

Analyst Call 2018

ALPIQ

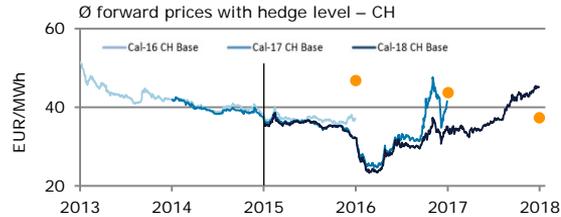
Alpiq with strong European business

Olten, 27 August 2018



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1. Economic environment
 2. Alpiq with strong European business
 3. Financial results
 4. Focus on core business
 5. Outlook
 6. Questions and answers

Hedges from previous years with a time-delayed effect



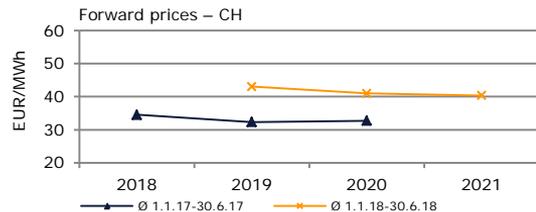
Wholesale price effect leads to lower result in H1 2018 with a time delay

Ø hedging rate	2016:	EUR 47/MWh
	2017:	EUR 44/MWh
	H1 2018:	EUR 38/MWh



Currency effects: marginal impact compared to the previous year

Ø hedging rate	2016:	CHF 1.19/EUR
	2017:	CHF 1.04/EUR
	H1 2018:	CHF 1.06/EUR



Forward prices in H1 2018 recovered

Forward prices from 2019 to 2021
 (Ø 1 Jan - 30 Jun 2018)
 EUR 37/MWh (CAL Base DE)
 EUR 42/MWh (CAL Base CH)

H1 2017

Forward prices from 2018 to 2020
 (Ø 1 Jan - 30 Jun 2017)
 EUR 29/MWh (CAL Base DE)
 EUR 33/MWh (CAL Base CH)

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



EBITDA from continuing operations before exceptional items: CHF 93 million

- Strong European and trading business: CHF 130 million
- Unprofitable Swiss electricity production: CHF -37 million



Solid balance sheet

- Equity ratio: 38.8%
- Liquidity: CHF 1.1 billion

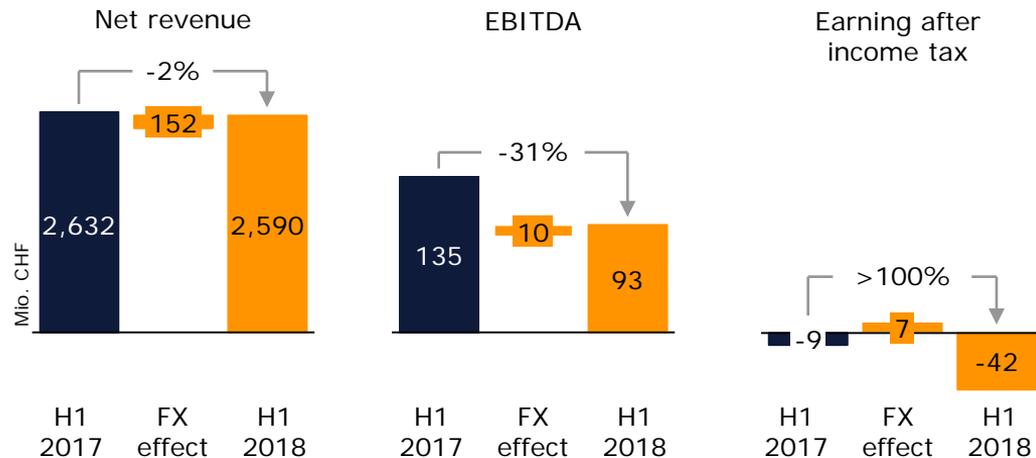


Successful spin-off of the industrial business

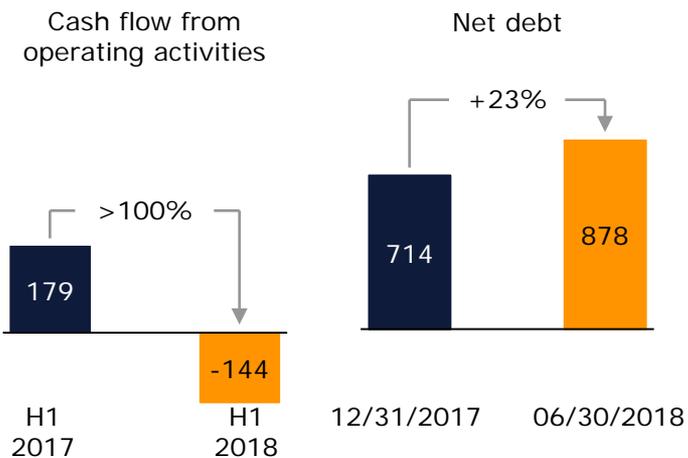
- Added value for the Alpiq Group
- Gross cash inflow of CHF 0.8 billion¹

