

Presentation of the
2024 half-year report

Zurich, 08/21/2024

BKW reports very good
2024 half-year results



Program

Review of the first half of 2024

CEO Robert Itschner

Financial results for the first half of 2024

CFO Martin Zwysig

Outlook for the 2024 fiscal year

CEO Robert Itschner

Q&A





Review of the first half of 2024



Strong first half of 2024

Revenue

CHF 2,330 m

EBIT

CHF 438 m

Operating net profit

CHF 303 m

BKW resilient thanks to complementary business areas

Energy



Grid



Services



Electricity Act: Supporting energy transition and reliability of supply



Accelerated expansion of renewables
e.g. Trift and Grimsensee enlargement

More efficient grid expansion
for the energy transition

Strengthening the reliability of supply
more winter electricity and stable grids

Energy: Tailwind for renewable energy projects



Grimsee enlargement

Submission of concession application

Turbach hydropower plant

Start of construction this summer

MontSol alpine solar project

Approval by the populace

Fosen Vind

Agreement reached with Sami

Grid: Investing in secure grids for today's and tomorrow's energy distribution



Smart meters

Installation partner selected

2,600 new photovoltaic systems

from January to June 2024

Ongoing grid reinforcements

to enable expansion of solar energy

Services: Positioning in growing markets



Solstis

Launch of Swiss-wide PV offering

Wunsiedel battery storage facility

100 MW; start of final installation for commissioning in spring 2025

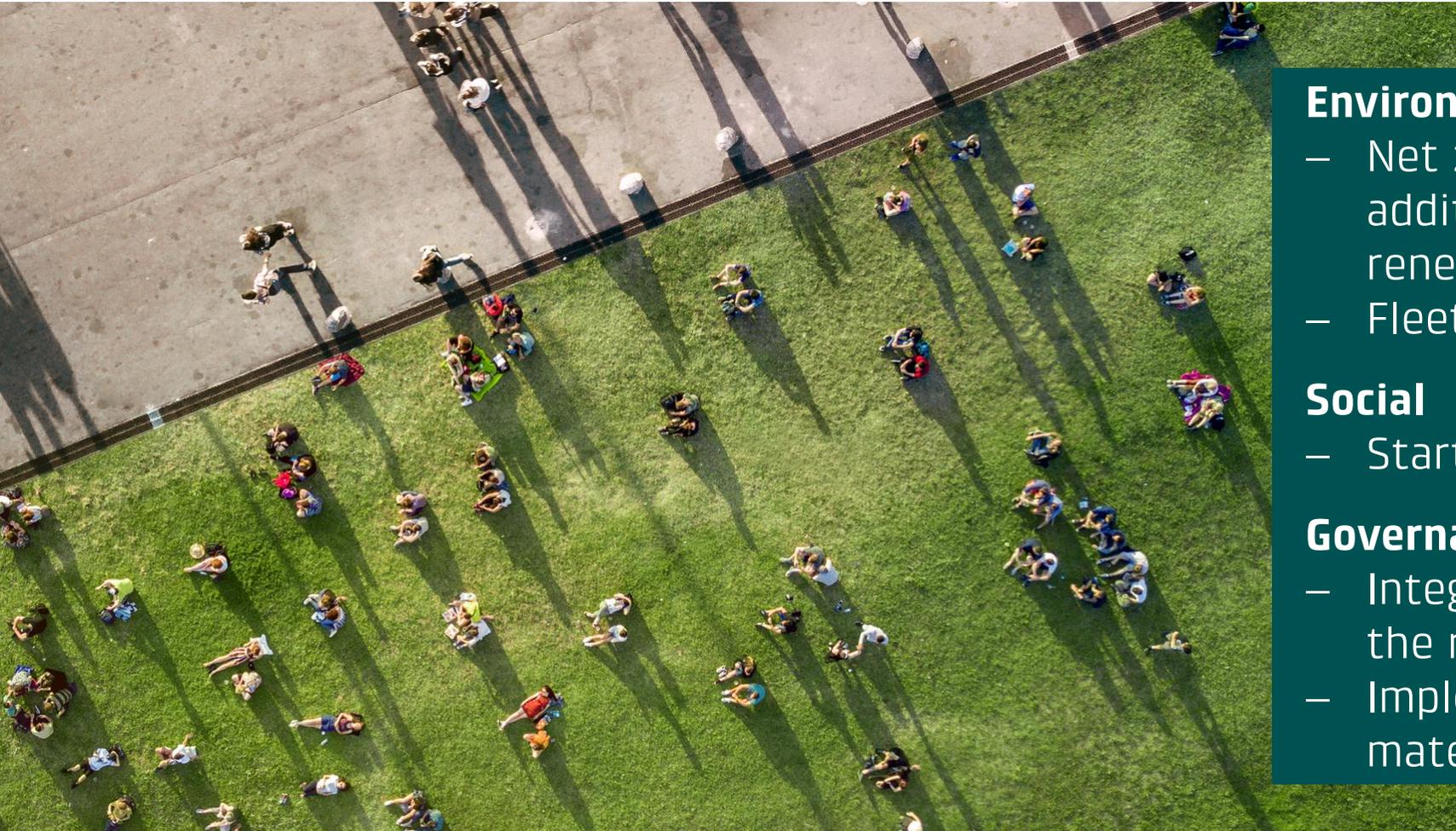
Albula Tunnel II

Inauguration June 2024

EDGE ElbSide and Roots

Opening of sustainable office and residential buildings in Hamburg

ESG: Strengthening the sustainability strategy



Environment

- Net zero energy business: additional investments in renewables
- Fleet electrification by 2030

