1. Alpiq generates solid half-year operating result as expected
2. Key financial figures
3. Alpiq will benefit from increased prices from 2020 onwards
4. Decarbonisation opens up new business opportunities
5. Questions and answers
Alpiq generates solid half-year operating result as expected

Alpiq well positioned with its business model
• EBITDA before exceptional items down on previous year as expected: CHF 55 million
  • Positive European and strong trading business: CHF 111 million
  • Unprofitable Swiss electricity production: CHF -56 million

Solid balance sheet
• Operating cash flow increased: CHF 80 million
• Liquidity strengthened: CHF 1.31 billion
• Equity ratio increased: 46.6 %

Decarbonisation opens up new business opportunities
• Phasing out coal reduces Alpiq’s carbon footprint by 2.1 million tonnes per year
• Alpiq as enabler of CO₂-free mobility
• Flexible energy storage solutions as a core competence
2019 interim key financial figures

Alpiq generates solid half-year operating result as expected

Results of operations before exceptional items (EI)

- As announced, EBITDA of CHF 55 million down on the previous year. Lower contributions by Generation Switzerland and Generation International, partly compensated for by better trading results in Italy and positive development in Eastern Europe
- Operating cash flows up on the previous year
- Reduction of net debt compared to the end of 2018
Hedging transactions for Swiss electricity production with time-delayed effect

Alpiq hedges energy and currency in advance on a rolling two- to three-year basis on average

**Time lapse of wholesale price effect causes lower earnings in H1 2019**

<table>
<thead>
<tr>
<th>Year</th>
<th>Hedging rate (EUR/MWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>44</td>
</tr>
<tr>
<td>2018</td>
<td>38</td>
</tr>
<tr>
<td>H1 2019</td>
<td>34</td>
</tr>
</tbody>
</table>

**Currency effect with marginal impact compared to the previous year**

<table>
<thead>
<tr>
<th>Year</th>
<th>Hedging rate (EUR/CHF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1.04</td>
</tr>
<tr>
<td>2018</td>
<td>1.06</td>
</tr>
<tr>
<td>H1 2019</td>
<td>1.08</td>
</tr>
</tbody>
</table>
Generation Switzerland

- Alpiq systematically hedges production in the market against price and currency fluctuations
- It hedges in advance on a rolling two- to three-year basis on average
- Earnings burdened compared to the previous year having been hedged at lower prices
- Production volumes down on the previous year:
  - Long-term purchase agreement in the area of nuclear energy expired
  - Lower inflows in the area of hydropower
Development of EBITDA by business division (II)

Positive European and strong trading business

Generation International

- Thermal production: Down on the previous year due to a newly negotiated energy contract in Hungary attributable to changes in market conditions
- Renewable energies: Down on the previous year mainly due to less wind in Italy

Digital & Commerce

- Excellent results in the ancillary services market in Italy
- Positive development in Eastern Europe
Phase-out of coal drastically reduces Alpiq’s carbon footprint: Divestment of brown coal power plants is expected to be completed in the second half of 2019

Alpiq Group

CHF million

H1 2019 vs. H1 2018

Alpiq Group

H1 2018

99

-44

55

H1 2019

Kladno/Zlín

29

-5

24

H1 2018

Kladno/Zlín

70

-39

30

Generation International

CHF million

H1 2019 vs. H1 2018

Gen Int

H1 2018

90

-30

60

H1 2019

Kladno/Zlín

29

-5

24

H1 2018

Kladno/Zlín

61

-25

36

H1 2019

Gen Int w/o Kladno/Zlín

H1 2018

H1 2019

H1 2017 vs. H1 2018

Alpiq Group

H1 2018

H1 2019

H1 2018

Kladno/Zlín

H1 2019 vs. H1 2018

H1 2018

H1 2019

H1 2018

Kladno/Zlín

H1 2019 vs. H1 2018

H1 2018

H1 2019

H1 2018

Kladno/Zlín
Alpiq generates solid half-year operating result as expected

Positive European and strong trading business

<table>
<thead>
<tr>
<th>CHF million</th>
<th>Generation International</th>
<th>Digital &amp; Commerce</th>
<th>Generation Switzerland</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 2018</td>
<td>90</td>
<td>44</td>
<td>-33</td>
</tr>
<tr>
<td>H1 2019</td>
<td>60</td>
<td>51</td>
<td>-56</td>
</tr>
</tbody>
</table>

