



BKW on growth trajectory

ANALYST AND MEDIA CONFERENCE FY 2021, 15 MARCH 2022



FY 2021: strong result in turbulent energy markets

- **Three-pillar strategy proved successful**
- **Growth strategy shows momentum**



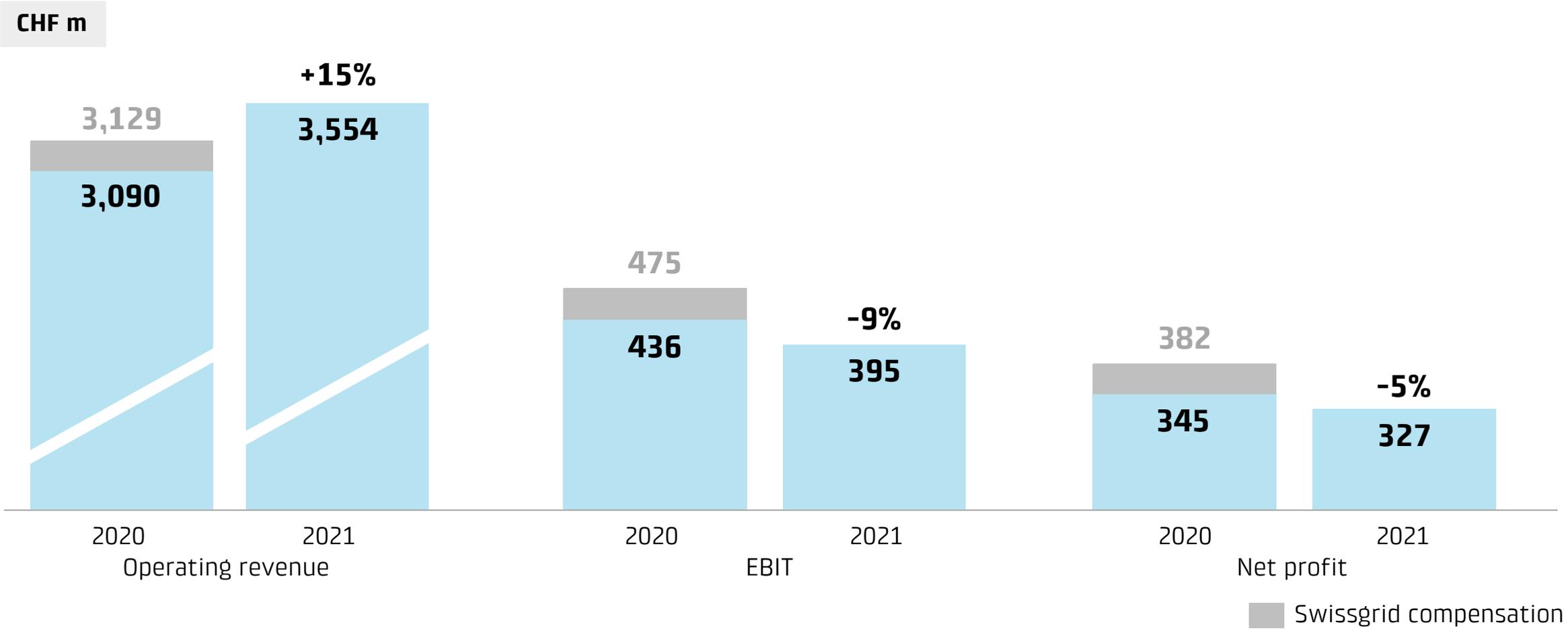
Revenue growth
CHF 3.6bn

Solid EBIT
CHF 0.4bn

Strong liquidity position
CHF 1bn

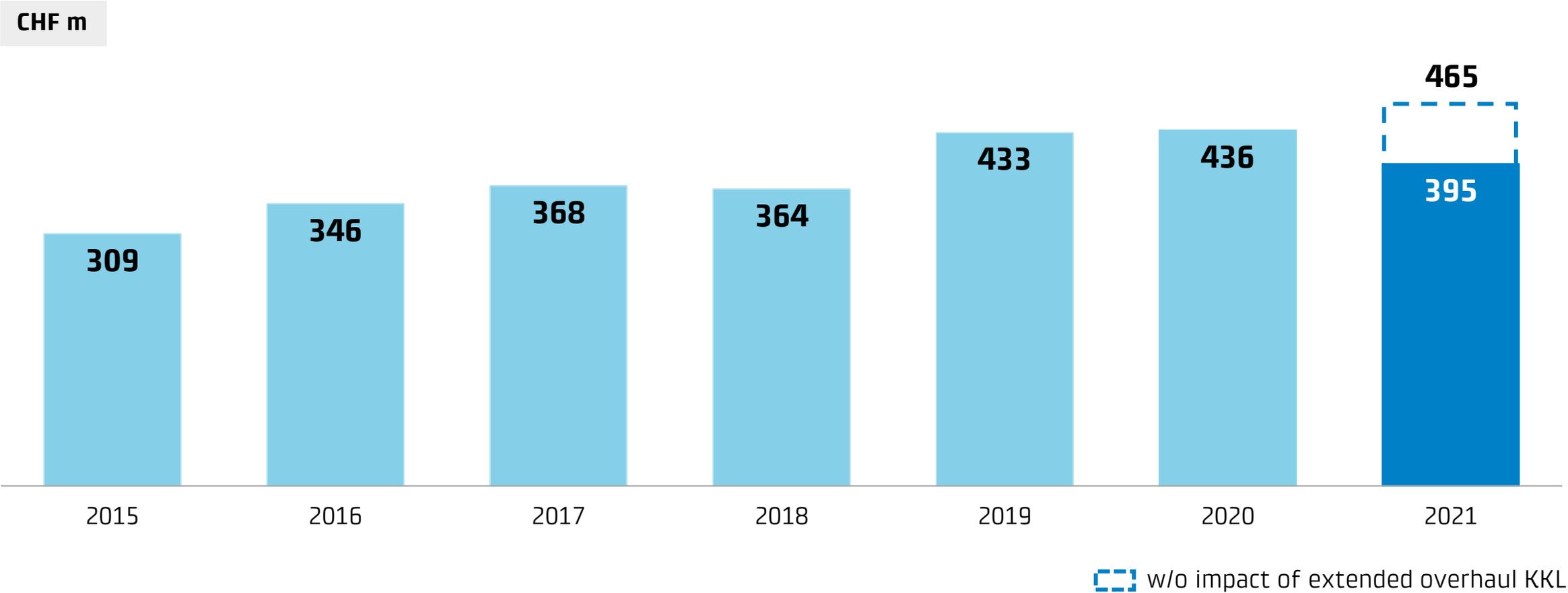