Social

- Start of supplier on-boarding

Governance

- Integration of sustainability into the remuneration system
- Implementation of double materiality analysis



2024 Half-Year Results

BKW's performance in a nutshell

<i>CHF m</i>	HY 2024	HY 2023	Delta	Delta %
Revenue	2,330.0	2,397.1	-67.1	-2.8%
EBITDA	581.9	538.1	+43.8	+8.1%
<i>EBITDA as % of revenue</i>	25.0%	22.4%	+2.5	
EBIT	438.3	424.5	+13.8	+3.2%
<i>EBIT as % of revenue</i>	18.8%	17.7%	+1.1	
Net profit	362.5	340.0	+22.5	+6.6%
<i>Net profit as % of revenue</i>	15.6%	14.2%	+1.4	
Operating net profit	302.6	304.2	-1.6	-0.5%
Operating cashflow	170.9	491.1	-320.2	-65.2%
Return on Capital Employed (ROCE)	7.8%	15.4%		
Equity ratio	47.9%	44.1%		

Revenue

- Decrease in Energy business area
- Growth in Grid and Services business area

EBIT

- Energy business area stable
- Growth in Grid and Services business area

Net profit

- Even stronger performance of STENFO than in previous year

Operating cashflow

- Temporary lower cash conversion due to NWC increase

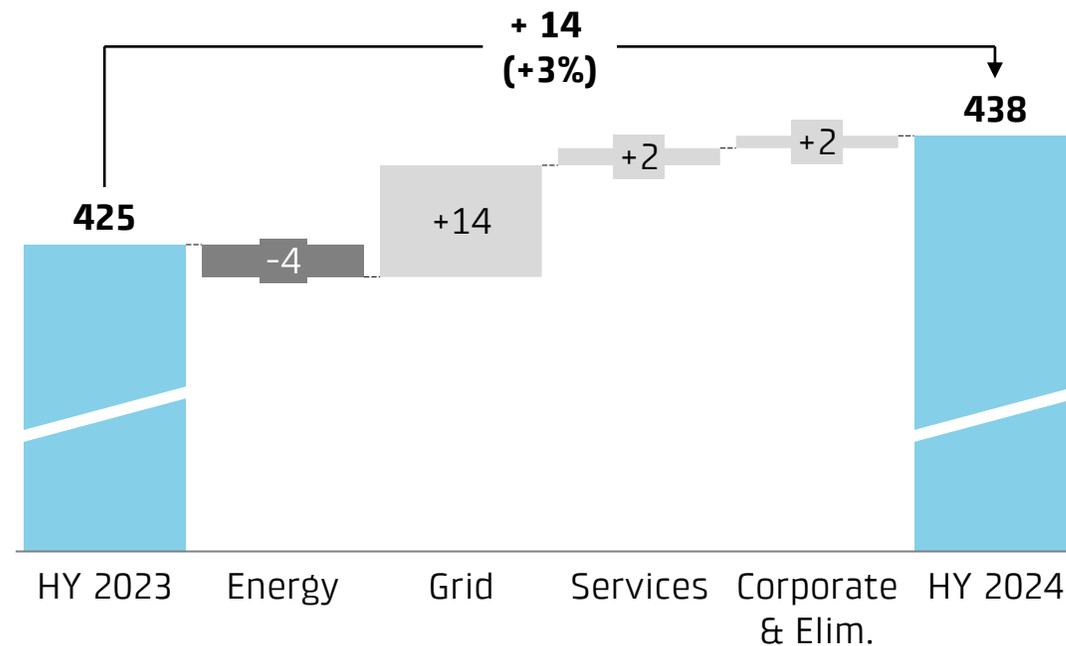
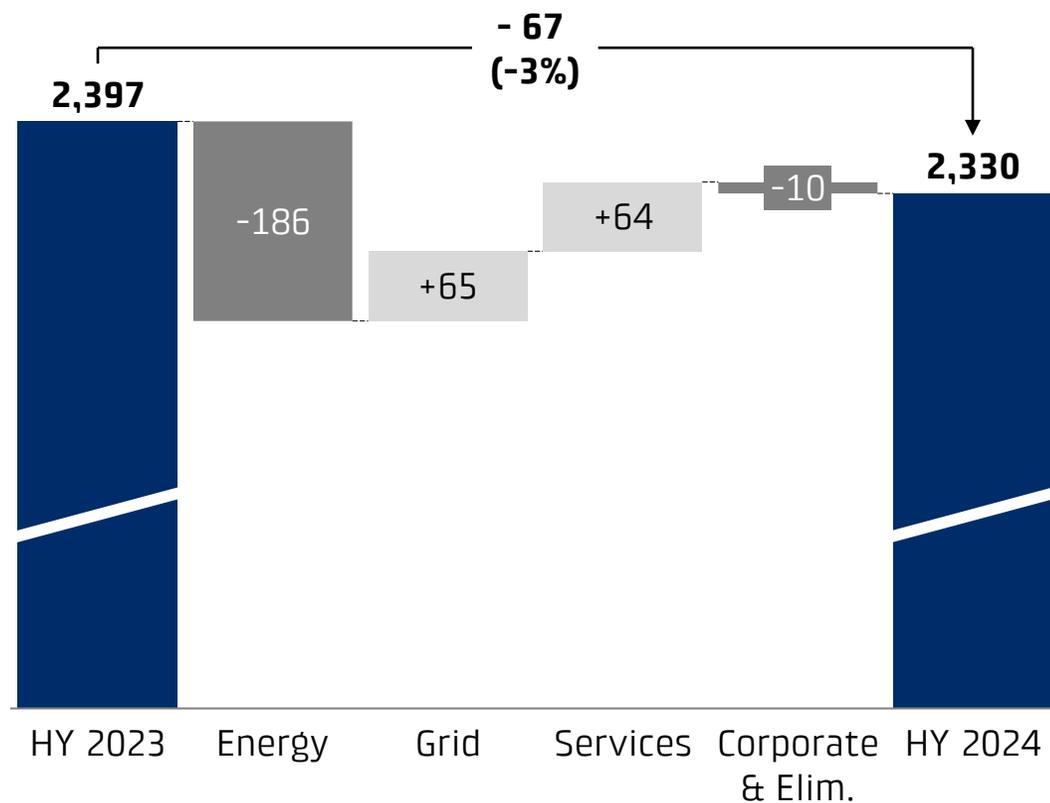
Equity ratio

