

Welcome ...

... to the world of Repower



112th Annual General Meeting

**REPOWER**

Landquart, 12 May 2016

# Agenda

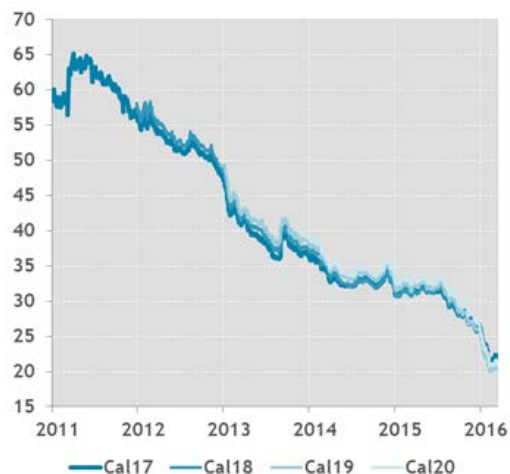
- › Welcome
- › Summary of 2015
- › General remarks and formalities
- › Items on the AGM agenda
- › Drinks and lunch

# Agenda

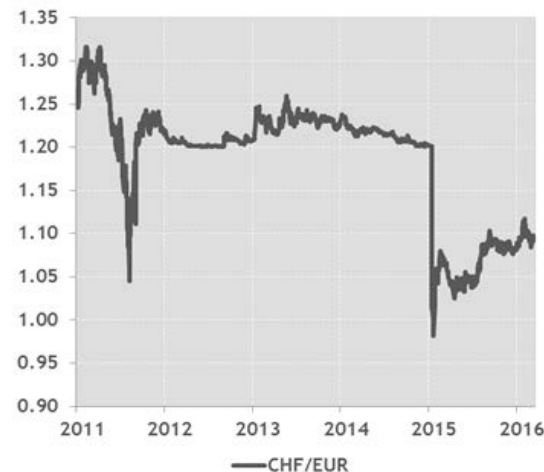
- › Welcome
- › Summary of 2015
- › General remarks and formalities
- › Items on the AGM agenda
- › Drinks and lunch

# Tough market environment for energy producers

Market prices, EUR/MWh\*



EUR/CHF exchange rate



- Another serious decline in electricity prices
- EUR/CHF exchange rate still unfavourable
- Result: further decline in margins and pressure on value of assets

\* Prices in Germany

## Our strategic intentions up to 2025

Service



---

We will develop and sell a service-rich offering for our customers on the basis of our core competencies.

---

Partner-  
ship



---

We will continue to develop our business model within the framework of strategic partnerships, and will serve as an energy partner for our customers.

---

Concen-  
tration



---

We will concentrate on our core Swiss and Italian markets.

---

Sustain-  
ability



---

We will generate 100% renewable energy.

---

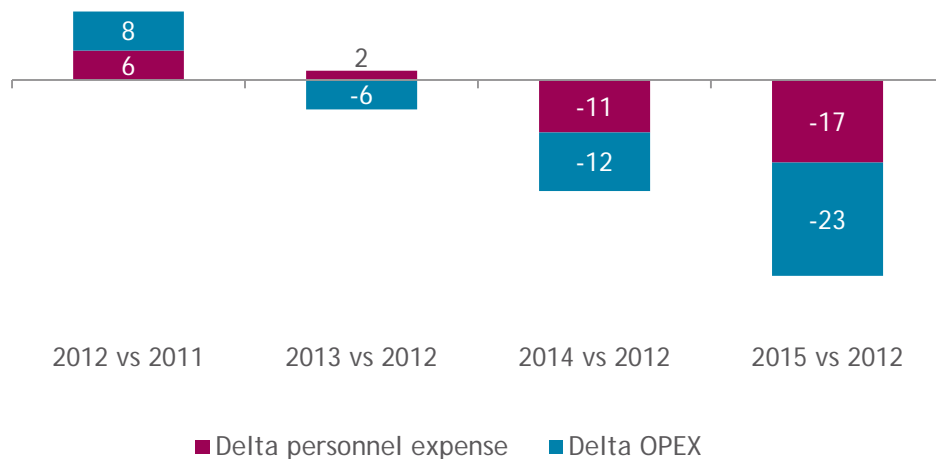
## Gross margin still under pressure

CHF m	2015 before adjustments	2015	2014 before adjustments	2014 restated
Total operating revenue	1,896	1,896	2,273	2,273
Gross margin	185	178	247	240
EBIT	12	-69	39	26
Group result	-46	-136	-22	-33
Cash flow		17		98
Equity ratio		33%		36%

