Analyst Call 2018

Alpiq with strong European business

Olten, 27 August 2018
Agenda

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Hedging Rate</th>
<th>Forward Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>EUR 47/MWh</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>EUR 44/MWh</td>
<td></td>
</tr>
<tr>
<td>H1 2018</td>
<td>EUR 38/MWh</td>
<td></td>
</tr>
</tbody>
</table>

Currency effects: marginal impact compared to the previous year

<table>
<thead>
<tr>
<th>Year</th>
<th>Hedging Rate</th>
<th>Forward Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>CHF 1.19/EUR</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>CHF 1.04/EUR</td>
<td></td>
</tr>
<tr>
<td>H1 2018</td>
<td>CHF 1.06/EUR</td>
<td></td>
</tr>
</tbody>
</table>

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 with strong European business

**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 billion

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Interim results 2018

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1 from transaction as at 31 July 2018
H1 2018 Key Financial Figures

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

<table>
<thead>
<tr>
<th>EBITDA H1 2018 (Mio. CHF)</th>
<th>EBITDA H1 2017 (Mio. CHF)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alpiq Group</td>
<td>158</td>
<td></td>
</tr>
<tr>
<td>Discontinued operations</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>Continuing operations</td>
<td>135</td>
<td></td>
</tr>
<tr>
<td>Price effect</td>
<td>-64</td>
<td></td>
</tr>
<tr>
<td>Production volumes</td>
<td>26</td>
<td>23</td>
</tr>
<tr>
<td>(portfolio Switzerland)</td>
<td></td>
<td>31%</td>
</tr>
<tr>
<td>(mainly KKL)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs partner power plants</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td>Thermal Production &amp; RES</td>
<td>-24</td>
<td></td>
</tr>
<tr>
<td>Trading &amp; Commerce</td>
<td>-31%</td>
<td></td>
</tr>
<tr>
<td>Set-up costs DTI</td>
<td>-4</td>
<td></td>
</tr>
<tr>
<td>Various</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>EBITDA before FX effect</td>
<td>83</td>
<td>93</td>
</tr>
<tr>
<td>H1 2018</td>
<td>-4</td>
<td></td>
</tr>
<tr>
<td>FX effect</td>
<td>-4</td>
<td></td>
</tr>
<tr>
<td>Continuing operations</td>
<td>89</td>
<td></td>
</tr>
<tr>
<td>Discontinued operations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alpiq Group H1 2018</td>
<td>158</td>
<td></td>
</tr>
</tbody>
</table>

Interim results 2018
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

Financial result

Mio. CHF

H1 2017

-41

Finance income

-1

Finance costs

3

Various (e.g. FX effect)

-6

Financial result

H1 2018

-45

Reduced interest burden thanks to lower financial debt
Development of net income before EI

-52

-49

-42

-50

-5

3

-4

18

-4

7

-8

• Lower deferred tax liabilities
• Lower tax expense following lower result
Change in cash flow from operating activities
Alpiq Group; H1 2018 compared to H1 2017

Cash flow from operating activities H1 2017: 179 Mio. CHF
Discontinued operations: -95
One-time payment by Swissgrid AG in H1 2017: -5
Change in NWC in H1 2017: -118

Continuing operations:
- Lower EBITDA: -41
- Investment in NWC: -64
- Cash flow from operating activities continuing operations H1 2017 adjusted: -144 Mio. CHF
Cash flow Alpiq Group

<table>
<thead>
<tr>
<th>Category</th>
<th>Change (Mio. CHF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liquidity as at 12/31/2017</td>
<td>1,403</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>-144</td>
</tr>
<tr>
<td>CAPEX</td>
<td>-22</td>
</tr>
<tr>
<td>Dividends from partner power plants and interest received</td>
<td>25</td>
</tr>
<tr>
<td>Proceeds from disposals</td>
<td>39</td>
</tr>
<tr>
<td>Interest paid</td>
<td>-20</td>
</tr>
<tr>
<td>Currency translation differences</td>
<td>-11</td>
</tr>
<tr>
<td>Repayment of financial liabilities</td>
<td>-212</td>
</tr>
<tr>
<td>Liquidity as at 06/30/2018</td>
<td>1,058</td>
</tr>
</tbody>
</table>
Development of debt situation following completion of the transaction

800 Mio. CHF gross cash inflow
-84 Mio. CHF Deconsolidation of sold companies
716 Mio. CHF net cash inflow

- 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)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net debt Mio. CHF</th>
<th>EBITDA before exceptional items (rolling) Mio. CHF</th>
<th>Net debt/EBITDA before exceptional items</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>3,989</td>
<td>997</td>
<td>4.0</td>
</tr>
<tr>
<td>2013</td>
<td>2,050</td>
<td>796</td>
<td>2.6</td>
</tr>
<tr>
<td>2014</td>
<td>1,939</td>
<td>609</td>
<td>3.2</td>
</tr>
<tr>
<td>2015</td>
<td>1,299</td>
<td>480</td>
<td>2.7</td>
</tr>
<tr>
<td>2016</td>
<td>856</td>
<td>395</td>
<td>2.2</td>
</tr>
<tr>
<td>2017</td>
<td>714</td>
<td>301</td>
<td>2.4</td>
</tr>
<tr>
<td>June 2018</td>
<td>878</td>
<td>232</td>
<td>3.8</td>
</tr>
</tbody>
</table>