- Strong net profit strengthens equity and equity ratio

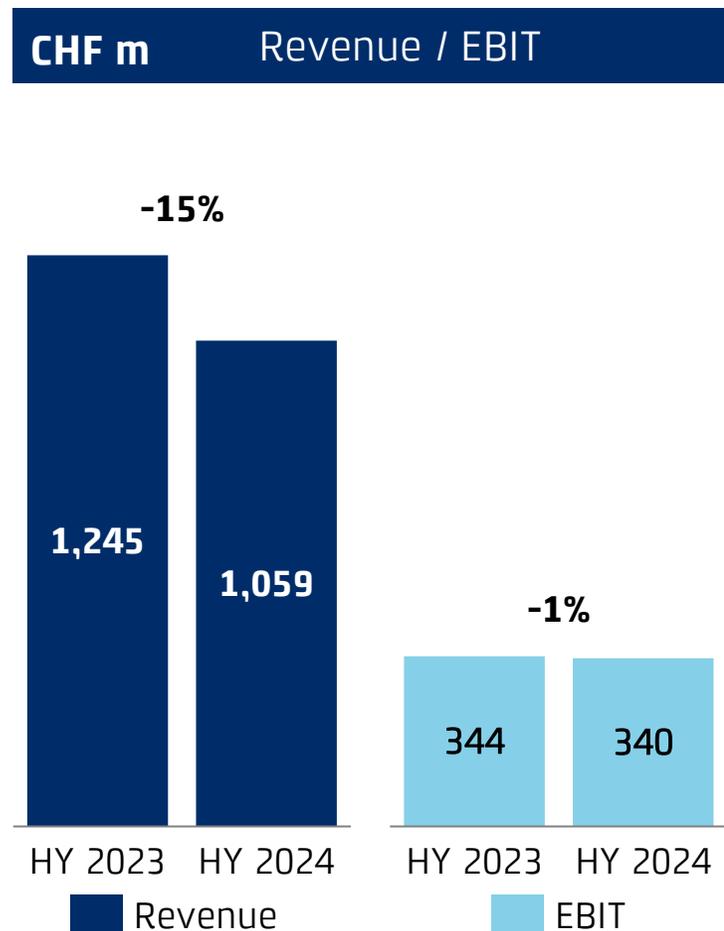
Revenue and EBIT change by business area