**REPOWER**

# Cost-cutting pursued systematically

CHF m



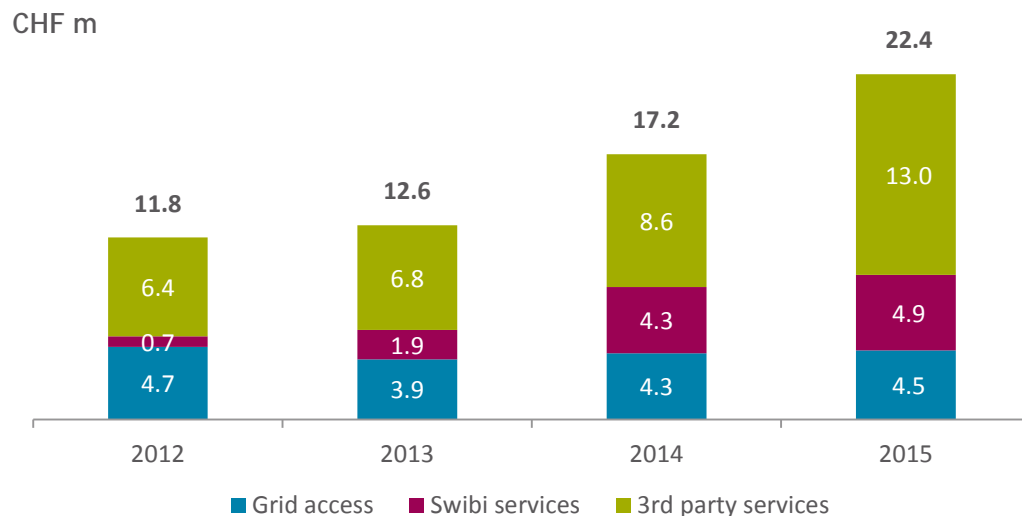
> Organisation streamlined

> Operating expense substantially reduced

> Prudent personnel policy



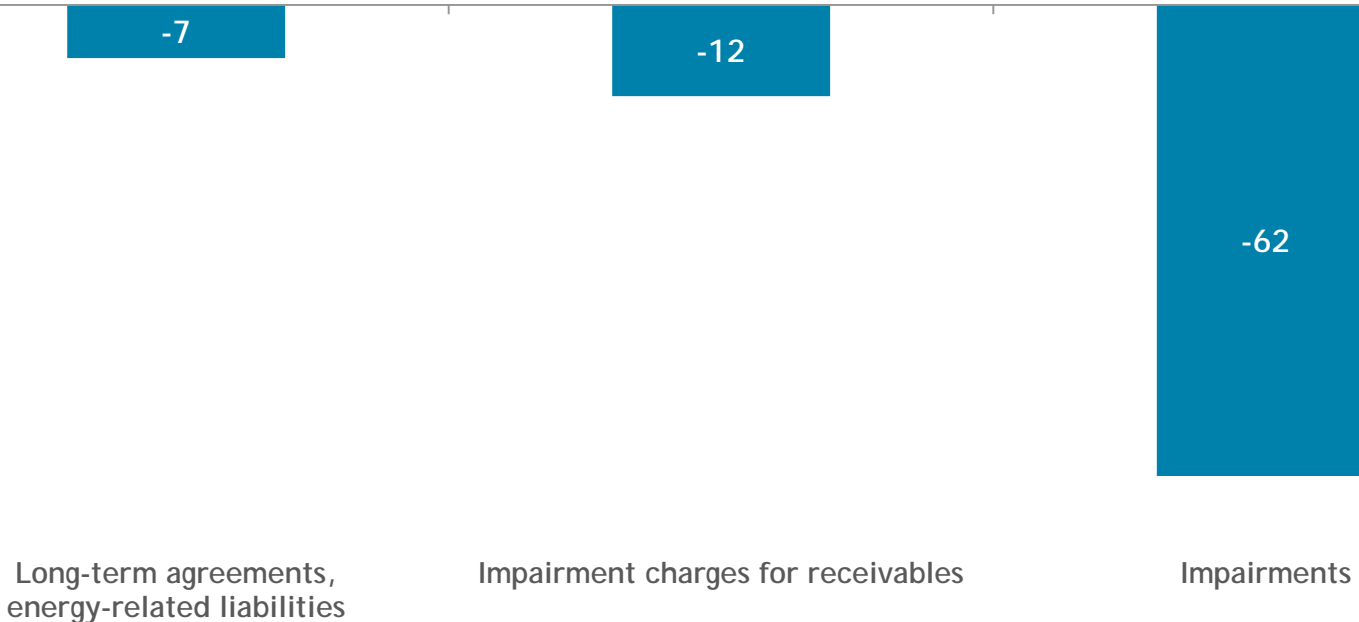
## Substantial increase in revenues from non-energy business