H1 2018 Key Financial Figures

Continuing operations



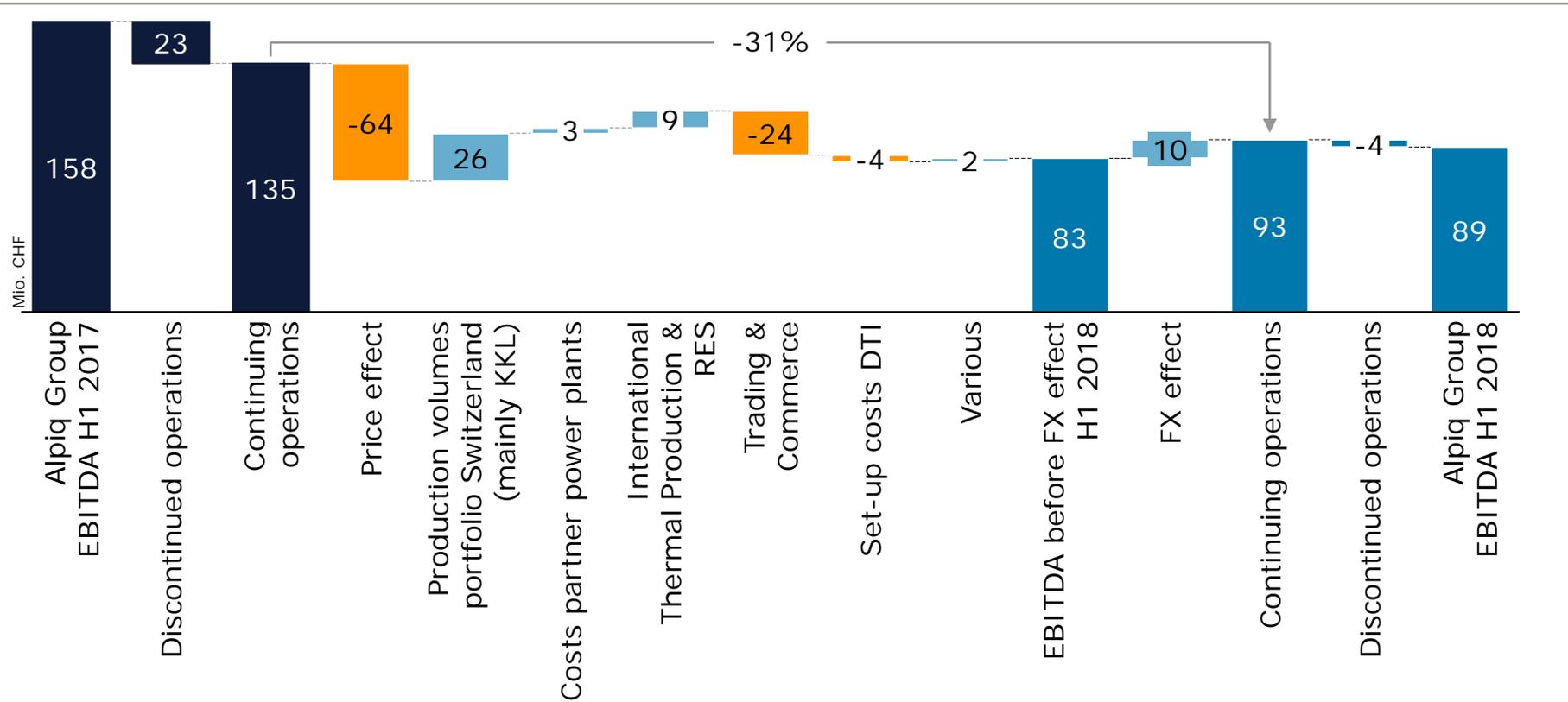
Alpiq Group



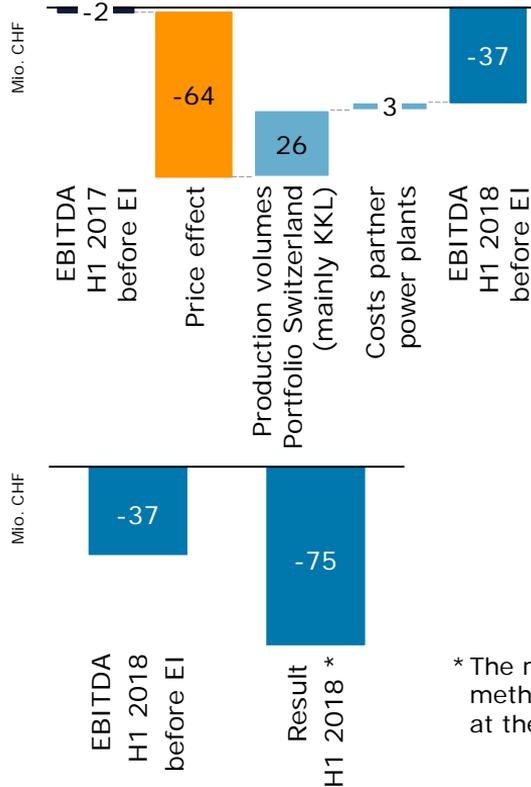
Results of operations before exceptional items (EI)

- At CHF 93 million, EBITDA from continuing operations below the previous year, as announced
- Transaction of the industrial business successfully concluded as of the end of July. Cash inflow not yet reflected in the key financial figures as of the end of June

Development of EBITDA before exceptional items



Development of EBITDA by business division (I)

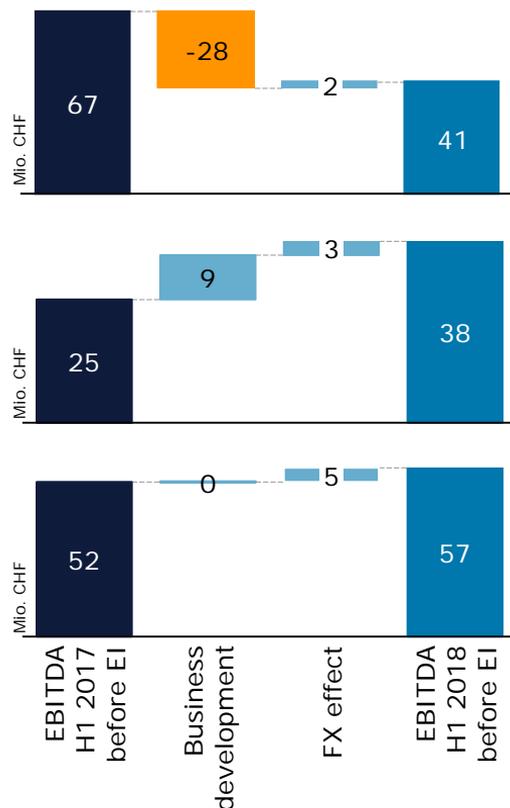


Generation Switzerland

- Despite higher production volumes, the higher availability of the Leibstadt nuclear power plant (the unscheduled extension of maintenance work at the Leibstadt nuclear power plant in the previous year) and systematic cost management, the result is down on the previous year
- Low wholesale prices are having a delayed impact on Swiss electricity production compared to the previous year
- After consistently applying full-cost accounting, the total loss of the Generation Switzerland business division amounts to around CHF -75 million in the first half of 2018

* The results of the fully consolidated partner power plants and those accounted for using the equity method contain hedges, O&M, depreciation and amortisation, taxes and duties and cost of capital, either at the partner power plant or directly at Alpiq.

Development of EBITDA by business division (II)



Digital & Commerce

- Energy trading is down on the previous year; the French market in particular was unable to repeat the strong previous-year result
- New digitalisation solutions implemented, in particular in the areas of electro-mobility and flexibility marketing in energy trading

Renewable Energy Sources

- Production volumes and prices at the wind farms in Italy significantly above the previous-year level