CHF m Revenue

CHF m EBIT



Energy: Strong result in a normalized environment



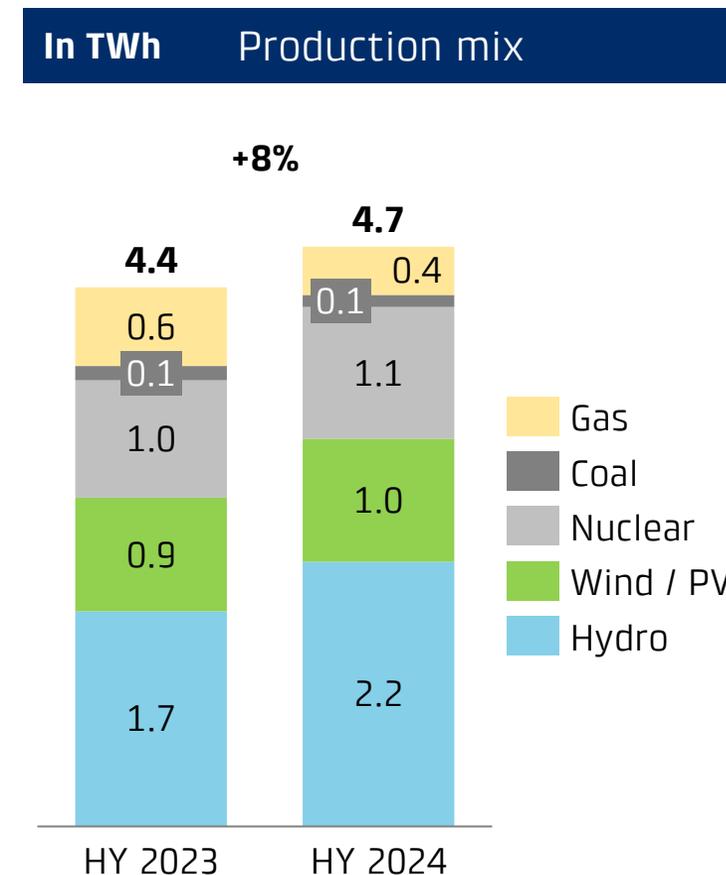
Key points

Revenue

- Lower energy price level
- Higher production volumes in hydro

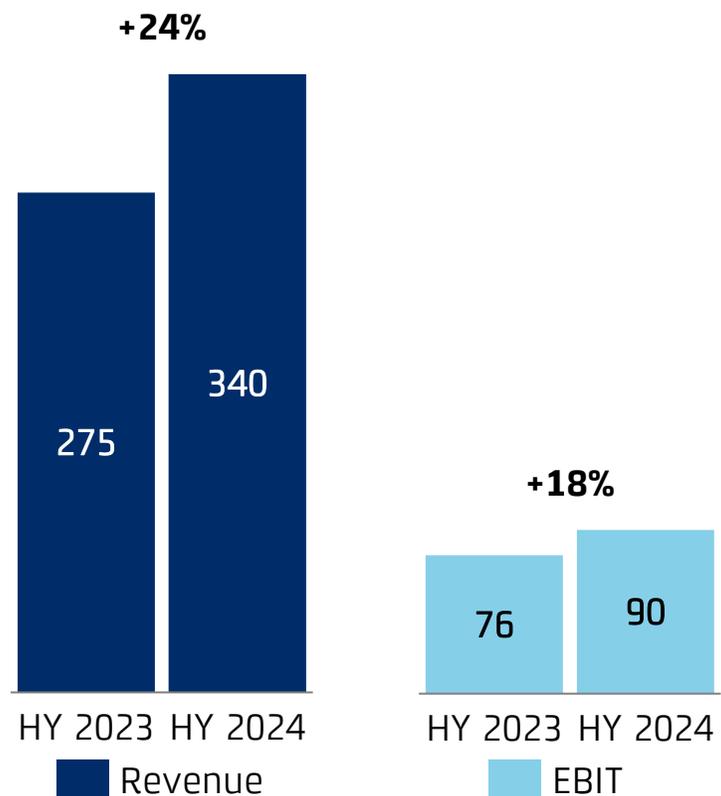
EBIT

- Lower trading result on a high level
- Higher production volumes in hydro
- Higher hedged prices



Grid: Delivers continuously robust results

CHF m Revenue / EBIT



Key points

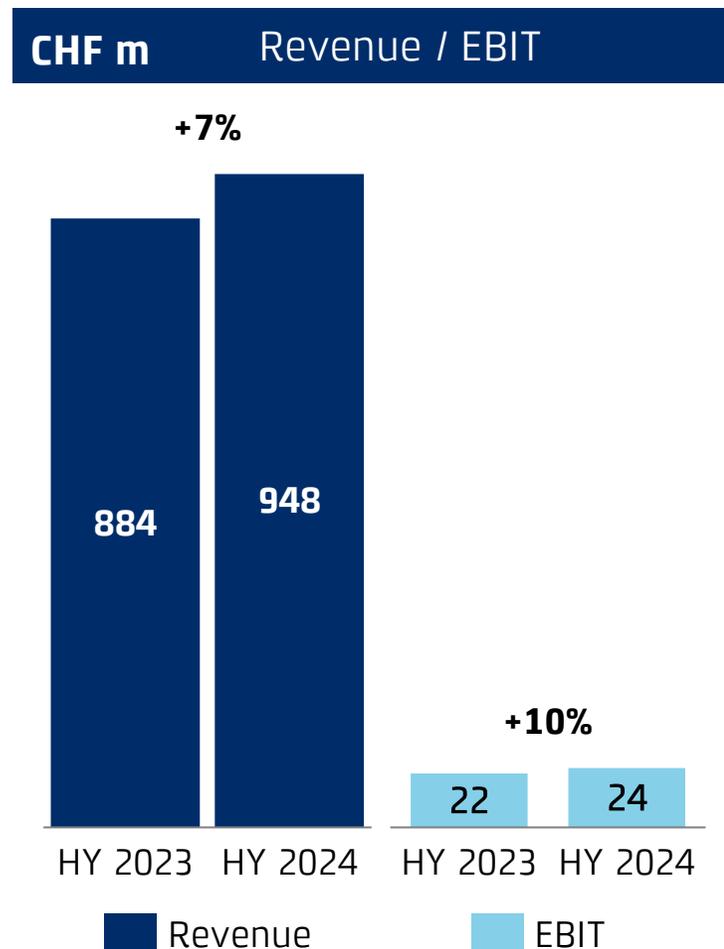
Revenue

- Pass through of higher Swissgrid transmission grid tariffs (no EBIT impact)
- Tariff increase to recover costs that occurred in previous years

EBIT

- Tariff increase to recover costs that occurred in previous years
- Increase of WACC from 3.83% to 4.13%