Financials FY 2021

Operating revenue, EBIT and net profit



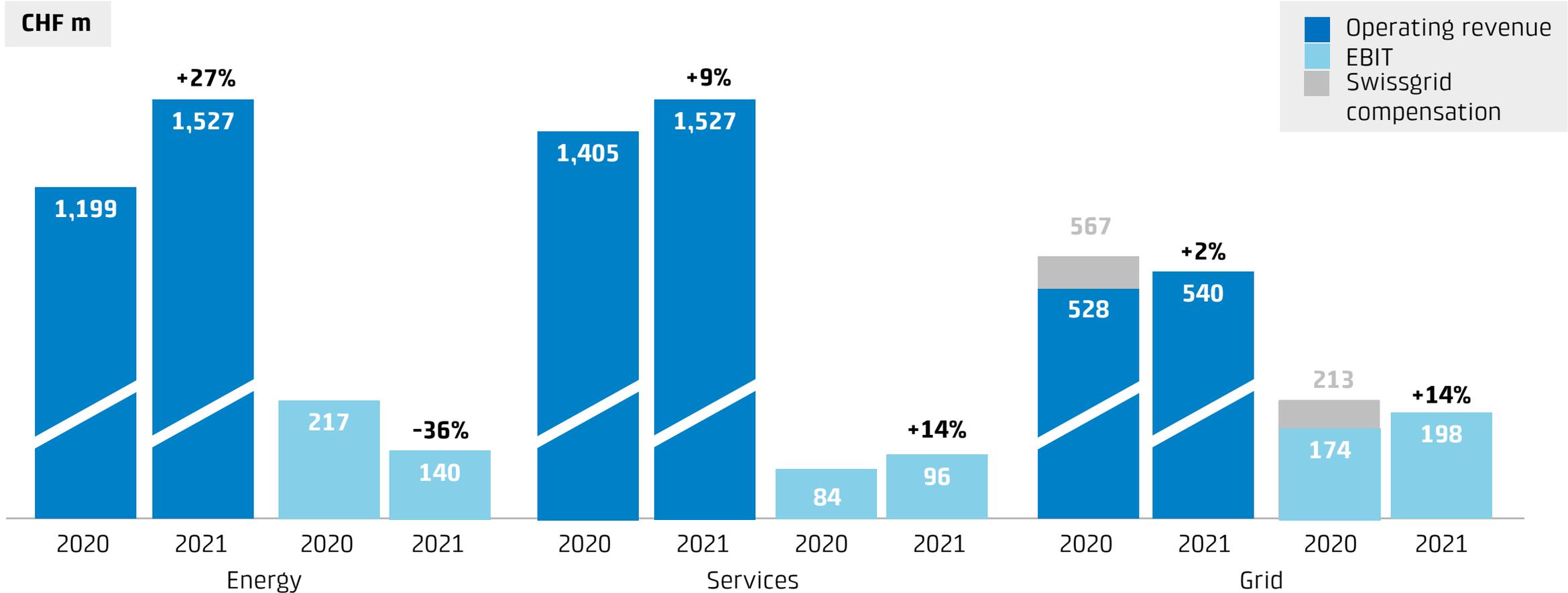
Strong topline growth; EBIT growth impacted by extended large-scale overhaul KKL

EBIT history (comparable)



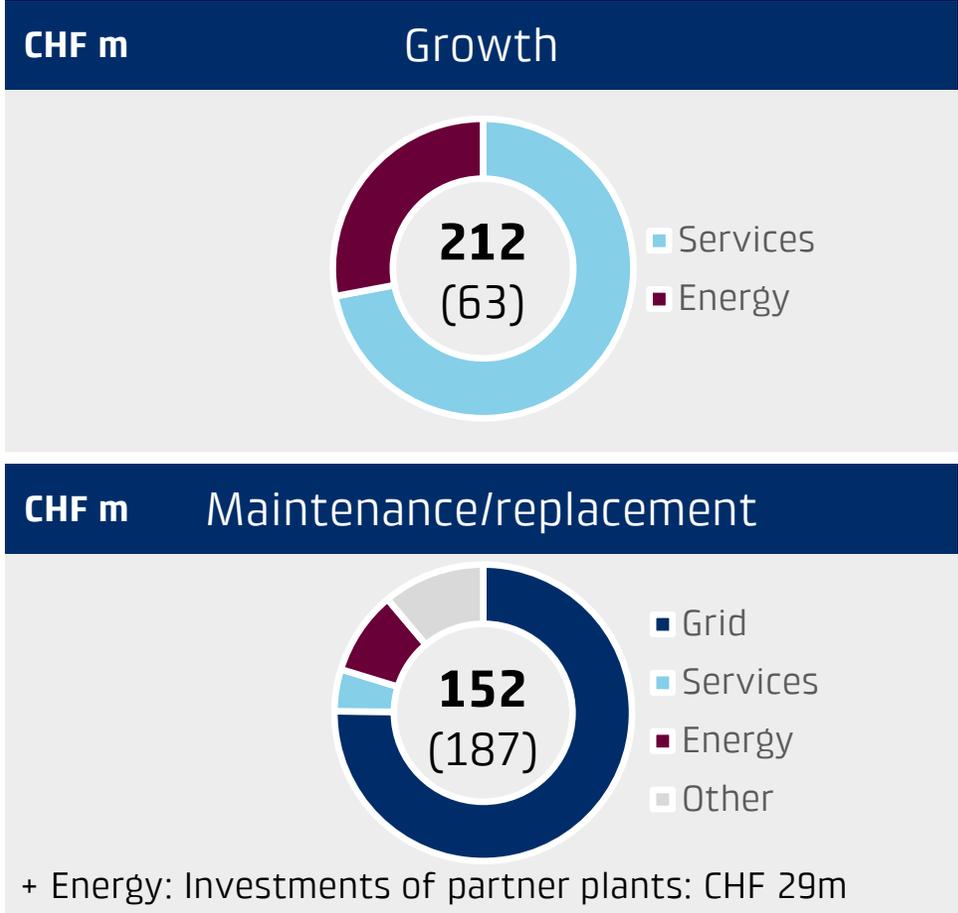
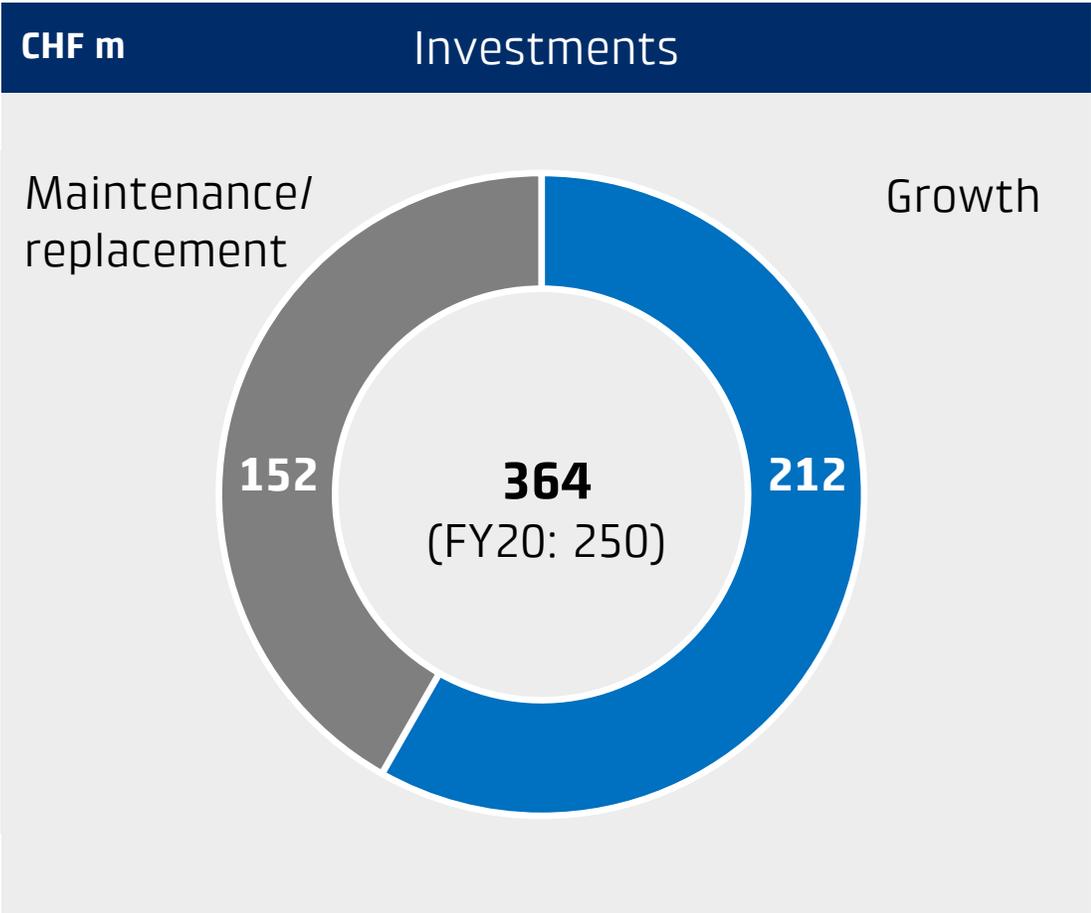
Strong operating EBIT, continuous increase since 2015

