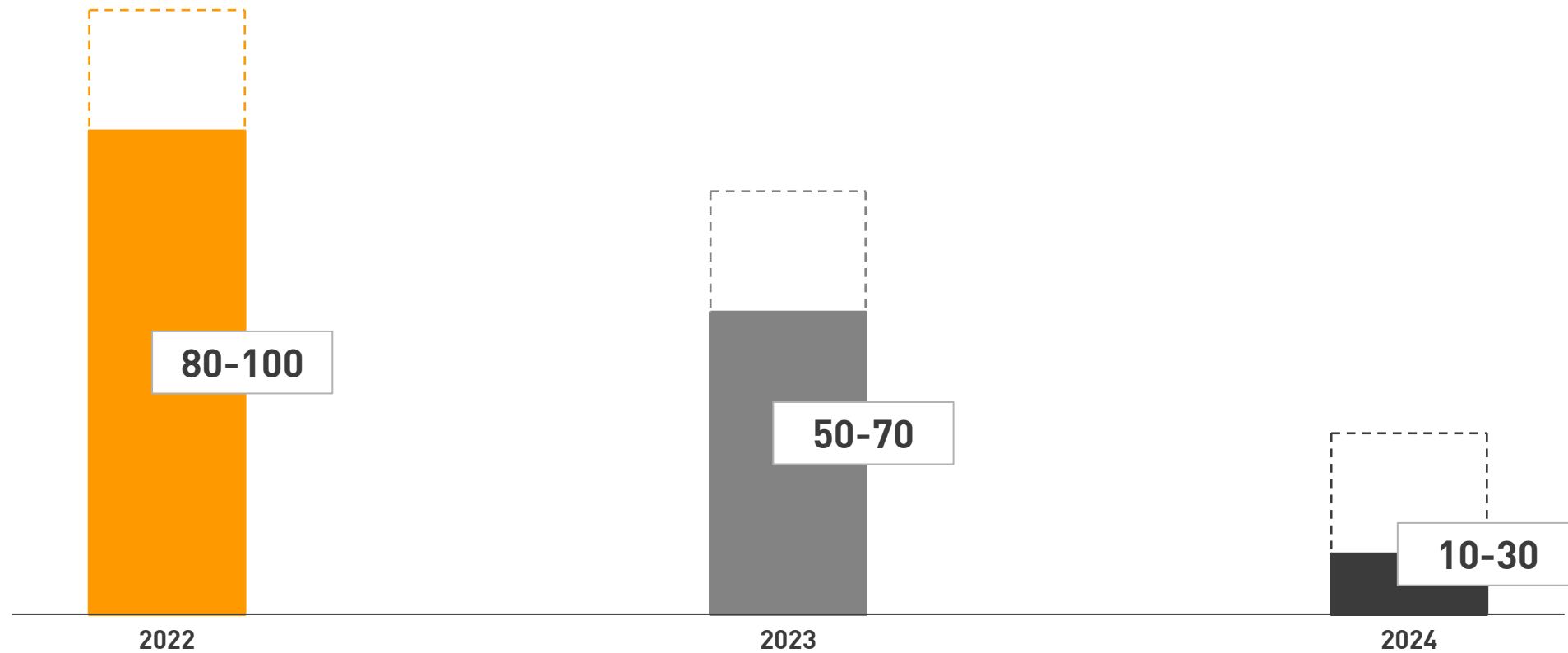
	Q2 2021	Q2 2020	Change in %
EBITDA	1.167,2	1.359,1	-14,1
Changes in provisions	36,5	-286,5	-112,7
Non-cash-relevant income/expenses	-19,0	172,9	-111,0
Income tax paid	-79,2	-61,3	29,2
Interest and dividends received	163,9	116,8	40,3
Interest paid for financing activities	-195,5	-132,7	47,3
Dedicated financial assets contribution	49,0	31,2	57,1
Funds from Operations (FFO)	1.122,9	1.199,5	-6,4
Dividends paid	-287,2	-108,7	-
Retained Cashflow¹	835,7	1.090,8	-23,4

¹ Adjusted for the effects of the nuclear fuel tax refund of €120.0 m, the adjusted retained cash flow in the previous year amounted to €1,210.8 m (1.1.-30.6.2020). The adjustment does not apply in the reporting year.