Services: Results stabilized on previous year level



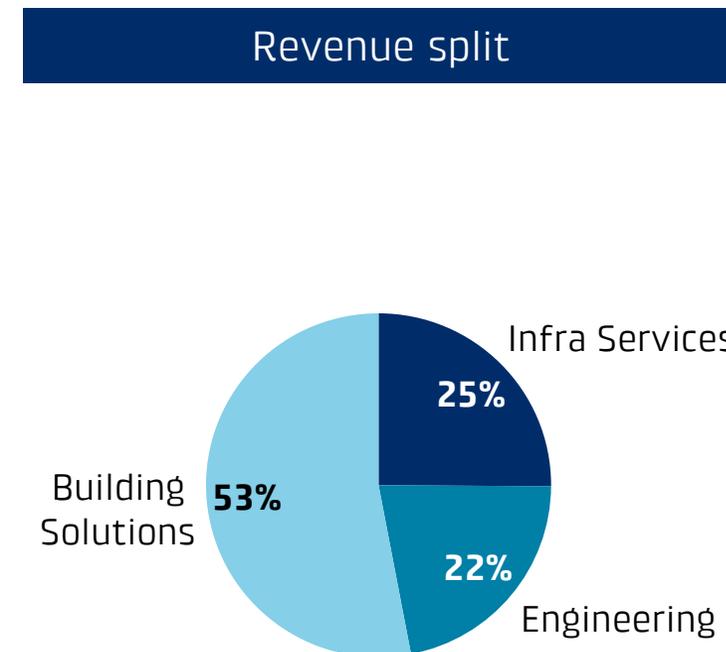
Key points

Revenue

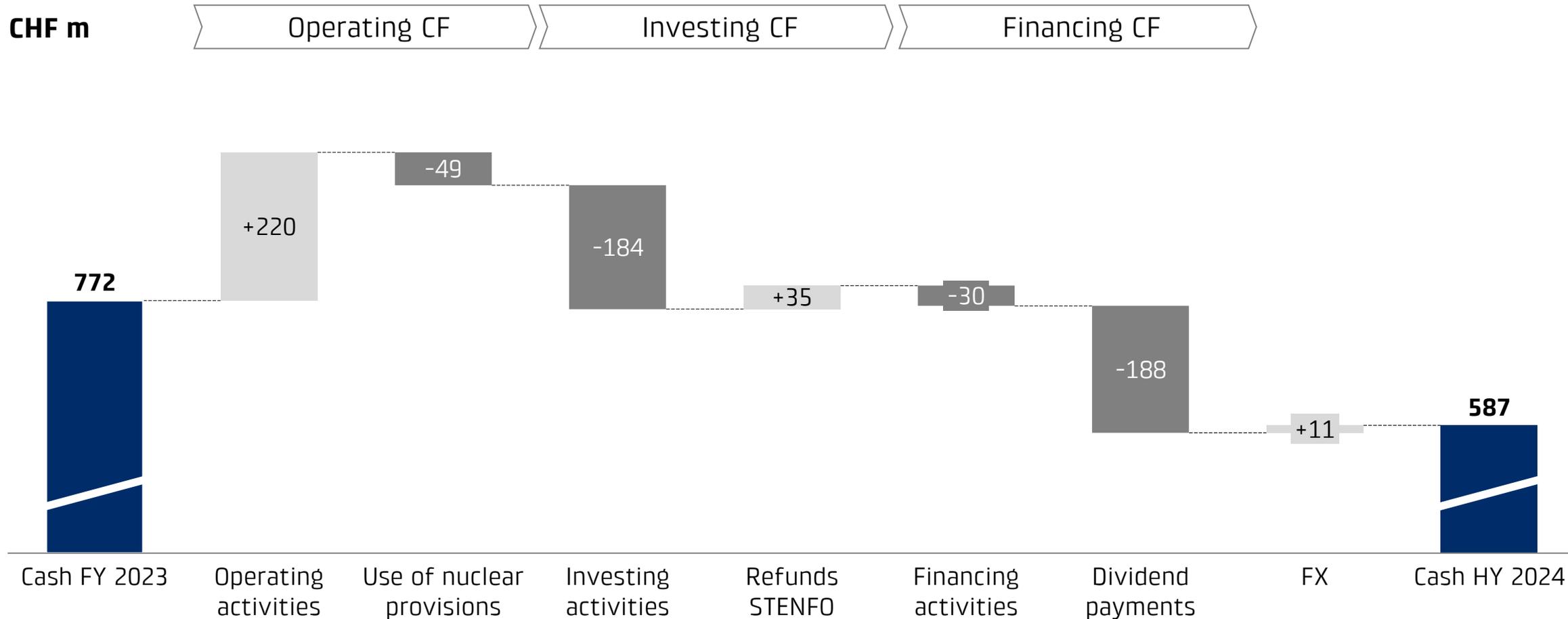
- Substantial organic growth driven by Infra Services

EBIT

- Slightly above organic growth
- Expenditures include high portion of material and third-party services of Infra Services
- Ongoing improvement of structures and processes

