1. Alpiq strong in the international business

2. 2019 Key Financial Figures

3. Alpiq benefits from increased prices in 2020

4. Alpiq is part of a climate-friendly energy future

5. Questions and answers
Alpiq strong in the international business

**EBITDA before EI of CHF 106 million, as expected, down on the previous year**
- Good year for new renewable energies in Europe and international energy trading
- Phase-out of coal negatively impacts business figures for 2019
- Despite market premium, Swiss hydropower operating at a loss

**Solid balance sheet thanks to systematic financial strategy**
- Net debt reduced to CHF 206 million
- Sound liquidity at CHF 1.1 billion
- Equity ratio increased to 49.8 %

**Alpiq ready for the next step**
- CSA Energy Infrastructure Switzerland invests in Alpiq
- André Schnidrig elected as new CEO
- Earnings expected to recover in 2020
Results of operations

- As announced, EBITDA before exceptional items down on the previous year. Generation International negatively impacted by phase-out of coal, partly compensated for by excellent results in the ancillary services market in Italy.
- IFRS earnings negatively impacted by impairment of coal-fired power plants.
- Operating cash flow down on the previous year as a result of investments in net working capital.
- Reduction of net debt compared to the end of 2018.
Hedging transactions from previous years 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 2019

Average hedging price 2017: EUR 44/MWh  
2018: EUR 38/MWh  
2019: EUR 34/MWh

Currency effect with marginal impact compared to the previous year

Average hedging rate 2017: EUR 1.04/CHF  
2018: EUR 1.06/CHF  
2019: EUR 1.08/CHF
Development of EBITDA by business division (I)

Despite market premium, climate-friendly Swiss hydropower still operating at a loss

Generation Switzerland

- Alpiq systematically hedges production in the market against price and currency fluctuations
- Positive volume effect primarily attributable to unscheduled maintenance work at Leibstadt nuclear power plant in the previous year
- Despite higher market premium, hydropower operating at a loss
Development of EBITDA by business division (II)

International power production makes biggest contribution

**Generation International**
- Thermal production down on previous year on account of the strategic sale of the two coal-fired power plants
- New renewable energies slightly lower than in the previous year, mainly due to lower availability and lower prices in Italy

**Digital & Commerce**
- Excellent results in the ancillary services market in Italy
- Positive development in Eastern Europe
- Alpiq invests in digital technologies and innovations
Development of EBITDA before EI after phase-out of coal

Alpiq has substantially reduced its CO₂ emissions by phasing out coal

### Alpiq Group

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### Generation International

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Alpiq generates solid operating annual results as expected

Alpiq strong in the international business, but negatively impacted by phase-out of coal

International production: again makes biggest contribution to the Alpiq Group’s results of operations, but negatively impacted by phase-out of coal

Digital & Commerce: encouraging course of business

Swiss production: still operating at a loss, but above previous year

![EBITDA before EI](image-url)
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>Description</th>
<th>2019</th>
<th>2018</th>
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<tr>
<td>Development of decommissioning and waste disposal funds</td>
<td>111</td>
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<td>Effects from business disposals</td>
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<td>Impairment losses and onerous contracts</td>
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<td>19</td>
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<tr>
<td>Restructuring costs and litigation</td>
<td>-20</td>
<td>-16</td>
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<tr>
<td>Fair value changes (accounting mismatch)</td>
<td>38</td>
<td>-64</td>
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<tr>
<td><strong>Total exceptional items on EBITDA level</strong></td>
<td><strong>62</strong></td>
<td><strong>-157</strong></td>
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</table>
Development of earnings after tax from continuing operations (IFRS)

**Phase-out of coal impacts result**

**CHF million**

-261

-60

28

-263

102

207

-90

42

66

3

-226

**Earnings after tax from continuing operations 2018 (IFRS)**

**Depreciation before EI**

**Exceptional item: Impairment**

**Exceptional item: Fair-Value-Changes 2018-2019**

**Exceptional item: Development of decommissioning and waste disposal funds 2018-2019**

**Various exceptional items 2018-2019**

**Financial result (IFRS)**

**Income tax (IFRS)**

**Various**

**Earnings after tax from continuing operations 2019 (IFRS)**
Development of operating cash flow

Operating cash flow negatively impacted by development of decommissioning and waste disposal funds in 2019

- EBITDA before EI: CHF 106 million
- Exceptional items: CHF 62 million
- EBITDA (IFRS) 2019: CHF 168 million
- Change in accruals/provisions: CHF 17 million
- Development of decommissioning and waste disposal funds in 2019: CHF -111 million
- Change in NWC D&C: CHF -85 million
- Taxes paid: CHF -12 million
- Various: CHF 6 million
- Operating cash flow from continuing operations 2019: CHF -17 million

Alpiq Holding Ltd. | Annual Media Conference 2020
Development of liquidity

Liquidity still sound after repayment of debts

Liquidity at 31 Dec 2018: CHF 1,255 million

- Operating cash flow from continuing operations: CHF -17 million
- Investments: CHF -73 million
- Proceeds from divestment: Sale of coal-fired power plants: CHF 265 million
- Interest paid incl. hybrid interest: CHF -213 million
- Repayment of bonds and loans: CHF -30 million
- Cash flow from discontinued operations: CHF -18 million
- Various: CHF 7 million