Hedge levels¹



in %

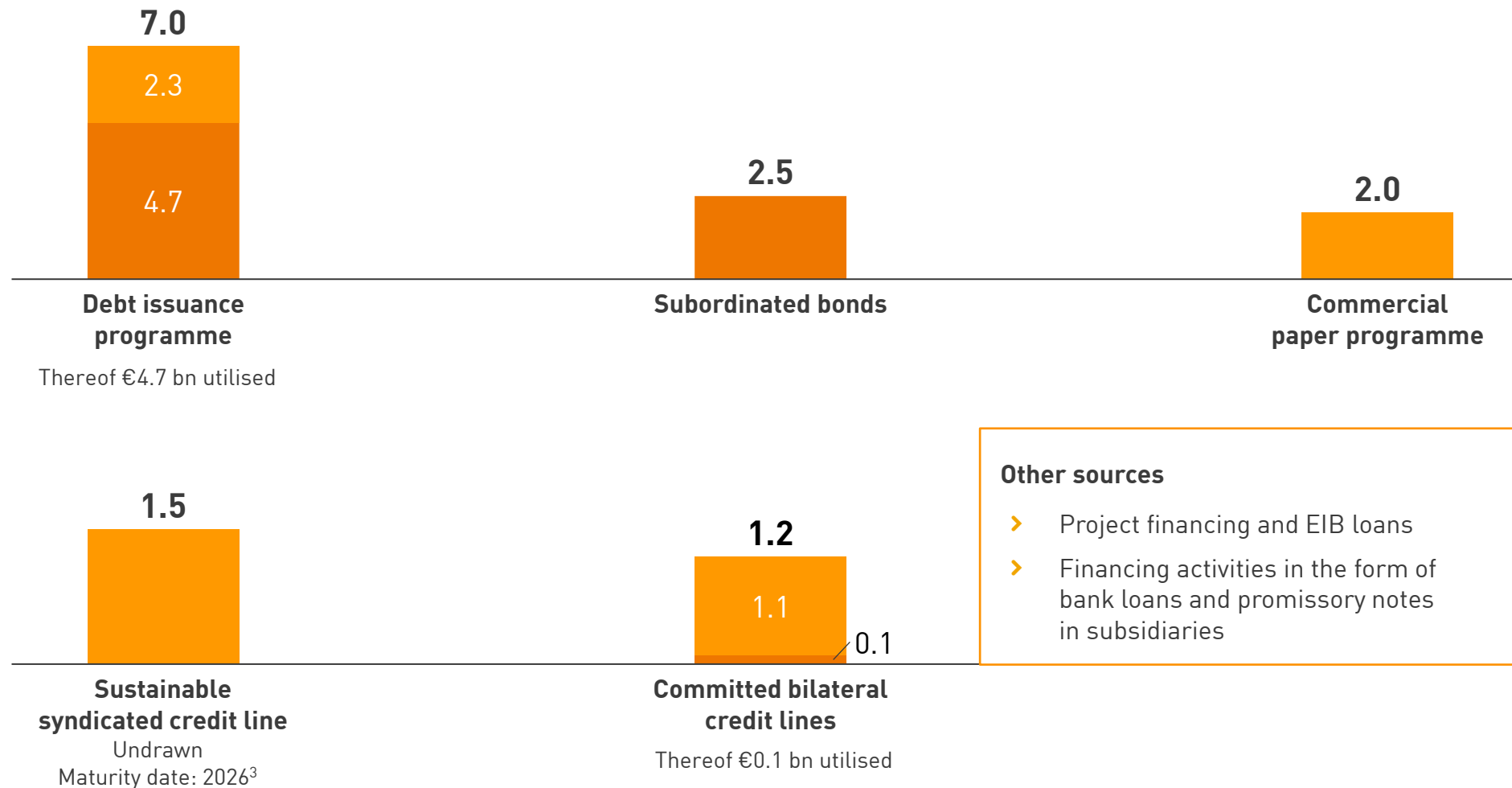


¹ As of 30 June 2021

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



in € bn



¹ As of 30 June 2021

² Rounded figures

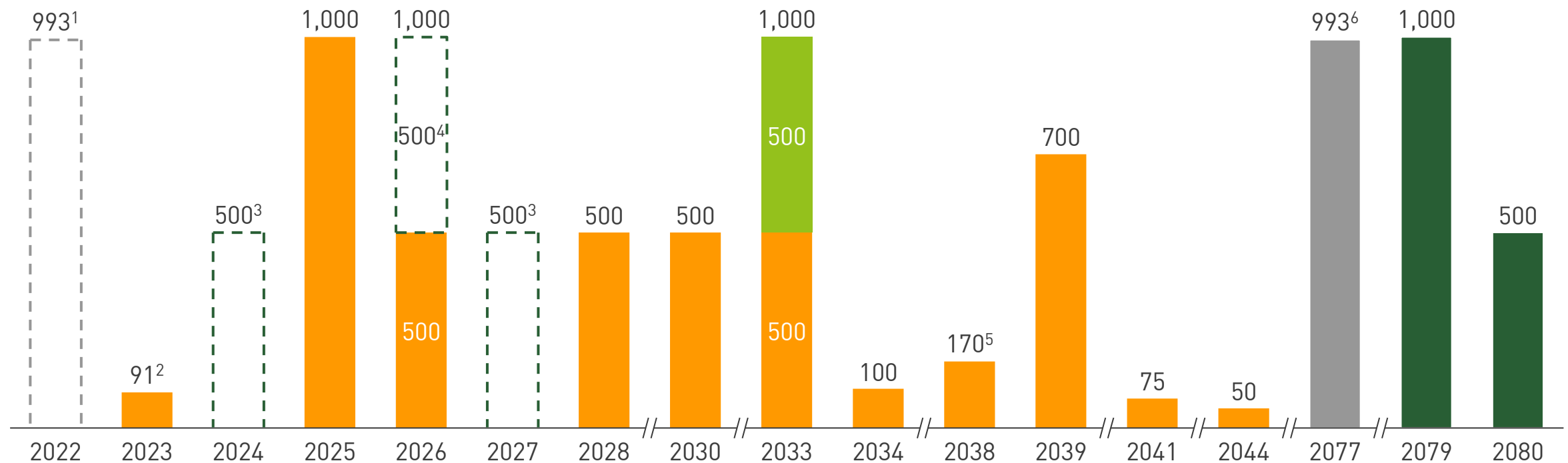
³ Following exercise of the first annual renewal option after the first year. There is a second renewal option after the second year with the potential maximum term until end of June 2027.