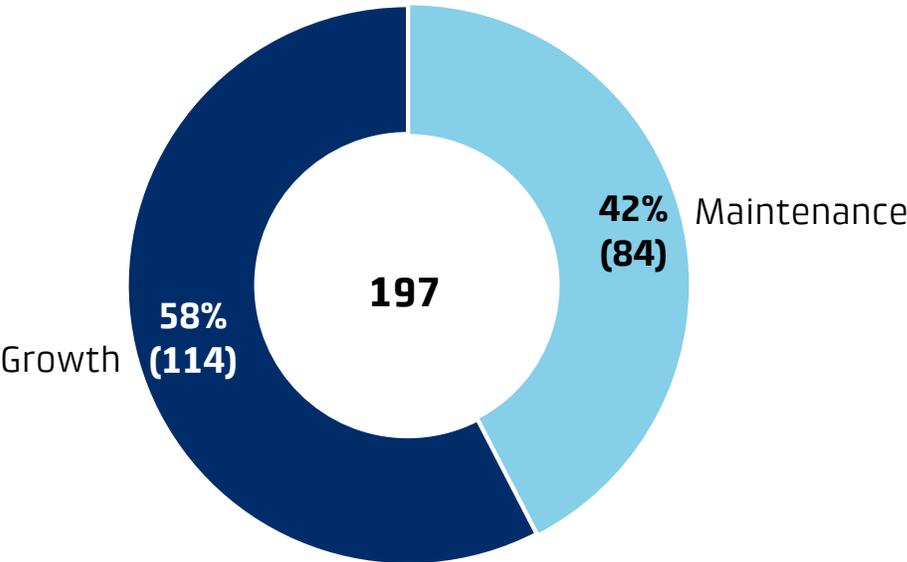


Operating cash flow covers investments

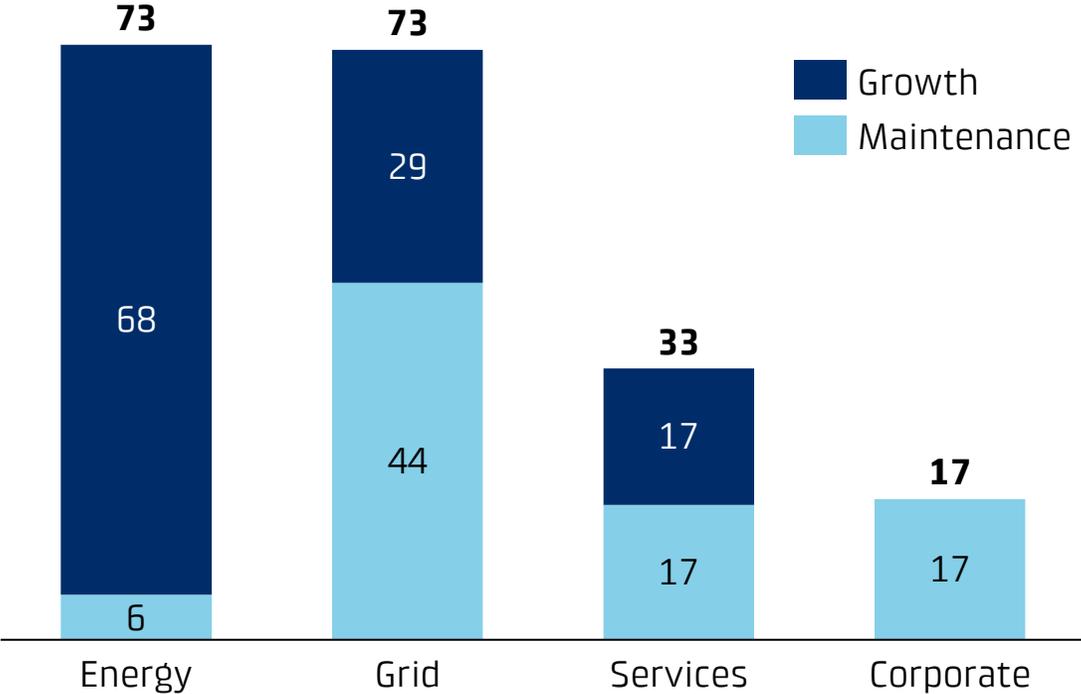


Investments mainly in growth and energy transition

CHF m Investments



CHF m Investments by business area

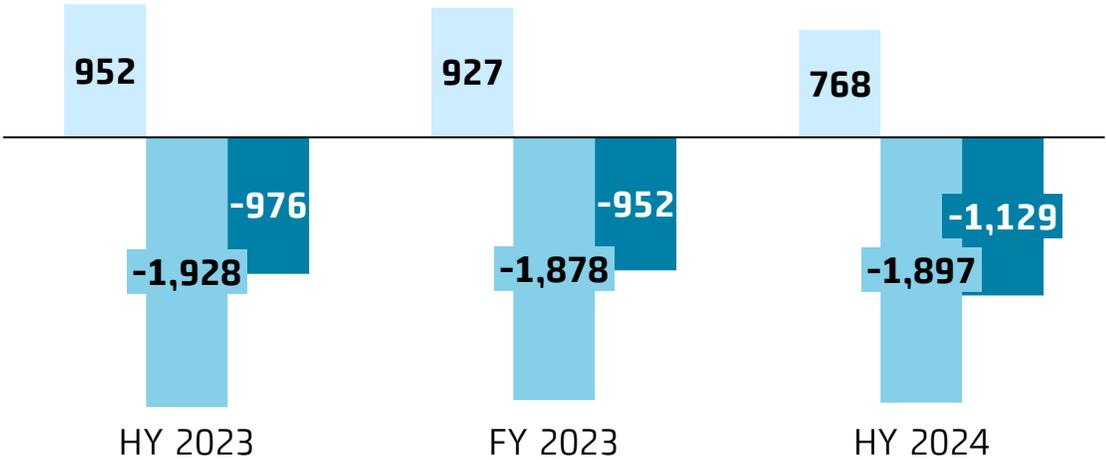


Net debt increase in line with EBITDA growth

Well-balanced maturity profile ensures financial flexibility

CHF m Net debt

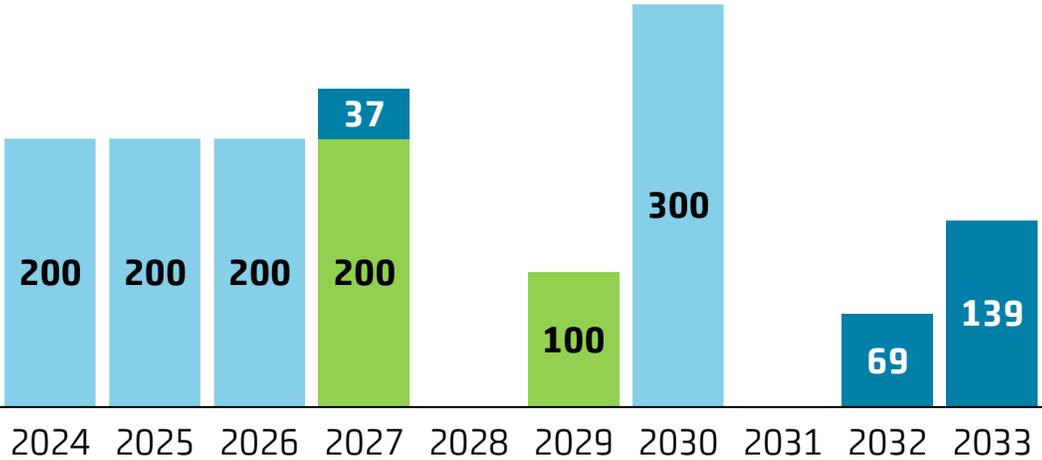
- Cash & cash equivalents
- Financial debt
- Net financial debt