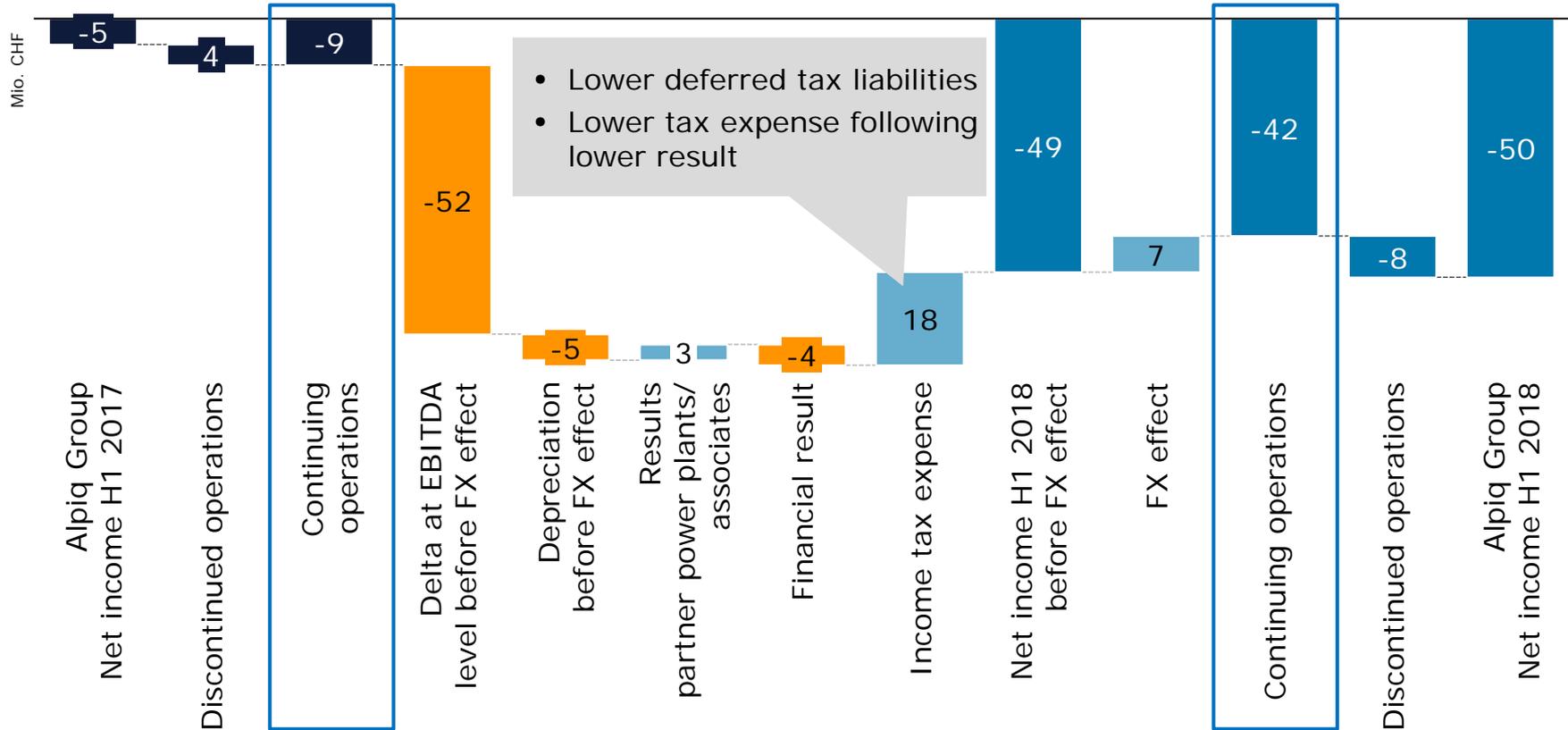
Power & Heat: Owner + Operator

- Steady earnings from international production

Development of Financial result before EI Continuing Operations

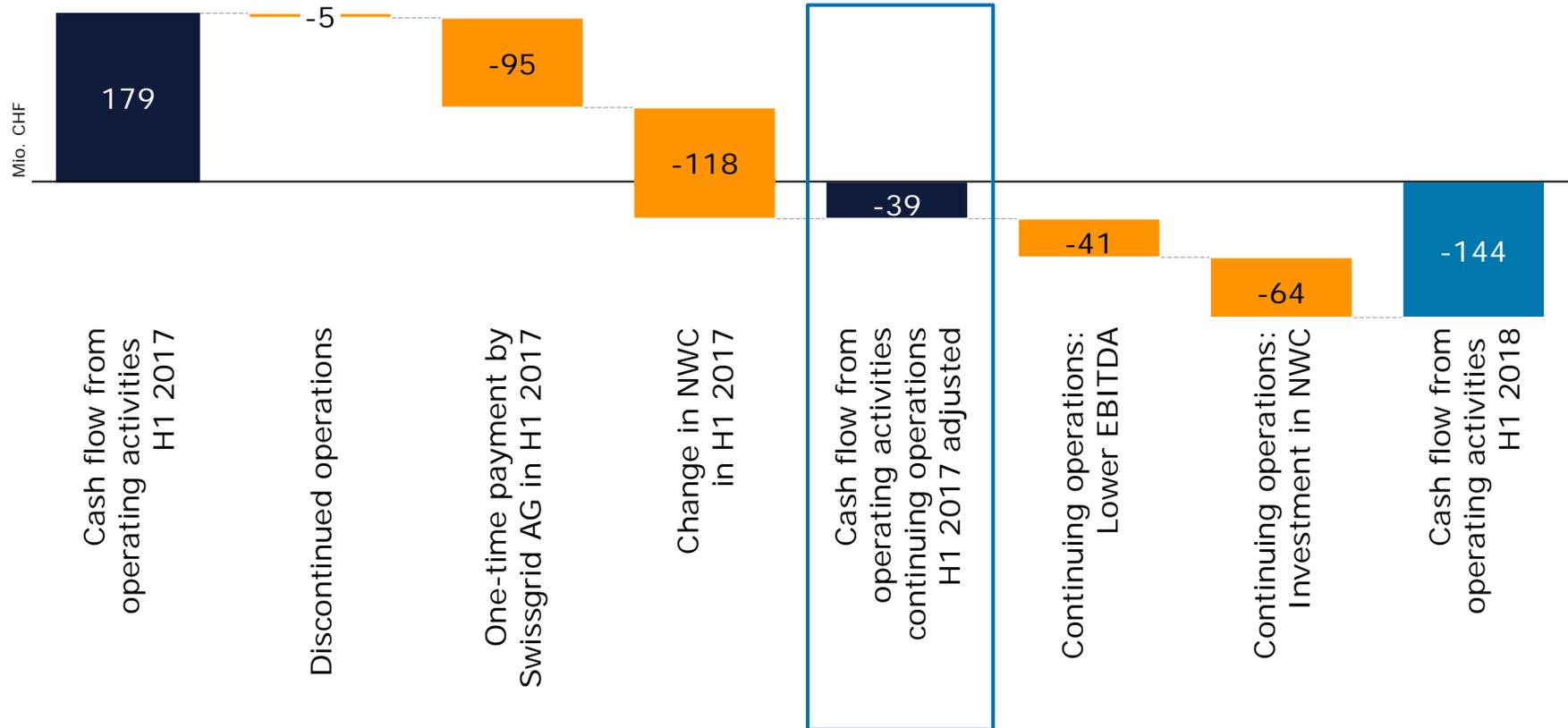