International production: Once again makes the biggest contribution to the earnings of the Alpiq Group

Digital & Commerce: Pleasing business performance and higher contribution to earnings

Swiss production: Unprofitable and down on the previous year
Alpiq uses alternative performance measures to measure and present its operating performance, making adjustments to the IFRS results for so-called exceptional items (EI).

<table>
<thead>
<tr>
<th>CHF million</th>
<th>H1 2019</th>
<th>H1 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development of decommissioning and waste disposal funds</td>
<td>78</td>
<td>-26</td>
</tr>
<tr>
<td>Effects from business disposals</td>
<td>2</td>
<td>-1</td>
</tr>
<tr>
<td>Impairment losses and onerous contracts</td>
<td>-39</td>
<td>2</td>
</tr>
<tr>
<td>Restructuring costs and litigation</td>
<td>-3</td>
<td>-7</td>
</tr>
<tr>
<td>Fair value changes (accounting mismatch)</td>
<td>25</td>
<td>-6</td>
</tr>
<tr>
<td><strong>Total exceptional items on EBITDA level</strong></td>
<td><strong>63</strong></td>
<td><strong>-38</strong></td>
</tr>
</tbody>
</table>
Development of earnings after tax from continuing operations (IFRS)

Phase-out of coal burdening earnings

<table>
<thead>
<tr>
<th>Category</th>
<th>CHF million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development of decommissioning and waste disposal funds</td>
<td>-241</td>
</tr>
<tr>
<td>Impairment Kladno/Zlín</td>
<td>-15</td>
</tr>
<tr>
<td>Exceptional item: Impairment Kladno/Zlín</td>
<td>104</td>
</tr>
<tr>
<td>Exceptional item: Decommissioning and waste disposal funds</td>
<td>-15</td>
</tr>
<tr>
<td>Delta at EBITDA level before EI and FX effect</td>
<td>-39</td>
</tr>
<tr>
<td>Earnings after tax from continuing operations H1 2019 (IFRS)</td>
<td>-76</td>
</tr>
<tr>
<td>Financial result (IFRS)</td>
<td>24</td>
</tr>
<tr>
<td>Income tax expense (IFRS)</td>
<td>63</td>
</tr>
<tr>
<td>Results partner power plants/associates (IFRS)</td>
<td>2</td>
</tr>
<tr>
<td>FX effect</td>
<td>6</td>
</tr>
<tr>
<td>Earnings after tax from continuing operations H1 2019 (IFRS)</td>
<td>-179</td>
</tr>
<tr>
<td>Variuos exceptional items</td>
<td>2</td>
</tr>
<tr>
<td>Depreciation before EI and FX effect</td>
<td>5</td>
</tr>
<tr>
<td>Difference at EBITDA level before EI and FX effect</td>
<td>-4</td>
</tr>
</tbody>
</table>
### Development of Operating Cash Flows

**Operating cash flows increased**

<table>
<thead>
<tr>
<th>CHF million</th>
<th>EBITDA H1 2019 before EI</th>
<th>Exceptional items</th>
<th>EBITDA (IFRS) H1 2019</th>
<th>Change in provision NdD</th>
<th>Change in NWC Gen CH (mainly nuclear funds)</th>
<th>Non-Cash relevant positions Gen Int</th>
<th>Change in NWC D&amp;C</th>
<th>Other changes in NWC</th>
<th>Operating cash flows H1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>55</td>
<td></td>
<td>63</td>
<td>118</td>
<td>38</td>
<td>-127</td>
<td>-9</td>
<td>94</td>
<td>-33</td>
<td>80</td>
</tr>
</tbody>
</table>