Sales and EBIT by business area



Significant revenue growth in Energy; profitable EBIT growth in Services; reliable Grid contribution

Investments

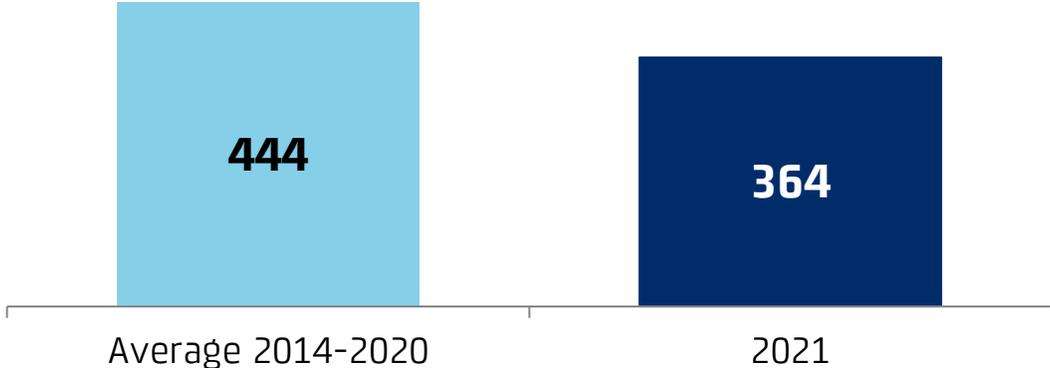
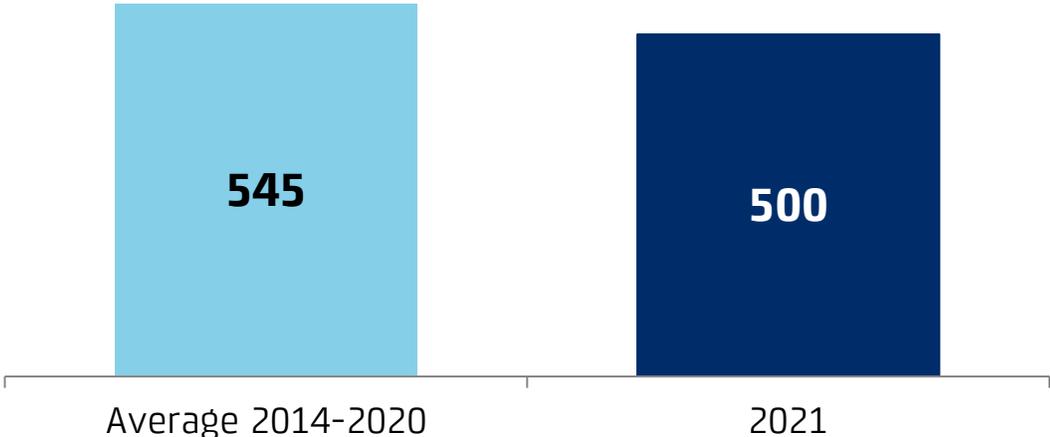