Net debt/EBITDA before exceptional items (rolling)
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

- 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

<table>
<thead>
<tr>
<th></th>
<th>Alpiq before transaction</th>
<th>Transaction perimeter</th>
<th>Alpiq after transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current provisions for guarantees</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Non-Current provisions for guarantees</td>
<td>14</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>Outstanding bank guarantees (off balance)</td>
<td>982</td>
<td>431</td>
<td>551</td>
</tr>
<tr>
<td>Defined benefit liabilities</td>
<td>154</td>
<td>137</td>
<td>17</td>
</tr>
<tr>
<td>Number of FTEs</td>
<td>8,817</td>
<td>7,250</td>
<td>1,567</td>
</tr>
</tbody>
</table>
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%
Update on tax audit in Romania

- 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).
Alpiq with strong European business

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
Outlook 2018/2019

- 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

**Production**
- Swiss production
- International thermal production
- New renewable energies
- Decentralised production by third parties

**Marketing**
- Asset optimisation
- International energy trading
- Large customers and retail
- Digital solutions

**Customers**
- Utilities
- Industry and commerce
- Grid operators
- Prosumer
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.

**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
Medium-term outlook

**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.
Organisation as at 1 August 2018

General Management
CEO
Jasmin Staiblin

Generation Switzerland
Michael Wider

Digital & Commerce
Markus Brokhof

Financial Services
CFO
Thomas Bucher

Hydro Power
Generation
Christian Plüss

Nuclear Power
Generation
Michaël Plaschy

smart Energy West
Michel Kolly

Renewable Energy
Sources
André Schnidrig

Legal & Compliance
Peter Schib

smart Energy East
Peter Dworak

Accounting &
Controlling
Edgar Lehrmann

Taxes
Eva Catillon

Human Resources
Daniel Huber

Digital Technologies &
Innovation
Hans Dahlberg

Thermal Power
Generation
Matthias Zwicky

Treasury & Insurance
Lukas Oetiker

Communications &
Public Affairs
Richard Rogers

Operations
Petter Torp

M&A and
Infrastructure
Martin Schindler

Risk Management
Walter Hollenstein

1) Member of the Executive Board
## Financial calendar 2019

<table>
<thead>
<tr>
<th>Date</th>
<th>Event and Details</th>
</tr>
</thead>
</table>
| 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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This communication is neither an offer nor an invitation to sell or buy securities.
Development of net revenue before EI

<table>
<thead>
<tr>
<th>Category</th>
<th>Alpiq Group H1 2017</th>
<th>Discontinued operations</th>
<th>Continuing operations</th>
<th>Trading result</th>
<th>Net item energy income</th>
<th>Various</th>
<th>Alpiq Group H1 2018</th>
<th>Net revenue before FX effect H1 2018</th>
<th>FX effect</th>
<th>Continuing operations</th>
<th>Discontinued operations</th>
<th>Alpiq Group H1 2018</th>
<th>Net revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mio. CHF</td>
<td>3,419</td>
<td>787</td>
<td>2,632</td>
<td>-181</td>
<td>-70</td>
<td>57</td>
<td>2,438</td>
<td>152</td>
<td></td>
<td>2,590</td>
<td>851</td>
<td>3,441</td>
<td></td>
</tr>
</tbody>
</table>

-2%
Development of EBIT before EI

<table>
<thead>
<tr>
<th>Category</th>
<th>Alpiq Group EBIT H1 2017</th>
<th>-77%</th>
<th>Discontinued operations</th>
<th>Continuing operations</th>
<th>Price effect</th>
<th>Production volumes Portfolio Switzerland (mainly KKL)</th>
<th>Costs partner power plants</th>
<th>26</th>
<th>International Thermal Production &amp; RES</th>
<th>Trading &amp; Commerce</th>
<th>Set-up costs DTI</th>
<th>Various</th>
<th>Depreciation</th>
<th>EBIT before FX effect H1 2018</th>
<th>FX effect</th>
<th>Continuing operations</th>
<th>Discontinued operations</th>
<th>Alpiq Group EBIT H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alpiq Group EBIT H1 2017</td>
<td>Alpiq Group EBIT H1 2017</td>
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</table>
Shareholder structure in percent / as per 31.12.2017

<table>
<thead>
<tr>
<th>Consortium of Swiss minority shareholders (shares in %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBM (Elektra Birseck Cooperative)</td>
</tr>
<tr>
<td>EBL (Elektra Baselland Cooperative)</td>
</tr>
<tr>
<td>Canton of Solothurn</td>
</tr>
<tr>
<td>Aziende Industriali di Lugano (AIL)</td>
</tr>
<tr>
<td>Eniwa Holding AG **</td>
</tr>
<tr>
<td>Wasserwerke Zug (WWZ)</td>
</tr>
</tbody>
</table>

*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