Alpiq Holding AG | Half-Year Results 2019
Cash flow

**Liquidity strengthened**

<table>
<thead>
<tr>
<th>CHF million</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,255</td>
<td>Liquidity at 31 Dec 2018</td>
</tr>
<tr>
<td>80</td>
<td>Operating cash flows</td>
</tr>
<tr>
<td>-23</td>
<td>Investments/ acquisitions</td>
</tr>
<tr>
<td>16</td>
<td>Income from divestments: proceeds from Kladno/Zlín sale</td>
</tr>
<tr>
<td>-14</td>
<td>Interest paid</td>
</tr>
<tr>
<td>-8</td>
<td>FX effect</td>
</tr>
<tr>
<td>1,306</td>
<td>Liquidity at 30 Jun 2019</td>
</tr>
</tbody>
</table>
Development of net debt

Reduction of net debt compared to the end of 2018

- Net debt at 31 Dec 2018
- Operating cash flow
- Investments/acquisitions
- Income from divestments: proceeds received from Kladno/Zlín sale
- Interest paid
- Lease liabilities additionally recognized based on the initial application of IFRS 16
- FX effect
- Various
- Net debt at 30 Jun 2019

Net debt at 31 Dec 2018: CHF 247 million
Operating cash flow: CHF 80 million
Investments/acquisitions: CHF -23 million
Income from divestments: CHF 16 million
Interest paid: CHF -14 million
Lease liabilities additionally recognized based on the initial application of IFRS 16: CHF -25 million
FX effect: CHF -5 million
Various: CHF 2 million
Net debt at 30 Jun 2019: CHF 217 million
Maturity profile at 30 June 2019

Financial liabilities staggered over long term

- Strengthened liquidity of CHF 1,306 million
- Financial liabilities of CHF 1,523 million
Further reduction in net debt thanks to systematically implementing the financial strategy

- Net debt further reduced by CHF 30 million to CHF 217 million
- Net debt/EBITDA before exceptional items of 1.8
Solid balance sheet

*Liquidity strengthened – equity ratio increased*

- **Liquidity** strengthened: **CHF 1.31 billion** (31 Dec 2018: CHF 1.25 billion)
- **Equity ratio** increased: **46.6 %** (31 Dec 2018: 43.5 %)
Alpiq will benefit from increased prices from 2020 onwards

Rising prices have a time-delayed positive effect on earnings

**Wholesale prices**
- Significant increase in electricity prices on the wholesale markets
- Ø Hedging rate: 2020: 39 EUR/MWh
  2021: 47 EUR/MWh

**CO₂ prices**
- Quintupled since mid-2017
- More than doubled in 2018, further increase in 2019

**EUR/CHF exchange rate**
- Delayed positive currency effect
- Ø Hedging rate: 2020: 1.17 EUR/CHF
  2021: 1.14 EUR/CHF
Decarbonisation opens up new business opportunities

**Alpiq phases out coal**
- Alpiq reduces its carbon footprint by more than 60 %
- Proceeds being used to optimise the balance sheet and further develop growth areas

**Alpiq as enabler of CO₂-free mobility**
- Market presence of e-mobility expanded in Germany, Austria, Switzerland and Italy
- Entry into the area of hydrogen e-mobility to decarbonise Swiss heavy duty traffic

**Flexible energy storage solutions as a core competence**
- Digitalisation offers additional business opportunities
- Development of new business models together with the customer
- Alpiq well positioned as an early mover in the energy industry
Financial calendar 2020

- 2 March 2020
  - Annual Results 2019
  - Annual Media and Financial Analyst Conference

- 13 May 2020
  - 2020 Annual General Meeting
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