- Cash & cash equivalents reduced due to increased NWC and dividend distribution
- Stable gross debt

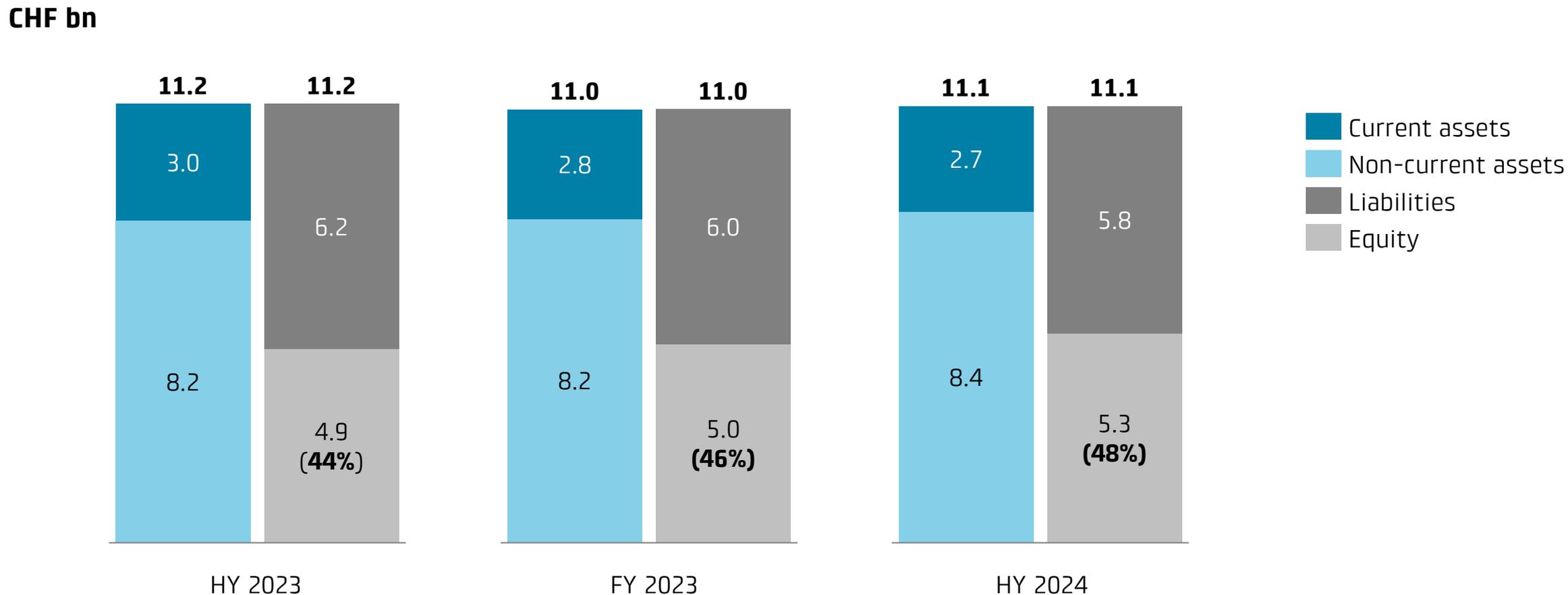
CHF m Maturity profile bonds

- Bonds
- Green Bonds
- Registered Bonds



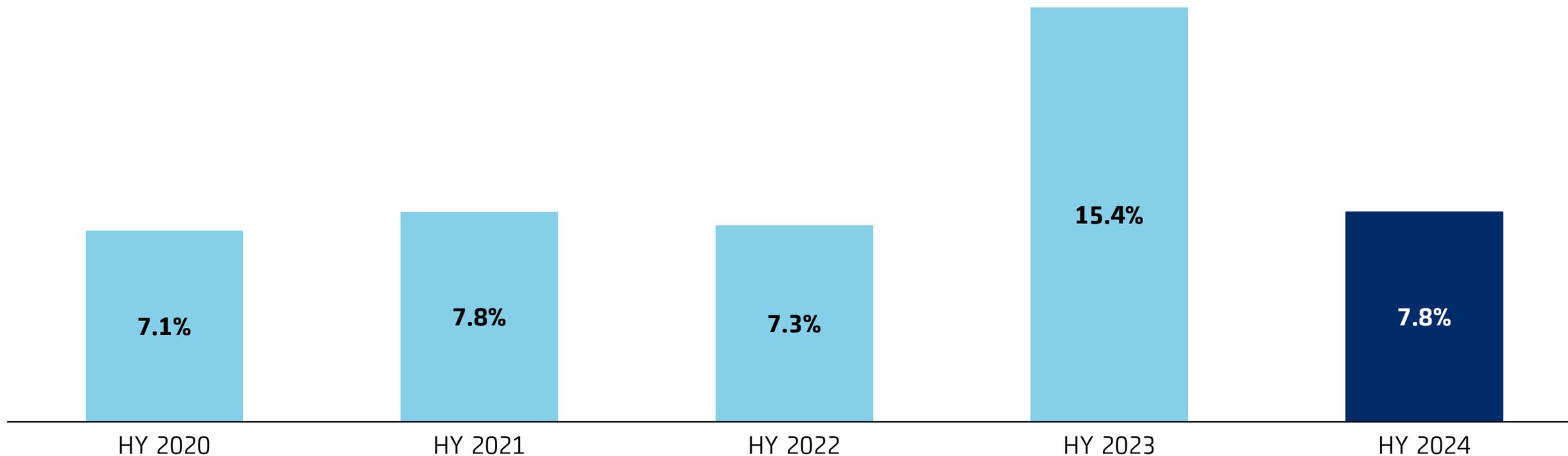
- Additional undrawn RCF of 1 bn CHF + accordion option of 0.5 bn CHF