Substantial growth investments in Energy and Services

Sound Cash Generation: FFO* at CHF 0.5bn

CHF m Funds from operations (FFO)*

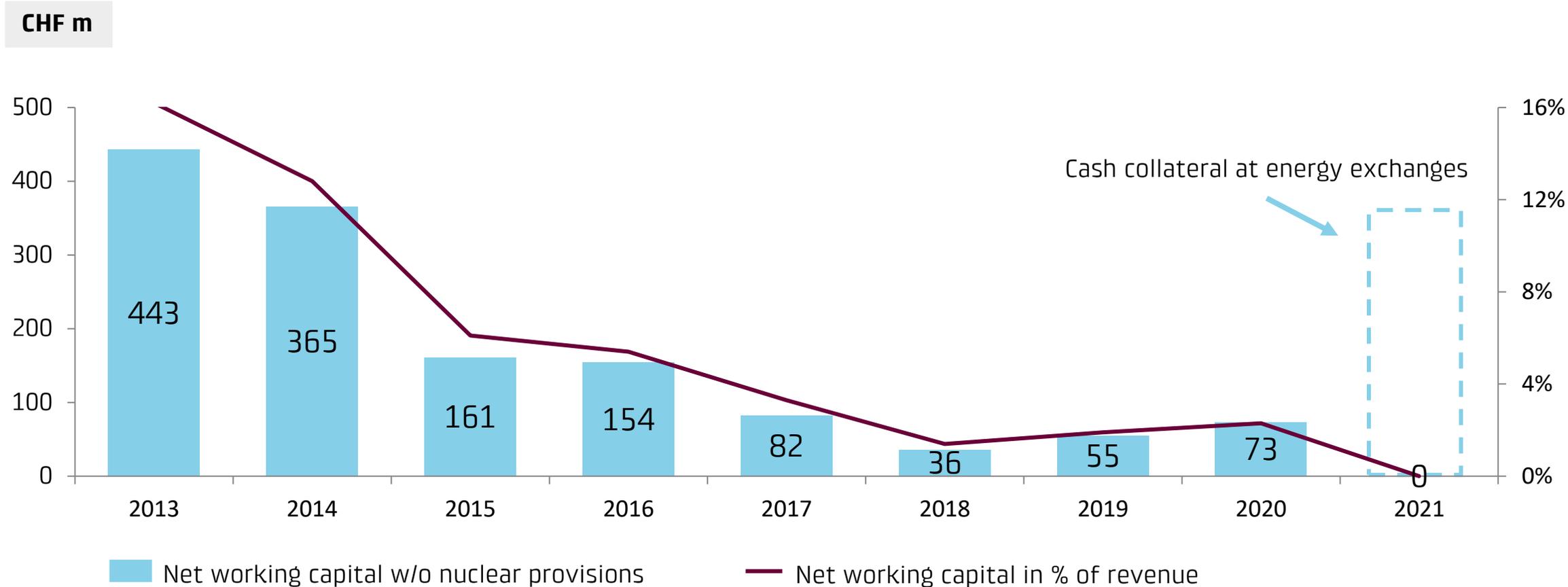
CHF m Investments/Acquisitions



* w/o payments for decommissioning/disposal KKM

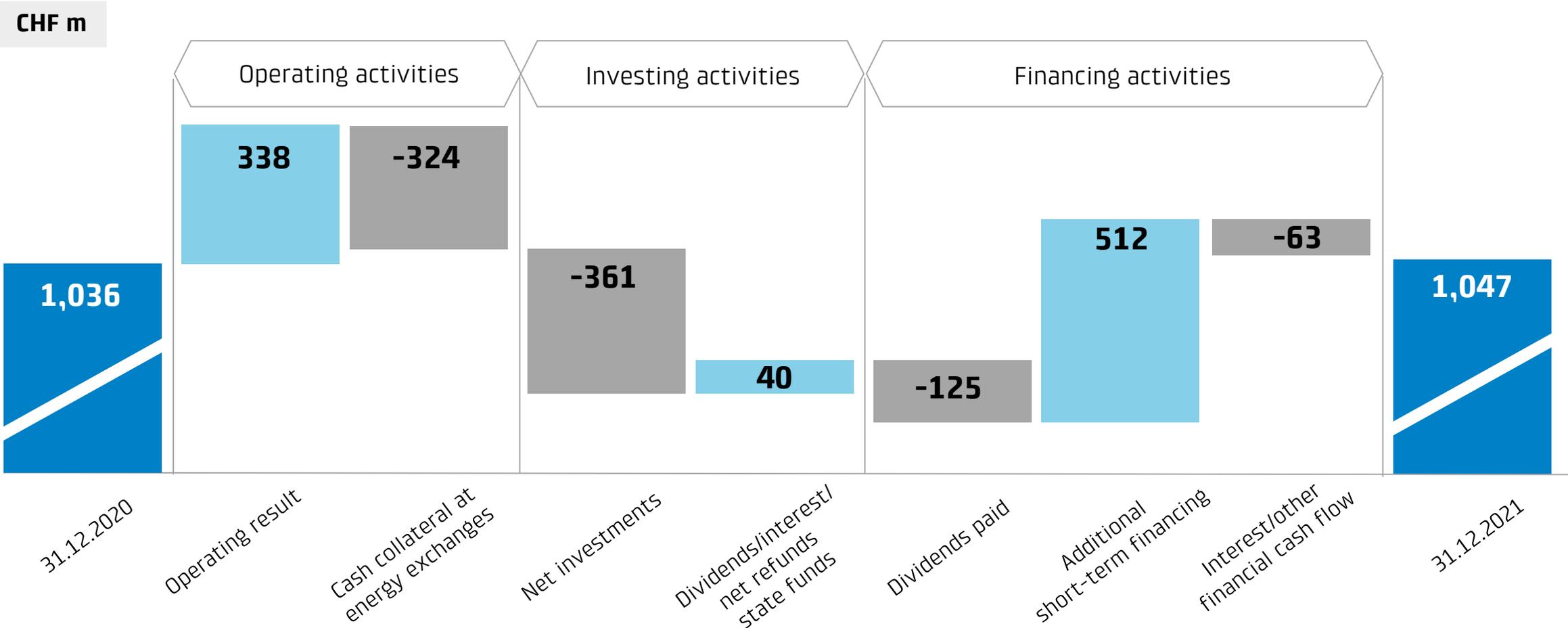
Funds from operations (FFO) cover investment & acquisition activities

Successful net working capital management



Net working capital on record low level (w/o cash collateral at energy exchanges)