Development of net income before EI

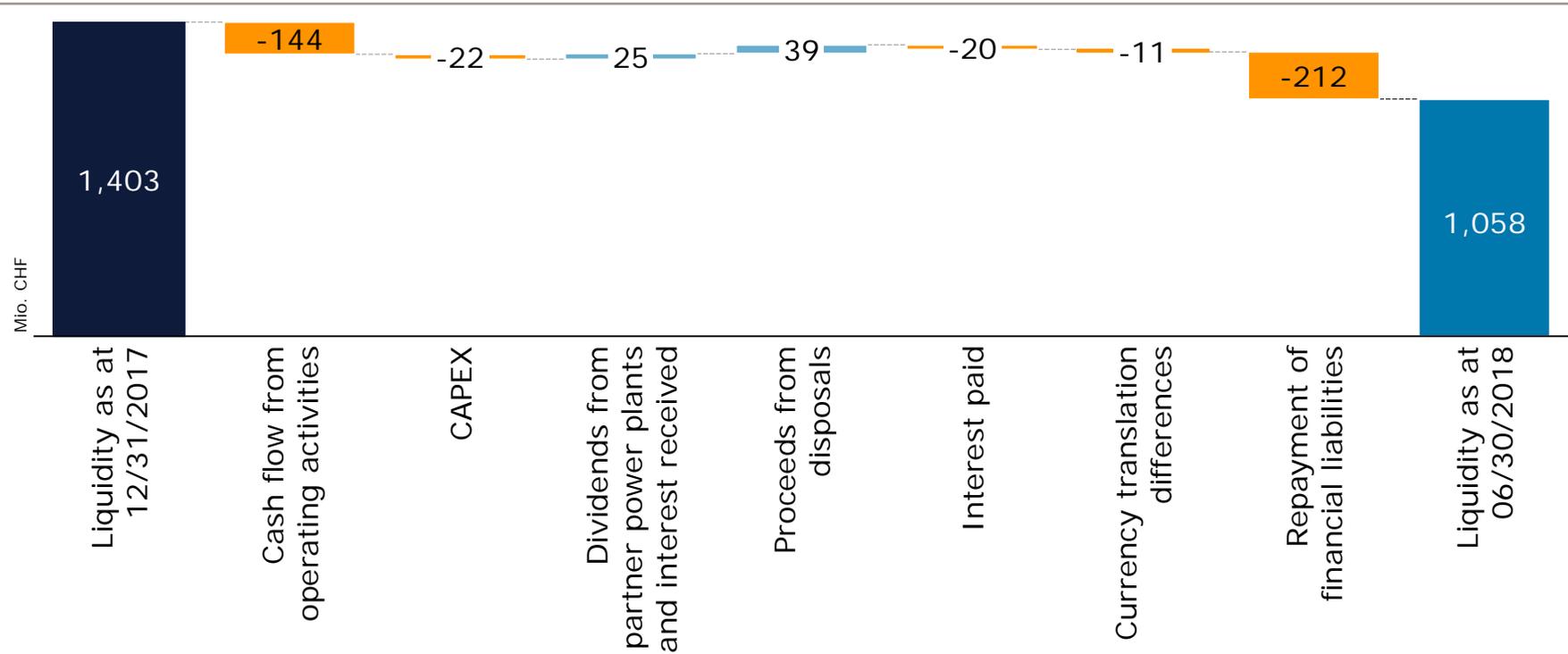


Change in cash flow from operating activities

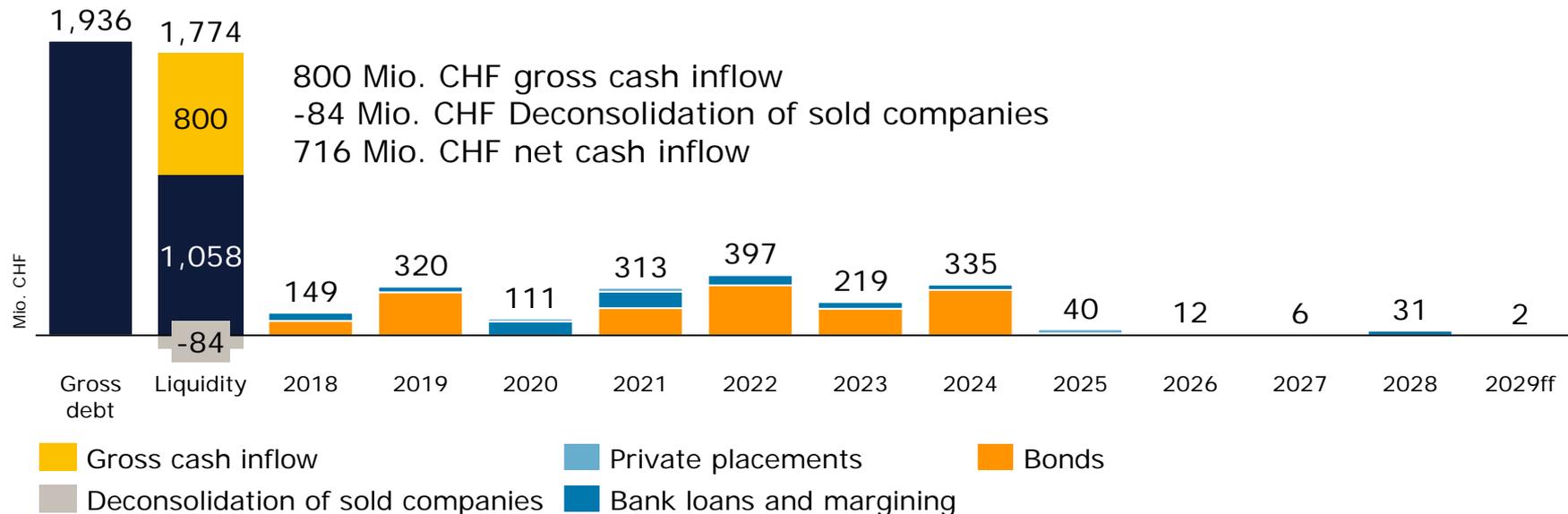
Alpiq Group; H1 2018 compared to H1 2017



