

Press release

(Ad hoc announcement pursuant to Art. 53 LR)

BKW reports good half-year results

BKW AG half-year figures 2022

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BKW remains on its growth trajectory despite a volatile market situation. In the first half of 2022, the company's revenue grew to around CHF 2.3 billion and its operating profit (EBIT) to CHF 330 million, corresponding to an increase of 37 % and 46 % over the previous year. The Energy business in particular contributed to this positive trend. Despite ongoing uncertainty, BKW stands by its previously communicated guidance between CHF 460 and 500 million EBIT.



	CHF millions	HY 2021	HY 2022	
Revenue		1,655	2,263	+37%
Operating result (EBIT)		225	330	+46%
Operating net profit*		142	191	+35%

*Net profit before decommissioning and waste disposal funds

In the first half of 2022, BKW's revenue grew to around CHF 2.3 billion, an increase of 37 % over the same period of the previous year. The Energy business in particular contributed to revenue growth with an increase of 74 %. However, revenue in the Services business was also positive, rising by 20 % thanks to the good order backlog and acquisitions. Due to the tariff reduction already communicated, Grid revenue slightly declined by 4 % .

BKW's operating profit (EBIT) rose by 46 % to CHF 330 million. In the Energy business, EBIT increased by 129 %. High prices and strong volatility have led to above-average performance in the management of BKW's energy positions. In the Services business, EBIT decreased. This decline was due in particular to lower process efficiency as a result of the coronavirus pandemic as well as higher procurement costs that could not yet be passed on. In the Grid business, EBIT decreased by 22 % due to the aforementioned tariff reduction.

BKW's net operating profit increased by 34 % to CHF 191 million. Reported net profit was lower due to the negative performance of the decommissioning and waste disposal funds.

Energy, Services, Grid: renewable in every way

Over the next few years, BKW plans to invest more than CHF 2 billion across all three businesses of Energy, Services, and Grid. Ambitions in the area of renewable energy and sustainable services are the pillars of BKW's growth strategy. BKW aims to increase its new renewable production to over 1,000 megawatts by 2026. Through the [acquisition of six wind farms in France](#) with an installed capacity of 106 megawatts, BKW has already achieved a good third of the targeted expansion. At the same time, BKW is supporting its customers with comprehensive, resource-saving energy and building solutions. With the [acquisition of Solstis SA](#), BKW has taken a major step towards becoming a nationwide provider in Switzerland's photovoltaic sector. In the first half of 2022, the applications for new photovoltaic connections increased by 75 % in the BKW supply region alone. BKW is also using its expertise to support the expansion of E-Mobility in Switzerland. BKW is currently developing an integrated E-Mobility concept for the [St. Gallen Cantonal Police](#). In early May 2022, BKW also launched a [partnership with Swiss Post](#), offering fleet customers full service for charging stations for the first time.

At the same time, BKW is also investing in the modernization, digitalization and security of its power grids so that they keep pace with the challenges of the world of renewable energy. As of January 1, 2022, BKW, AEK, and onyx merged their distribution grids and are operating under the single umbrella of BKW. With this step, BKW is increasing grid stability in its supply region and implementing efficiency gains in the further grid expansion. This reduces the cost of grid expansion, which in turn benefits customers.

Basic electricity supply rates to remain stable in 2023

BKW's rates for basic electricity supply and its distribution grid tariff will [remain the same next year as in 2022](#). The electricity produced by BKW's own power plants is sufficient to supply its customers in basic supply with energy at all times. Due to the high proportion of its own production, the price of BKW's basic electricity supply is based on the production costs. BKW is currently able to keep these stable thanks to ongoing efficiency and digitalization measures at its power plants.

Outlook

BKW is proceeding on the basis of the previously communicated EBIT guidance in the range of CHF 460 to 500 million, although political and economic developments in the second half of the year are considerably uncertain.

A video statement by BKW CFO Ronald Trächsel on BKW AG's 2022 half-year results can be found [here](#).



You can find more information on BKW AG's 2022 half-year results at www.bkw.ch/hy22.

The expectations and forward-looking statements expressed in this document are based on assumptions and are subject to risks and uncertainties. This means that the actual results may differ materially from those expressed or implied by the expectations and statements. This press release is issued in German, French, English, and Italian. The German text is the authoritative version.

BKW

The BKW Group is a Bern-based international energy and infrastructure company. It employs approximately 11,500 people. Its company network and innovative technologies allow it to offer its customers a full range of skills in the areas of infrastructure, buildings, and energy. The Group plans, builds, and operates infrastructure to produce and supply energy to businesses, households, and the public sector, and offers digital business models for renewable energies. Today, the

BKW Group portfolio comprises everything from engineering consultancy and planning for energy, infrastructure, and environmental projects to integrated offers in the field of building technology and the construction, servicing, and maintenance of energy, telecommunications, transport, and water networks.

The registered shares of BKW AG are listed on the SIX Swiss Exchange.