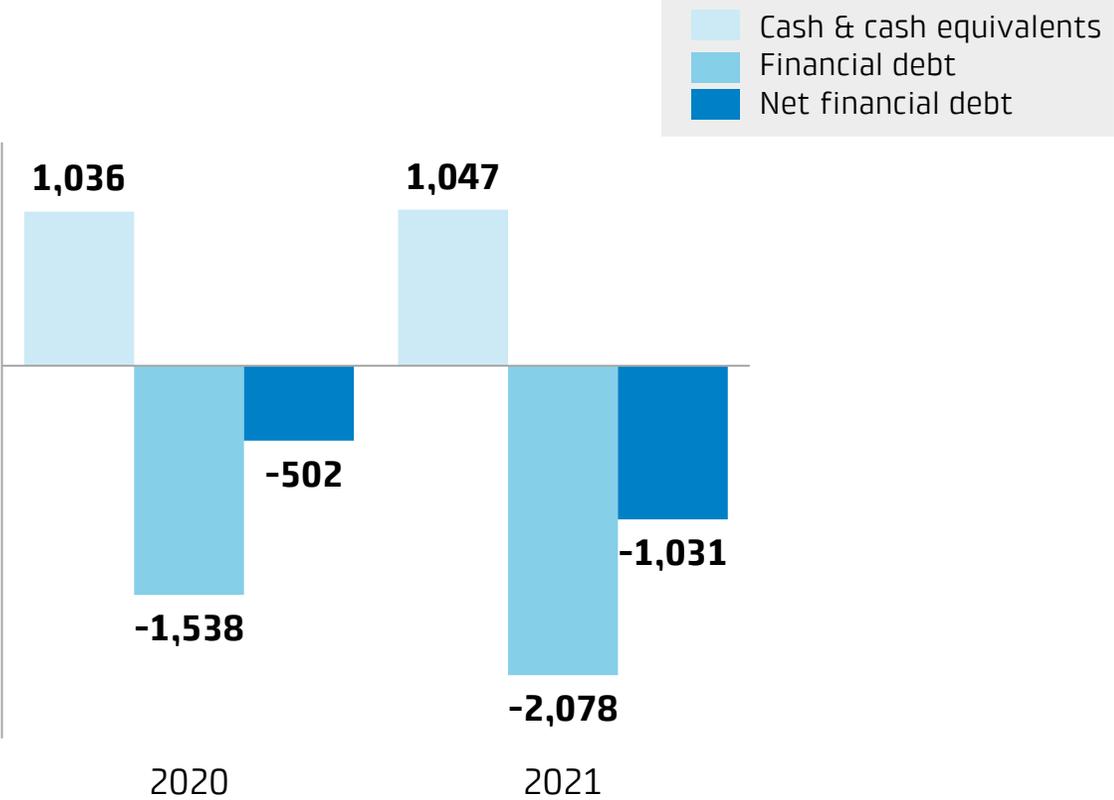
Strong and stable liquidity at CHF 1bn



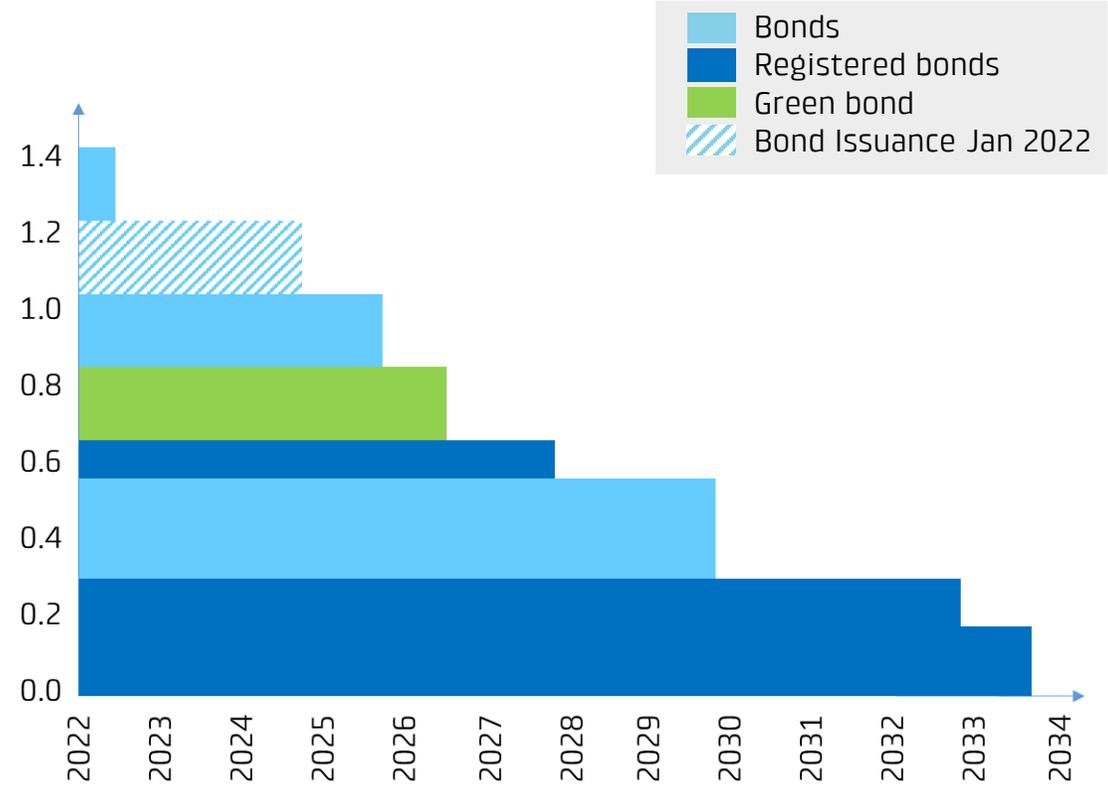
High debt capacity thanks to strong credit rating