Maturities of EnBW's bonds



in € m
as of 30 June 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 million (swap in €), coupon before swap 5.125%

² CHF 100 million, converted as of the reporting date of 30.6.2021

³ First call date: green subordinated maturing in 2079

⁴ First call date: green subordinated maturing in 2080

⁵ JPY 20 billion (swap in €), coupon before swap 5.460%

⁶ Includes USD 300 million, converted as of 5.10.2016

Fixed income: Credit ratings



Baa1 / stable
18 May 2021

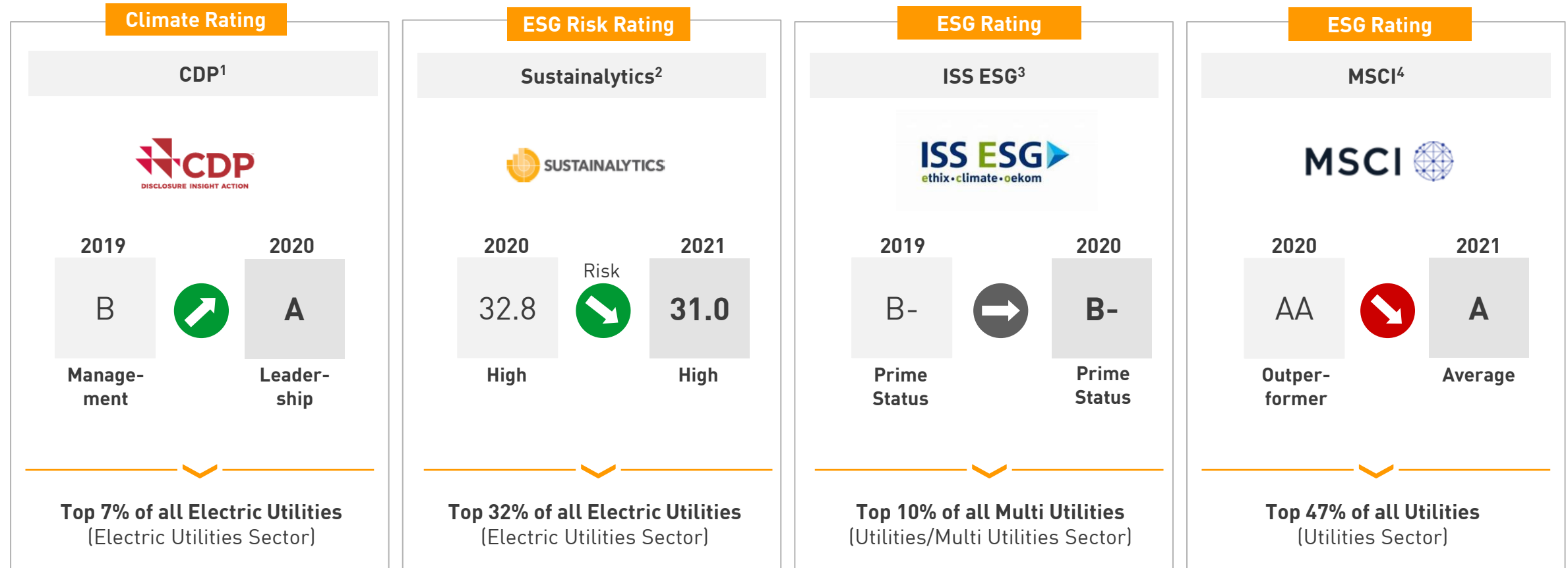
- Leadership position as vertically integrated utility within Baden-Württemberg
- Significant proportion of EBITDA, around 50%, from low-risk regulated distribution and transmission activities
- Growing share of renewables under contracts as EnBW continues to invest in line with its strategy
- Historically 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



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



12 November 2021	Publication figures Q3 2021 Investor and Analyst Conference Call: 01:00 pm
23 März 2022	Publication Integrated Annual Report 2021 Investor and Analyst Conference Call: 01:00 pm
5 Mai 2022	Annual General Meeting 2022
13 Mai 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