Liquidity at 31 Dec 2019: CHF 1,101 million

Proceeds from divestment: Sale of coal-fired power plants: CHF -73 million

Liquidity still sound after repayment of debts.
Development of net debt

Further reduction in net debt from phase-out of coal

<table>
<thead>
<tr>
<th>CHF million</th>
<th>Net debt at 31 Dec 2018</th>
<th>Operating cash flow</th>
<th>Investments</th>
<th>Proceeds from divestment: Sale of coal-fired power plants</th>
<th>Interest paid incl. hybrid interest</th>
<th>Cash flow from discontinued operations</th>
<th>Lease liabilities additionally recognised based on the initial application of IFRS 16</th>
<th>FX effect &amp; various</th>
<th>Net debt at 31 Dec 2019</th>
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<tbody>
<tr>
<td>-247</td>
<td></td>
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<td>-75</td>
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</tbody>
</table>
Maturity profile at 31 December 2019

Financial liabilities staggered over long term

- Sound liquidity of CHF 1,101 million
- Financial liabilities of CHF 1,307 million
Net debt

Sound net debt/EBITDA thanks to systematically implementing the financial strategy

- Net debt further reduced by CHF 41 million to CHF 206 million
- Net debt/EBITDA before exceptional items of 1.9
## Sound balance sheet

### Sound balance sheet thanks to a systematic financial strategy

<table>
<thead>
<tr>
<th></th>
<th>31 Dec 2018</th>
<th>31 Dec 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets held for sale</td>
<td>39.7%</td>
<td>0.3%</td>
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<tr>
<td>Liabilities held for sale</td>
<td>60.3%</td>
<td>37.7%</td>
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<tr>
<td>Current assets</td>
<td>56.5%</td>
<td>62.1%</td>
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<tr>
<td>liabilities</td>
<td>43.5%</td>
<td>49.8%</td>
</tr>
<tr>
<td>Non-current assets</td>
<td>50.1%</td>
<td></td>
</tr>
<tr>
<td>Equity</td>
<td>49.8%</td>
<td>49.8%</td>
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</table>

- **Sound Liquidity**: CHF 1.10 billion (31 Dec 2018: CHF 1.25 billion)
- **Equity ratio** increased: 49.8% (31 Dec 2018: 43.5%)
Overview legal cases

Arbitration claim with Bouygues Construction:
• In the request filed for arbitration claim, Bouygues Construction has increased the amount it is demanding from CHF 205.1 million to around CHF 319 million plus interest
• Ruling by arbitration court expected during 2022
• Alpiq continues to contest both in terms of its amount and on its merits

Administrative order imposing a fine from German Federal Cartel Office:
• Outcome of proceedings and any fines are currently unknown
• Alpiq deems conviction unlikely

Tax audit in Romania:
• ANAF’s tax assessment of RON 589 million (CHF 134 million) is not enforceable until a first-instance court decision has been reached
• Bank guarantee and pledged bank account rescinded on 14 February 2019
• Alpiq continues to deem it unlikely that this assessment will result in a negative outcome for the company and has therefore decided not to record a liability for the tax assessment
Alpiq benefits from increased prices in 2020

Rising prices have a time-delayed positive effect on earnings

**Wholesale prices**
- Wholesale prices increased and stabilised
- Average hedging price: 2019: EUR 34/MWh  
  2020: EUR 39/MWh  
  2021: EUR 47/MWh

**CO2 prices**
- Tripled in 2018
- Volatile, sideways movement in 2019

**EUR/CHF exchange rate**
- Delayed positive currency effect
- Average hedging rate: 2019: EUR 1.08/CHF  
  2020: EUR 1.16/CHF  
  2021: EUR 1.14/CHF
Energy transition and supply security pose a challenge

**Decarbonisation leads to higher electricity consumption**
- European Green Deal: 50% CO₂ reduction by 2030, 100% climate neutral by 2050
- Second electrification: fossil fuels to be electrified and replaced by climate-neutral fuels
- Investments in fossil fuels becoming a risk, money being directed into renewable energies

**Supply security needs flexible, controllable power plants**
- National economy must be supplied with electricity with no interruptions
- Building additional wind/photovoltaic plants weakens stability of the grid
- Phase-out of coal and nuclear power raises import risk in winter
Alpiq is part of a climate-friendly energy future

**Business**
- Trading, sales and energy services
- Hydropower plants
- Nuclear power plants
- Gas-fired combined-cycle power plants
- Wind and photovoltaic plants

**Market**
# Financial calendar 2020

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
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<tr>
<td>24 June 2020</td>
<td>Annual General Meeting of Alpiq Holding Ltd. in Lausanne</td>
</tr>
<tr>
<td>24 August 2020</td>
<td>Interim results 2020</td>
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