

Press Release

(Ad hoc announcement pursuant to Art. 53 LR)

BKW pursues sustainable growth trajectory

BKW AG Annual Results 2022

Bern, March 14, 2023

In an extraordinary year, BKW achieved an extraordinary result. The Energy business, in particular, was a key part of this success. Based on its solid liquidity and risk management, BKW maximized performance on the energy market. BKW will continue its growth trajectory in the coming years. The Board of Directors proposes to the Annual General Meeting to raise ordinary dividend to CHF 2.80 and to grant an extraordinary 125-year dividend of CHF 1.25 per share.



	CHF millions	2021	2022	
Revenue		3,554	5,199	+46%
Operating profit (EBIT)		395	1,039	+163%
Operating net profit*		245	713	+191%
Reported net profit		327	574	+75%

* Net profit before the decommissioning and disposal funds

In the financial year 2022, BKW significantly increased both revenue and earnings. The revenue increased by 46% and amounted to CHF 5.2 billion, while the operating profit (EBIT) rose by 163% to CHF 1,039 million and the net operating profit rose by 191% to CHF 713 million. Considering the negative performance in the decommissioning and disposal funds beyond BKW's control, the reported net profit

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was CHF 574 million (+75%). Cash flow improved – funds from operations amounted to CHF 1,090 million, covering investments of CHF 636 million and further strengthening BKW's financial position.



The Energy business is decisive for the excellent result. The record EBIT of CHF 888 million in the Energy business was achieved through the successful operation of BKW's own power plants. By hedging its own energy positions, BKW was able to make optimal use of major price fluctuations. As a result of the high electricity prices, the value of system services provided to maintain grid stability also increased significantly.

The Grid business again remained stable. The slight decline in EBIT to CHF 146 million is due to weather-related lower demand and the already announced tariff reductions.

In the Services business, revenue increased by 16%, amounting to CHF 1,763 million. The order situation continues to be excellent and represents a solid basis for the current financial year (see [press release about orders relating to network construction](#)). Increasing material prices, disruptions in supply chains, and project reassessments led to the EBIT of CHF 53 million being below expectations. BKW has introduced measures to strengthen the profitability.

Prepared for a comprehensive energy transition

The three-pillar model with the Energy, Grid and Services businesses remains BKW's guarantee of success and will support its growth course in the coming years. Growth opportunities will arise in both the Energy and Services businesses, while Grid will continue to deliver stable earnings. In the Energy sector, BKW will continue

to accelerate the expansion of renewable energies and increase its earnings based on higher electricity prices. In the Services sector, BKW will benefit from the increasing demand for energy-efficient and resource-saving buildings and infrastructure. The three business areas complement each other perfectly to meet this demand. Ultimately, they all are essential for the success of the transition to a sustainable and climate-friendly future. BKW is prepared for the comprehensive energy transition.

Sustainability strategy with seven action areas

In the financial year 2022, BKW also expanded its Group-wide sustainability strategy. This strategy comprises seven action areas, which are summarized with the term SUCCESS: Society, Use of Resources, Climate Neutrality, Corporate Governance, Employees, Secure Products and Secure Data. BKW has defined ambitions for each action area and initiated various measures.

Dividend increase and the extraordinary 125-year dividend

With the exceptional results for 2022, BKW is continuing its 125-year success story. It remains on the growth course it announced before the major upheavals on energy markets. For the current financial year, BKW anticipates EBIT in the range of CHF 550 to 600 million. BKW is continuing its current dividend policy. At the Annual General Meeting, the Board of Directors will propose a dividend increase of 20 centimes, to CHF 2.80, together with an extraordinary 125-year dividend of CHF 1.25 per share.

A video interview with BKW CEO, Robert Itschner, on the financial year 2022 can be found [here](#).

The expectations and forecasts expressed here are based on assumptions and are subject to risks and uncertainties. Actual results may differ from the expectations and forecasts expressed. This text is published in German, French, English and Italian. The German version is authoritative.

BKW

The BKW Group is a Bern-based international energy and infrastructure company, employing over 11,500 people. Its company network and innovative technologies enable it to offer 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 includes everything from engineering consultancy and planning for energy, infrastructure, and environmental projects to integrated services in the field of building technology as well as the construction, servicing, and maintenance of energy, telecommunications, transport, and water utility networks.

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