Cash flow Alpiq Group

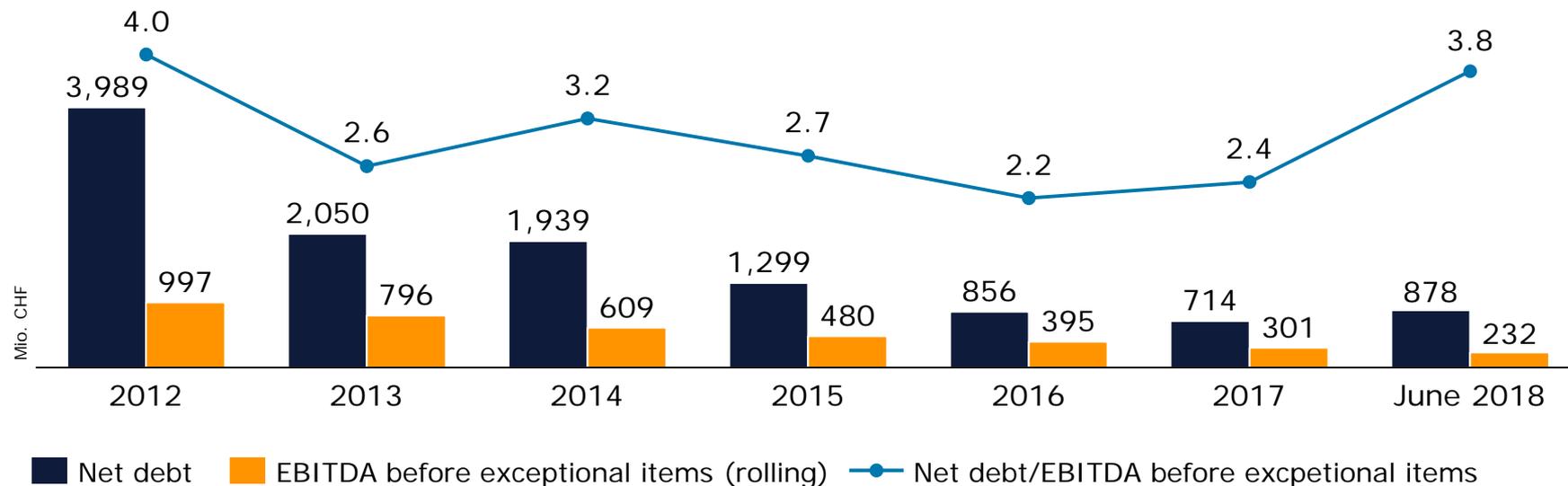


Development of debt situation following completion of the transaction

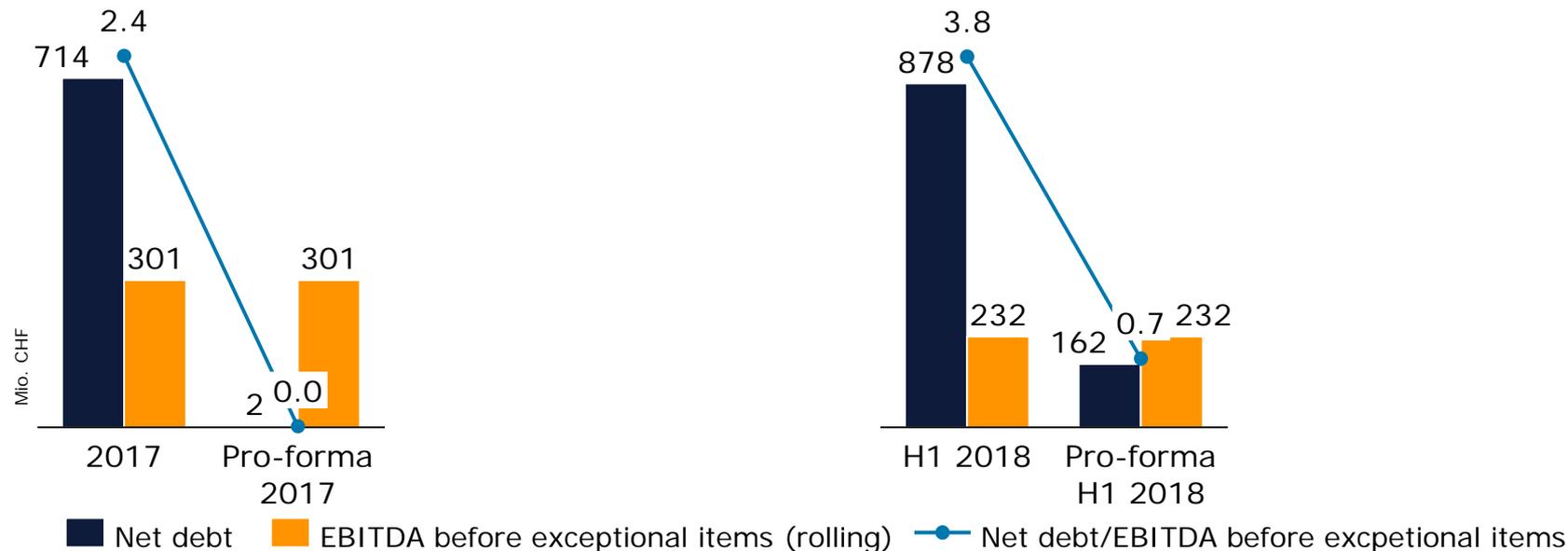


- Net cash inflow from the sale of the InTec Group and the Kraftanlagen Group
- Maturities are counterbalanced by a sound liquidity base
- Maturity profile staggered over long term without significant spikes
- Further systematic reduction of gross debt

Breakdown of financial liabilities (I)



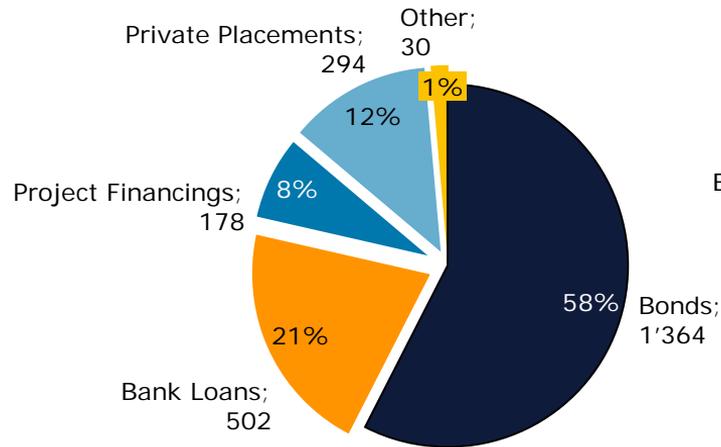
Breakdown of financial liabilities (II)



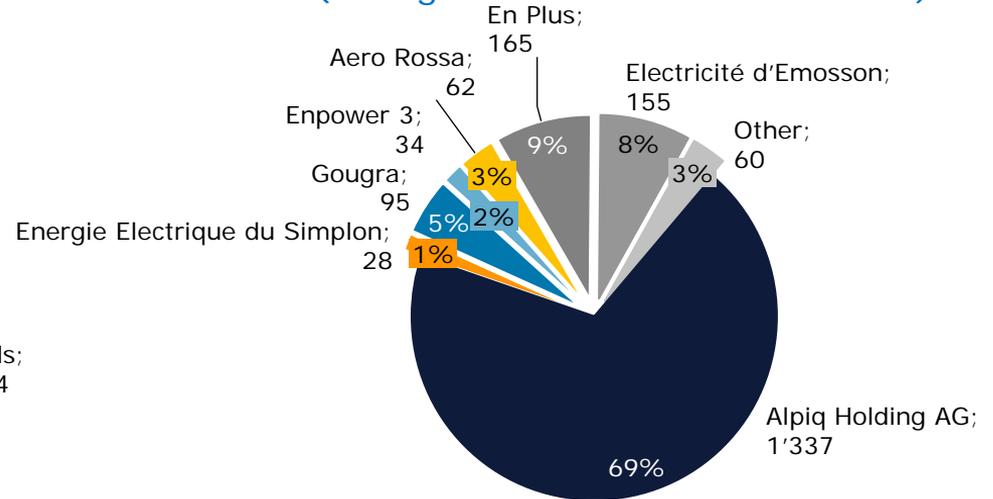
- Pro-forma net debt/EBITDA following completion of the transaction of the industrial business significantly reduced to 0.7