Financial situation ensures strategic flexibility

CHF m Net debt

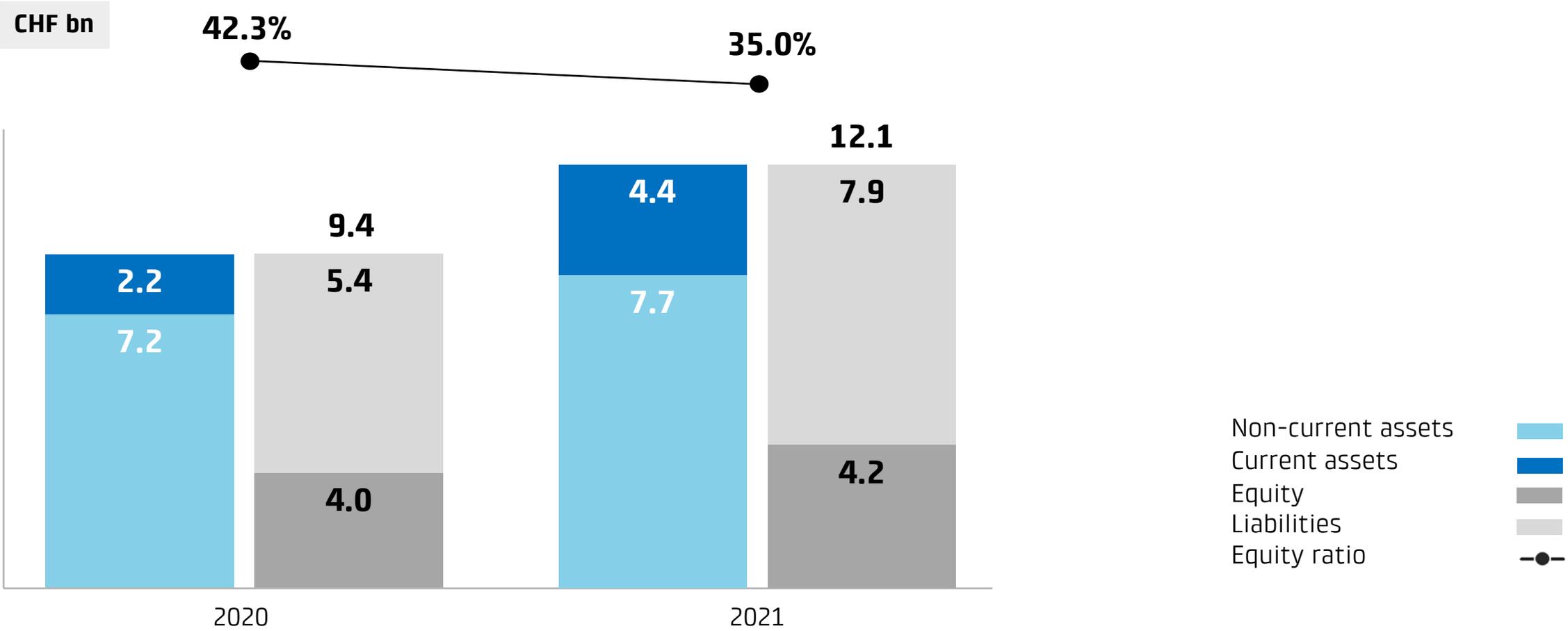


CHF bn Balanced maturity profile



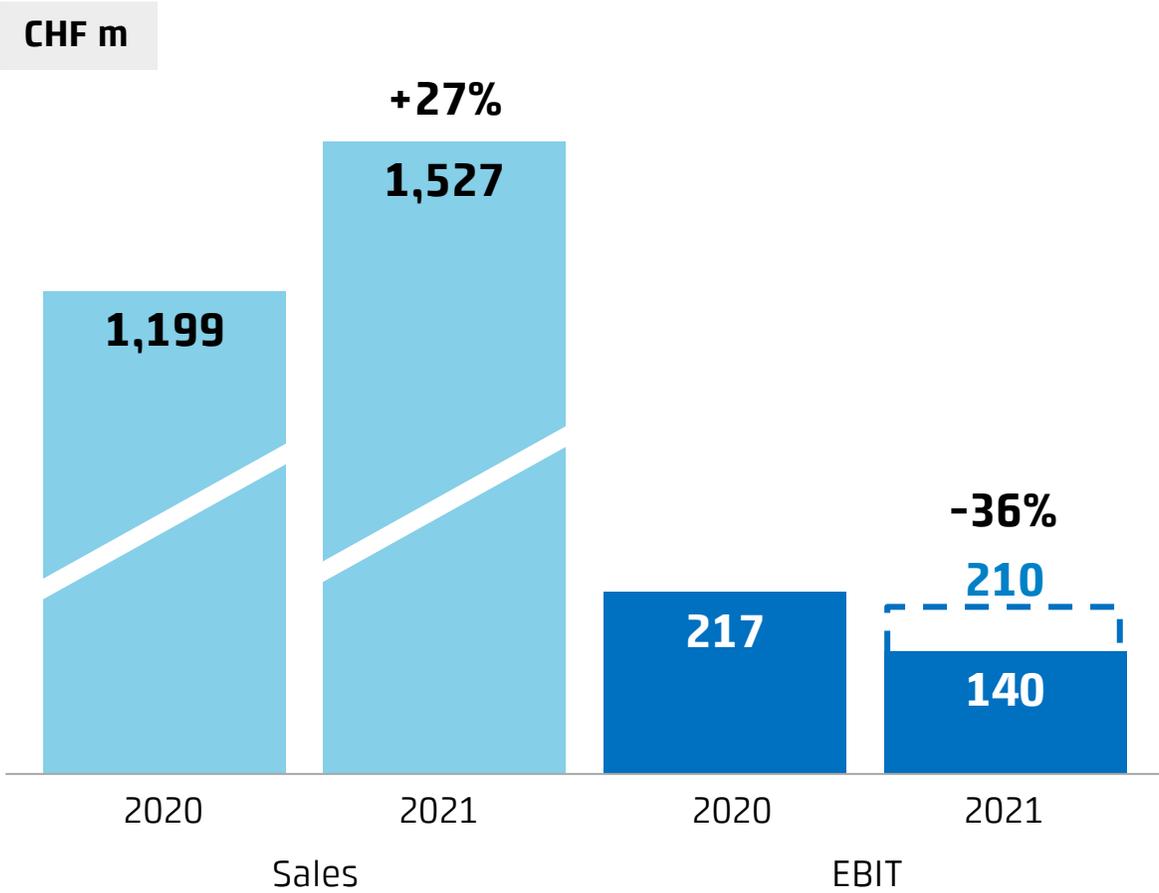
Financial and operational flexibility ensured at all times; CHF 200m bond emission in January 2022 at 0%

Sound balance sheet: equity ratio at 35.0%



Increasing energy prices lead to higher balance sheet total

Energy: strong revenue increase



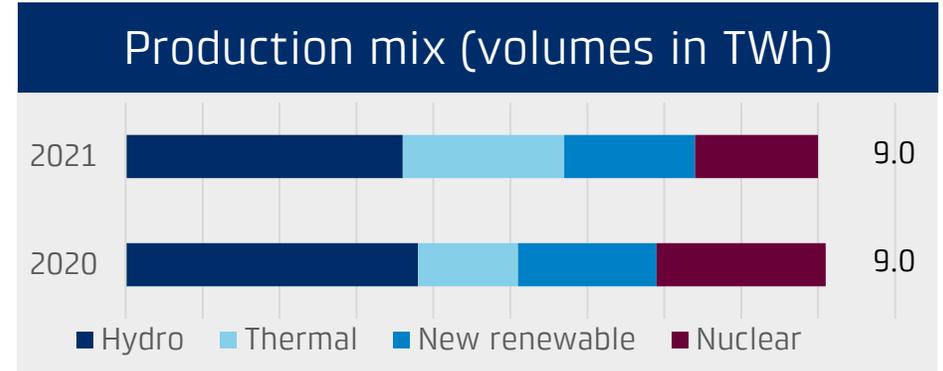
Key points

Sales:

- Positive year-on-year price effects
- Thermal: higher prices, higher volumes

EBIT:

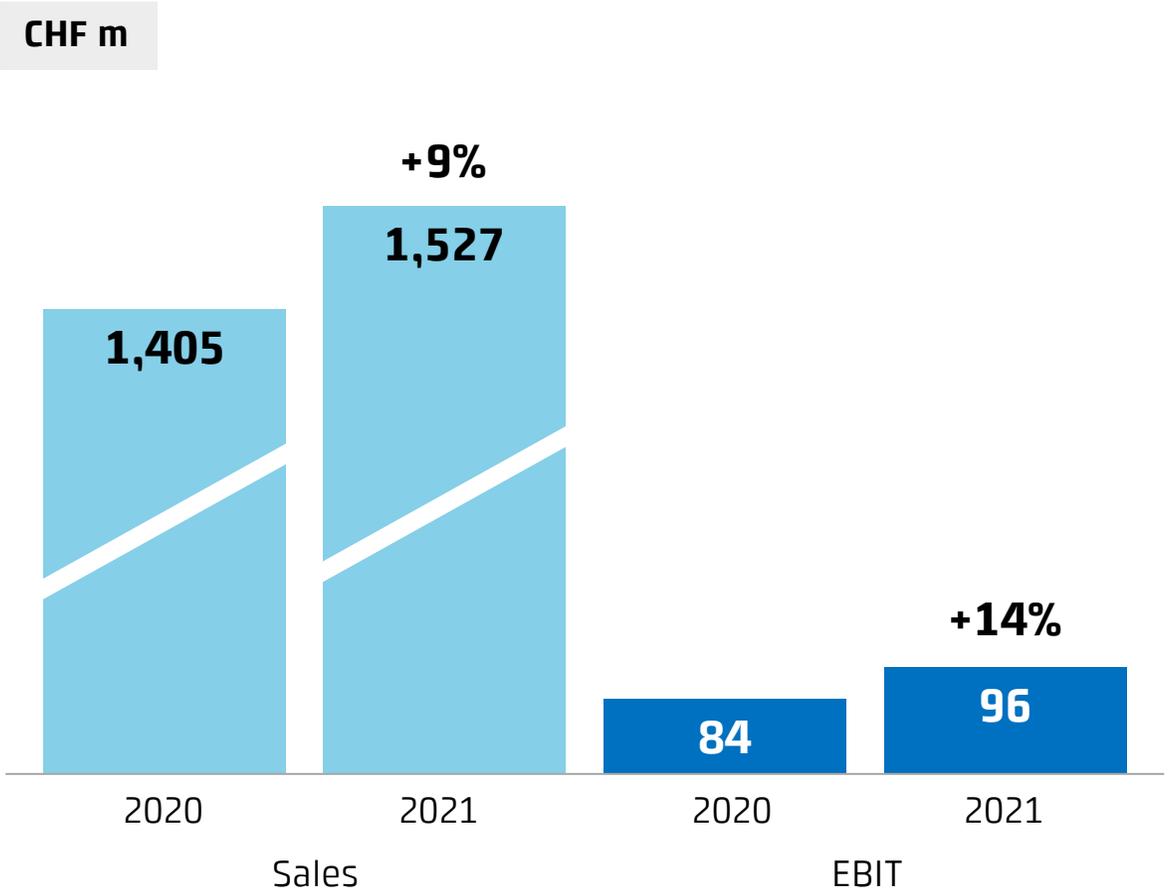
- Extended large overhaul KKL
- Trading result below PY record



w/o impact of extended overhaul KKL

Strong topline growth, extended overhaul KKL impacts EBIT comparison to PY

Services: continuous strong growth



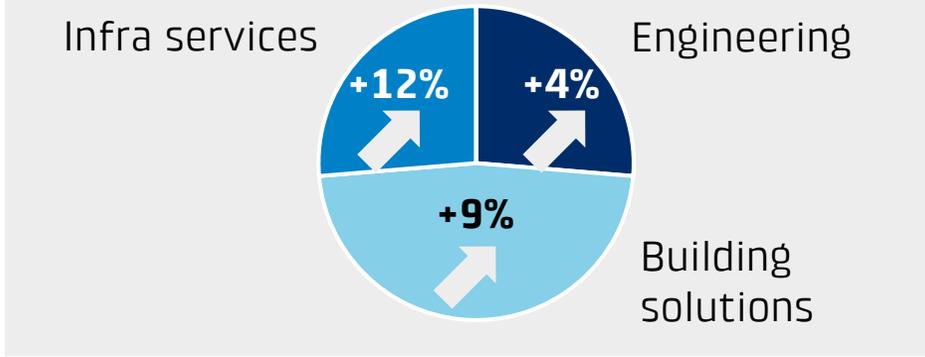
Key points

Strong sales increase

- Organic and acquisition-driven growth
- Increased share of complex projects

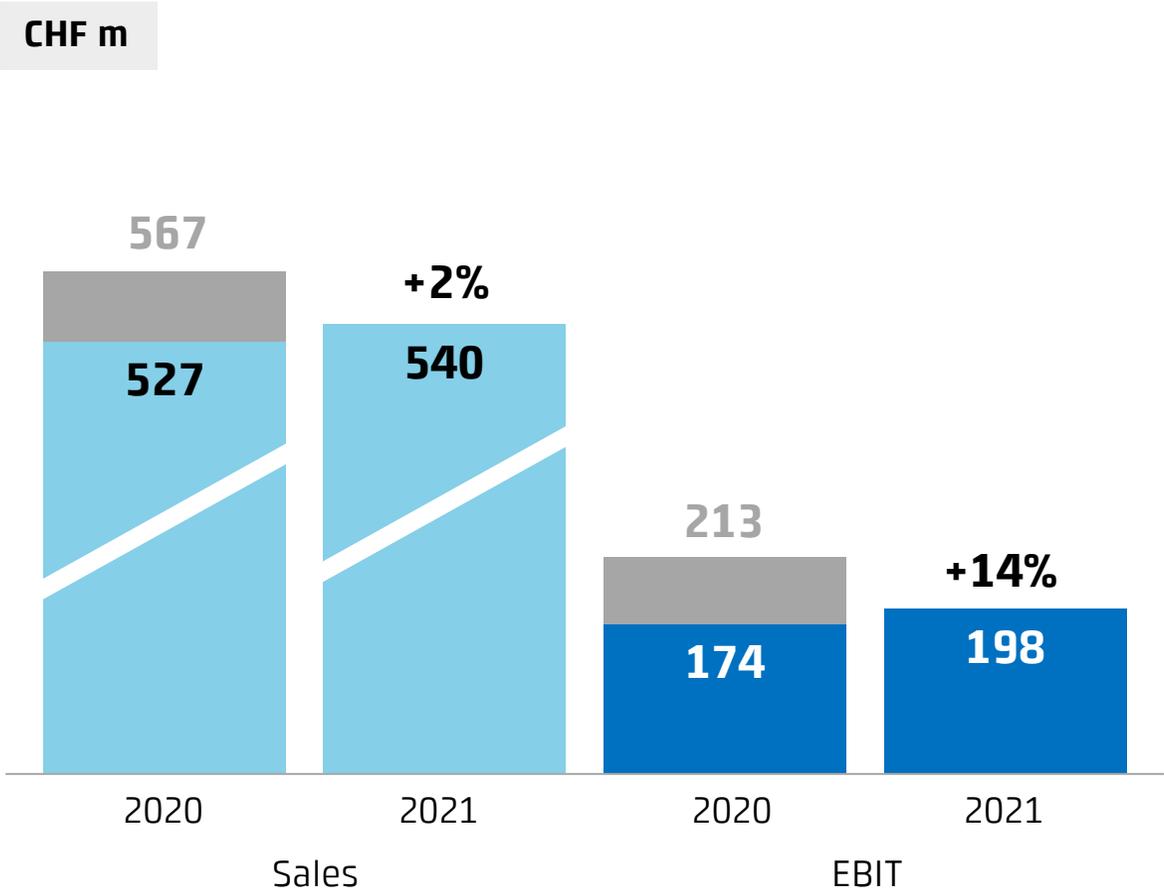
Further margin improvement
Operating margin at 8%