Further increase of equity in absolute and relative terms



Return on Capital Employed stable and well above capital costs

Return on Capital Employed (ROCE) LTM





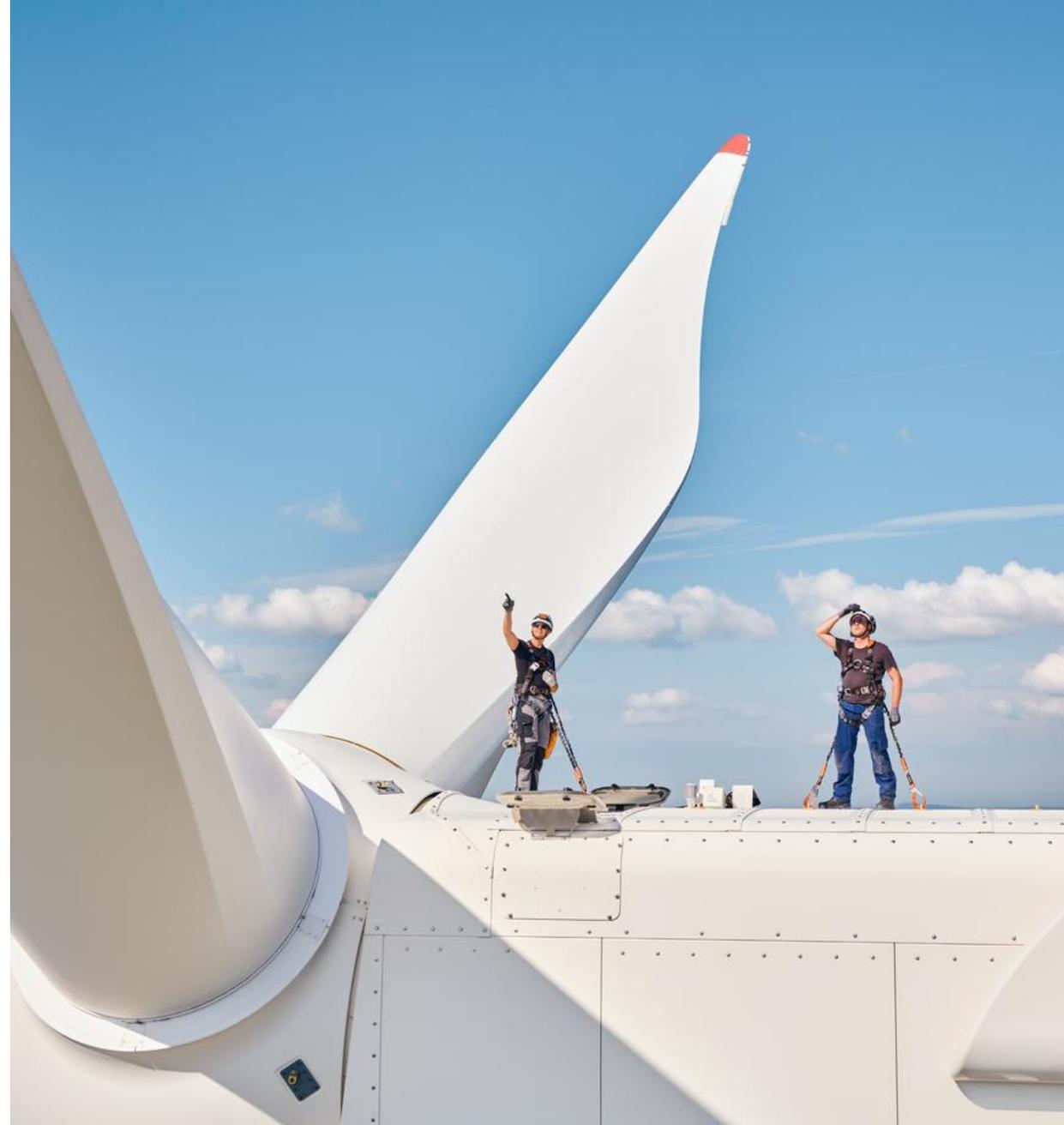
Outlook for the 2024 fiscal year



Outlook

for the 2024 fiscal year

- **Energy**
Positive outlook due to successful energy management and trading performance in the first half of 2024
- **Grid**
Solid earnings contribution from the Grid business
- **Services**
In line with guidance
- **For 2024 BKW now expects an EBIT in the range of CHF 700 to 800 million.**





Capital Markets Day
November 8, 2024
The Circle, Zurich Airport



Q&A



We create spaces for life.

Disclaimer

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