Allocation of interest-bearing liabilities as at 30 June 2018

Financing instruments
(in CHF million)



Group companies
(with gross debts >CHF 25 million)



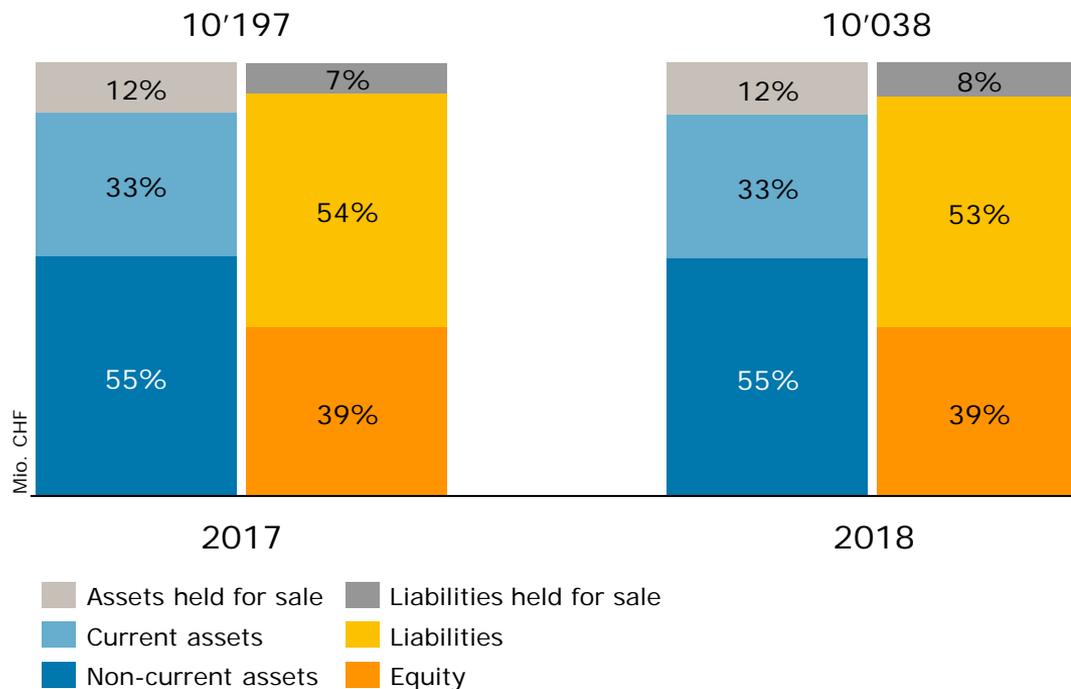
- Conservative financing profile with 70% financial liabilities at level of Alpiq Holding
- Low structural subordination
- Independent, risk-optimised project financing structures for RES companies and EnPlus
- Firmly committed credit lines of around CHF 300 million (non-utilised)

Pro-forma effects following completion of the transaction

	Alpiq before transaction	Transaction perimeter	Alpiq after transaction
Current provisions for guarantees	2	2	0
Non-Current provisions for guarantees	14	10	4
Outstanding bank guarantees (off balance)	982	431	551
Defined benefit liabilities	154	137	17
Number of FTEs	8,817	7,250	1,567

Balance sheet remains stable

Alpiq with sound liquidity and stable equity



- Sound **liquidity**:
 - Before transaction: CHF 1.1 billion
 - After transaction pro-forma: CHF 1.8 billion
- Stable **equity**: CHF 3.9 billion
- **Equity ratio**:
 - Before transaction: 38.8%
 - After transaction pro-forma: around 44%

- Assessment of Alpiq Energy SE, Prague, issued by Romanian tax authority ANAF originally in the amount of RON 793 million (CHF 197 million) for the period of 2010 to 2014. Secured by pledged bank account.
- Alpiq continues to deem it unlikely that this assessment will result in a negative outcome for the company. It has therefore again decided not to recognise a liability (provision) of RON 793 million.
- Following an objection from Alpiq, a reassessment was ordered for RON 204 million (CHF 51 million) of the total amount of RON 793 million (CHF 197 million).
- As of August, the objection resulted in the security being reduced from CHF 199 million to CHF 150 million (disclosed under deposits).

Focus on core business

- **Spin-off of the industrial business** successfully concluded

Portfolio adjustment

→ Substantial net cash inflow

Swiss electricity production unprofitable

- **Lower results** in Swiss portfolio

Price effect

→ Low wholesale prices are having a time-delayed impact on Swiss electricity production compared to the previous year

Strong European and trading business

- Significant contributions from **RES** and **thermal production**
- Strong contributions from **international energy trading, large-customer and retail business**

Price and volume effect

→ Significantly positive EBITDA contributions



- Low wholesale prices will continue to put Swiss production under pressure with a time delay
- International energy business will make positive contributions to support Swiss production
- Stable balance sheet after transaction

Alpiq emerges stronger from transformation phase



European player with Swiss roots

- Present in 30 countries across Europe
- Streamlined with 1,550 employees
- Efficiently and competitively positioned



Substantial increase in liquidity

- Deficit of Swiss electricity production covered
- Gross debt positions optimised
- Selective investments in growth areas



Focused core business

- Focused profile after spin-off
- Organic growth
- Growth areas of electro-mobility and digitalisation

Alpiq focuses on the core business



Entering the World of Electric Mobility with Juicar.

Motorists take off with our subscription-based bundles combining “juice” and car.

Everything included for a fixed price. Own nothing and cancel anytime. Register at www.juicar.com.

juicar



Electric Vehicle

BMW i3 or Nissan Leaf I/II
including insurance,
maintenance etc.