Revenue breakdown



Strong and profitable growth; margin increased to 6.5%, excluding integration/M&A cost at 8%

Grid: solid EBIT contribution



Key points

2020
Positive one-off CHF 39m: final compensation for transmission grid expropriation

2021
Higher feed-through:

- Weather conditions
- Consumption back on pre-COVID-19 levels

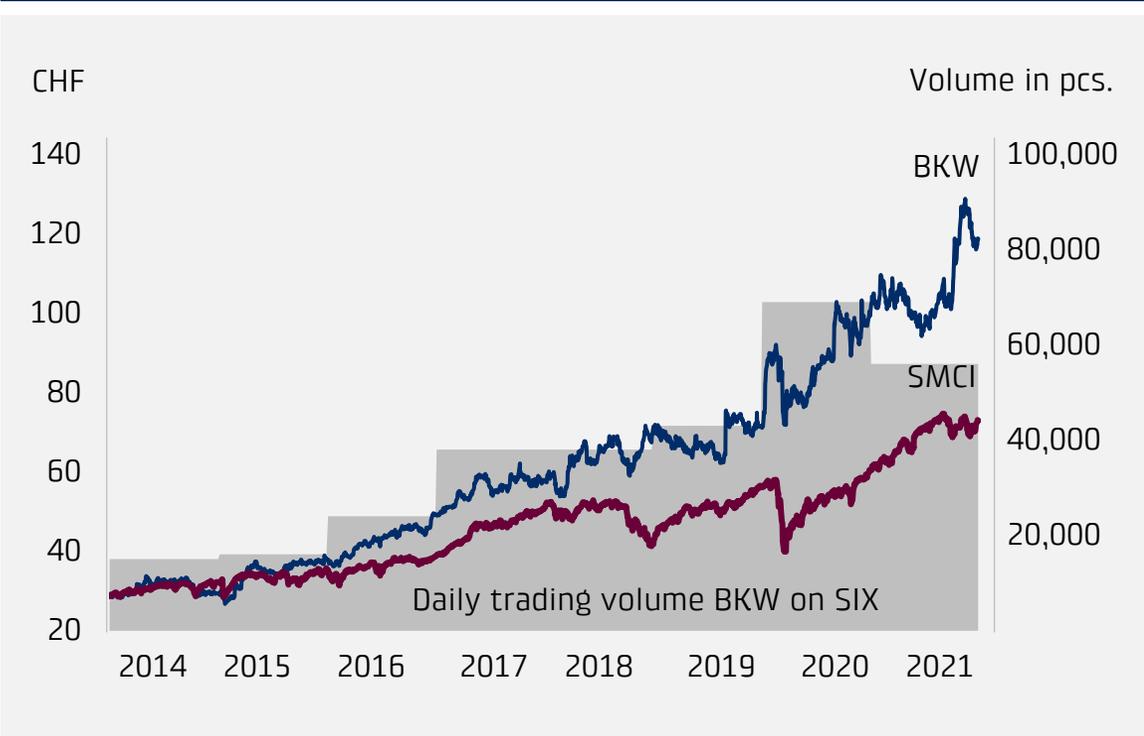
 Strong Swissgrid result

Swissgrid compensation

Efficiently managed Grid operations, continued high investment in modernization

Share price increase; market cap above CHF 6bn

Share price



Market capitalization



Total shareholder return (TSR) 433% since 2014 (annualized return above 23%)

Proposed dividend increase: CHF 2.40 → **CHF 2.60**

CHF Dividend



% Payout ratio



Proposed dividend increase reflects growth trajectory and reliable dividend policy

Outlook and Strategy update

Outlook

2022



EBIT
CHF 460 to 500m

2026



EBIT
> CHF 700m

BKW value proven in turbulent energy market

Price disruptions in energy market



Short term price peaks



Cash collateral at energy exchanges



High liquidity requirement

BKW's resilience



**Strong balance sheet / liquidity
(A-rating)**



**Diversified revenue streams
Energy, Services and Grid**



Proven risk framework

Additional short-term debt will revert to normal during 2022

BKW: growth and value

Energy



Growth

Services



Growth

Grid



Stability

Ambition 2026 confirmed: revenue above CHF 4.5bn, EBIT above CHF 700m

BKW – a growth company

Growth drivers Energy

- **Increasing power demand**
- **Growth renewables above market**
- **Enhanced flex trading**
- **Increasing power prices**

Growth drivers Services

- **Megatrends: urbanization, technologization, sustainability**
- **Increased customer need for solutions for complex projects**
- **Network of competences secures efficient and effective project management**

BKW in attractive markets with structural tailwinds

Sustainability core element of BKW's strategy

BKW's sustainable products and services



BKW's sustainable footprint



BKW ESG Reporting FY 2021

- **Comprehensive commitment** to sustainable development
- BKW member of **UN Global Compact**

ESG Reporting 2021 underlines BKW's commitment to sustainability

Strategic perspectives 2026

BKW growth strategy



Growth with operational excellence and managed risk

Energy: big step in renewables growth



BKW's growth strategy shows momentum toward its 1,000 megawatts target

Services: accelerating technology-driven businesses



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UMB acquisition

- Boosts IT competence for customers and BKW
- IT a growing market
- Attractive margins

BKW's growth strategy shows momentum toward margin growth and recurring revenue

Grid: efficient operation and retention of asset value



- Efficient operation and use of resources
- Retention of asset value
- Ready for the energy system of the future

Reliable contributor to BKW's resilience

BKW's growth strategy shows momentum

- **Result FY 2021 proves BKW's value in turbulent environment**
- **BKW a growth company in attractive markets**
- **Clear ambition for 2026: EBIT > CHF 700m**
- **Significant moves toward growth in Energy and Services**
- **Grid contributes to the robustness of BKW**

BKW delivers on its growth strategy



Thank you for your attention



Questions?



Disclaimer

This presentation contains forward-looking statements which are made on the basis of current expectations and assumptions. These forward-looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward-looking statements. Potential risks and uncertainties include, among others, such factors as market and economic conditions, governmental regulations, competitive conditions, interest rates and fluctuation in currency exchange rates. Although BKW believes that its expectations reflected in any such forward-looking statement are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved. BKW undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.