Public Charging App

Access to more than 70,000
charging points across Europe



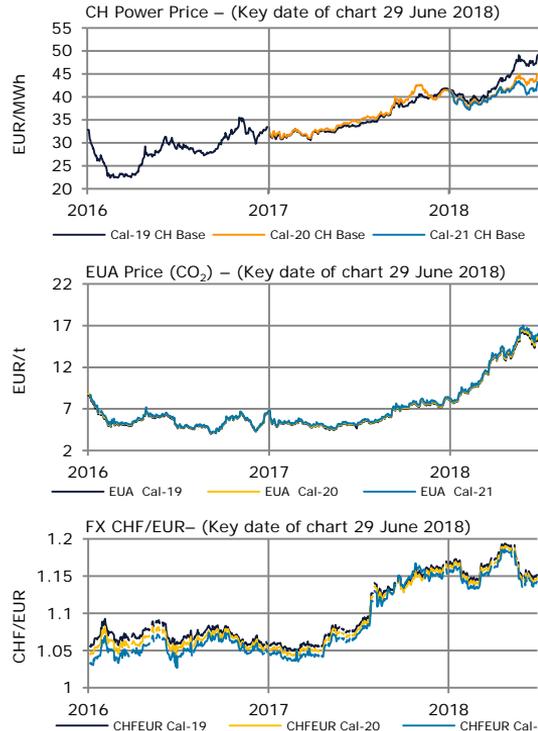
Smart Home Charger

Competitive and fixed-price
installation service included



Green Electricity

Flat rate for vehicle charging,
and green household tariff



Wholesale prices

- doubled since 2016
- increased by a third in 2018

CO₂ prices

- quadrupled since 2016
- doubled in 2018

CHF/EUR rate

- positive currency effect

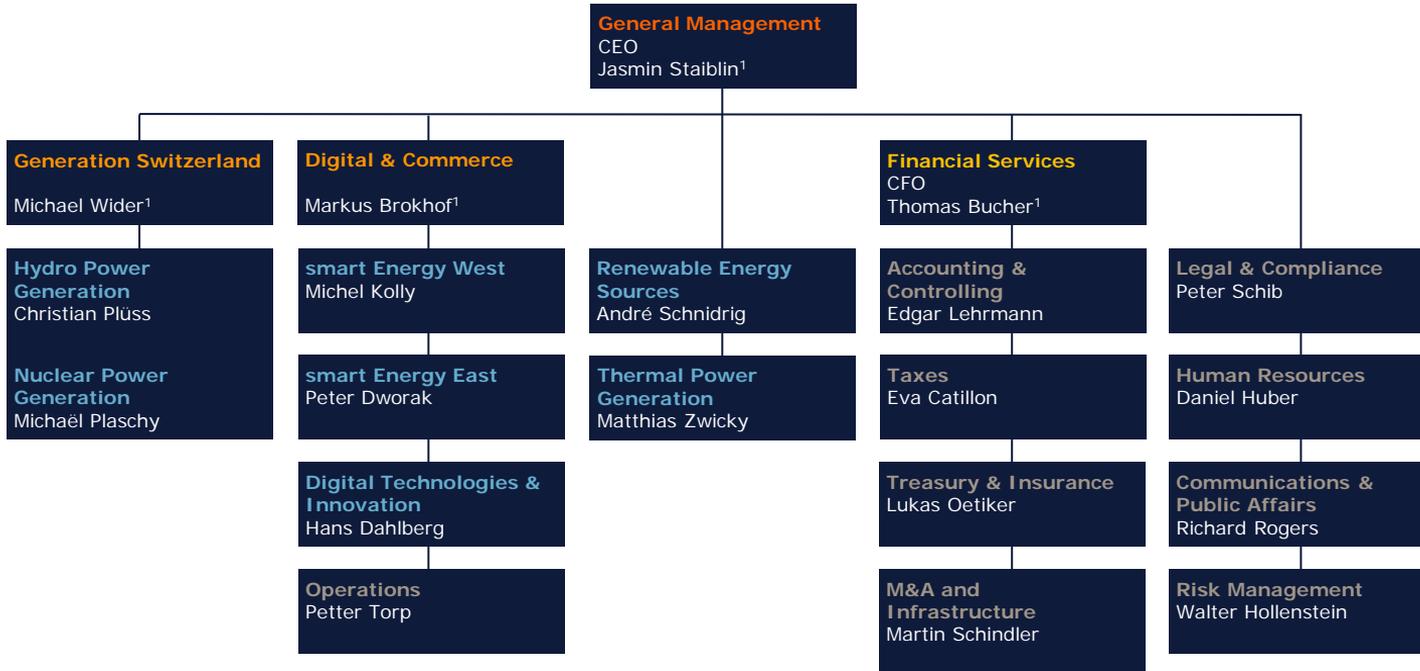
Rising wholesale prices are having a time-delayed positive effect on result

You ask. We answer.

ALPIQ



Organisation as at 1 August 2018



- General Management
- Business Division
- Business Unit
- Functional Division
- Functional Unit
- 1) Member of the Executive Board

4 March 2019

Full-year results 2018
Annual Media and Financial Analyst Conference

14 May 2019

Annual General Meeting of Alpiq Holding Ltd. in Olten

26 August 2019

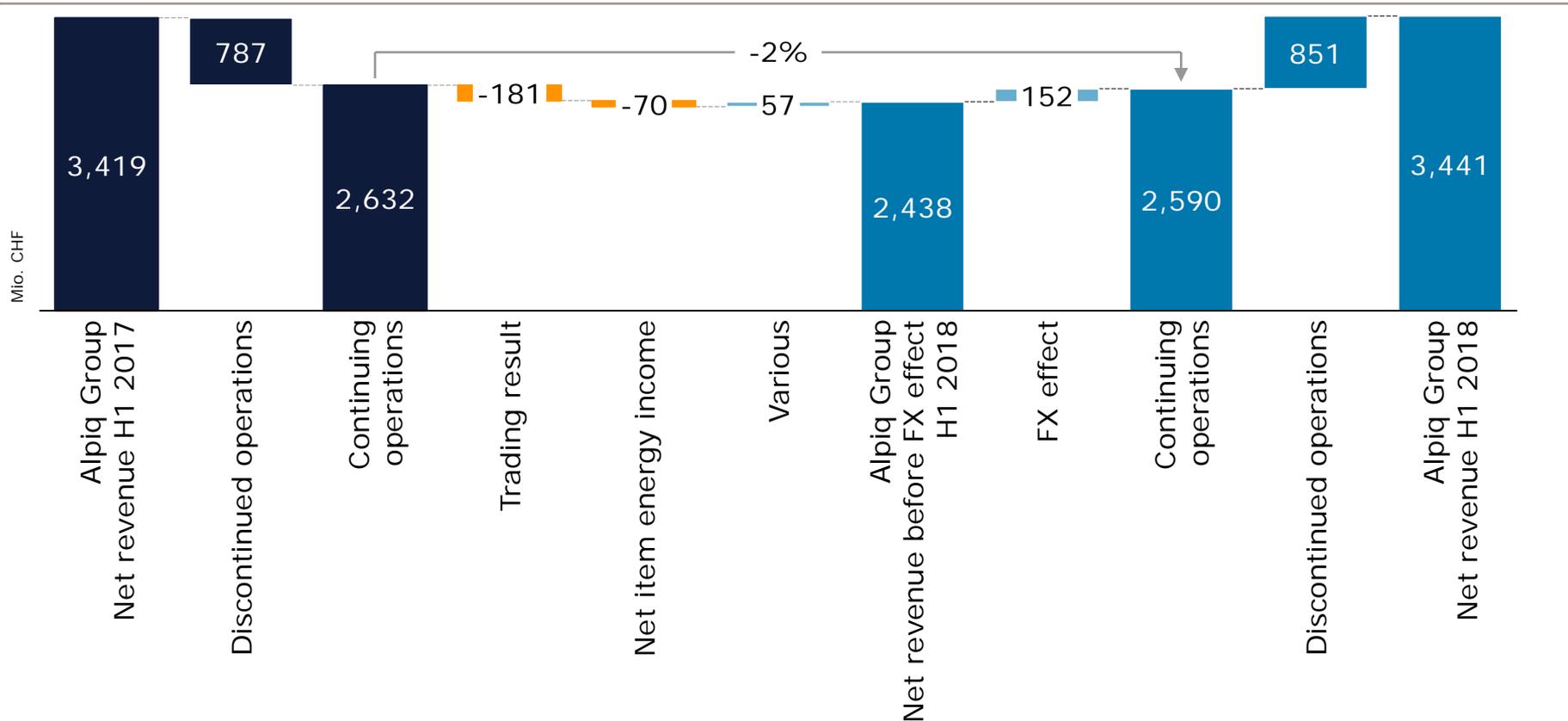
Interim results 2019
Media Breakfast and Analyst Conference Call

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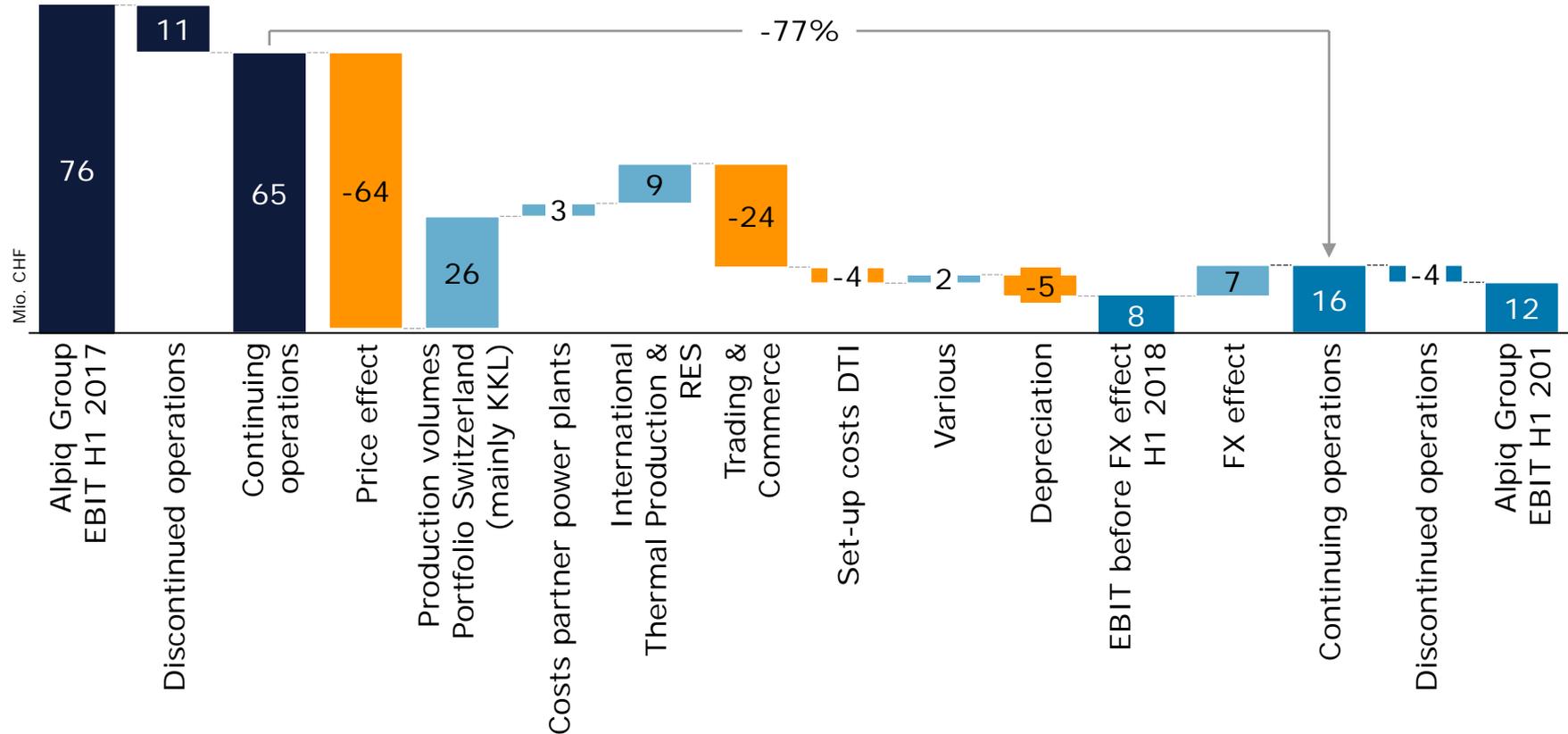
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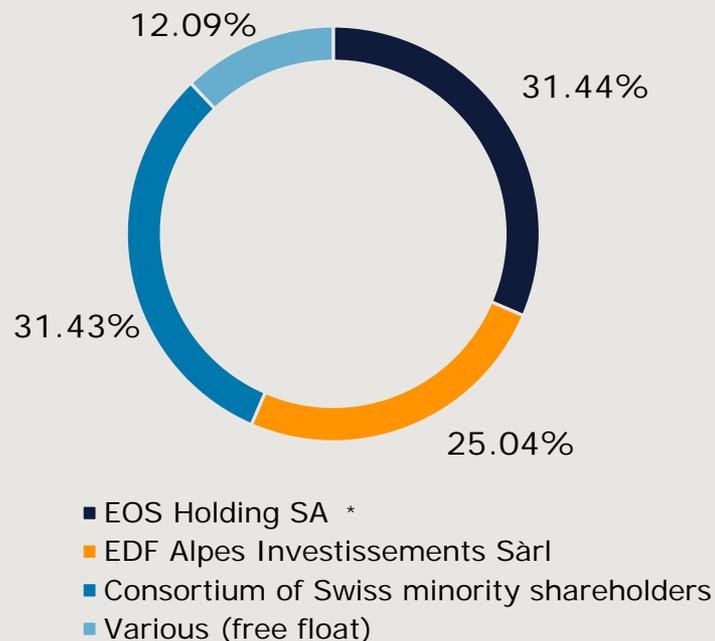
Development of net revenue before EI



Development of EBIT before EI



Alpiq Holding Ltd.



Consortium of Swiss minority shareholders (shares in %)

EBM (Elektra Birseck Cooperative)	13.65
EBL (Elektra Baselland Cooperative)	7.13
Canton of Solothurn	5.61
Aziende Industriali di Lugano (AIL)	2.13
Eniwa Holding AG **	2.00
Wasserwerke Zug (WWZ)	0.91

* Shareholders of EOS Holding SA
 Romande Energie (29.71%)
 Services Industriels de Genève – SIG (20.39%)
 Groupe E (23.09%)
 City of Lausanne (20.74%)
 Forces Motrices Valaisannes – FMV (6.07%)

** formerly IBAarau

Shareholder structure in percent / as per 31.12.2017