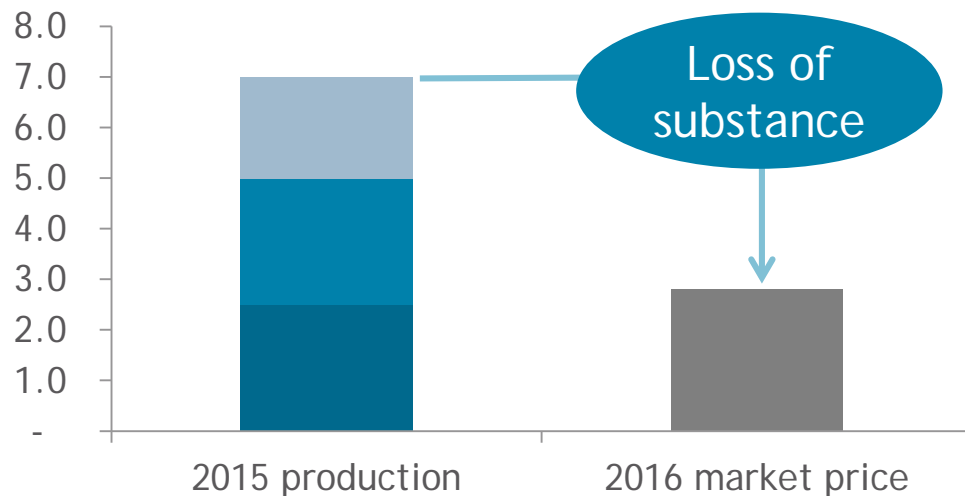
- > Stable revenues
- > Increase in revenues thanks to expansion of business
- > Significant increase in volume of services

# Exceptional items impact operating results

CHF m



## Production costs not covered by market



- Operation and maintenance
- Depreciation
- Charges

- > Controllable costs 1/3
- > Increase in concession charges
- > Costs without extraordinary depreciation

**REPOWER**

# Successful implementation of strategy continues

---

## Concentration

- › Exit from Germany concluded
- › Exit from Prague concluded
- › Looking into divesting Romania

---

## Sustainability

- › Looking into divesting Teverola
- › Looking into divesting nuclear interests

---

## Services

- › Service business in Switzerland expanded
- › Service and product development efforts driven forward
- › Products successfully launched on Swiss and Italian markets

---

## Partnerships

- › Sales partnerships prepared in Swiss market
  - › Service partnerships established in Italy
  - › Innovative financing model implemented for power plant project
  - › New shareholder acquired for Repartner
-

## Extremely challenging conditions medium term

---

### Operating environment

- › Clarity on next steps in energy strategy expected this year (referendum?)
- › Still no clarity on international relations
- › Despite reduction in WACC, stable contributions to earnings still expected from distribution grid business in Switzerland
- › No turbulence expected in Italian market

---

### Market

- › Primary energy prices unpredictable
- › Electricity prices will remain low
- › No significant improvement in EUR/CHF rate

---

### Results

- › Realignment will gradually yield improvements
  - › Long position progressively reduced over strategy horizon
  - › 2016 operating results expected to be around 2015 levels
  - › Results will continue to depend on market prices in medium term
-

**REPOWER**

# Agenda

- › Welcome
- › Summary of 2015
- › General remarks and formalities
- › Items on the AGM agenda
- › Drinks and lunch



# Agenda

- › Welcome
- › Summary of 2015
- › General remarks and formalities
- › Items on the AGM agenda
- › Drinks and lunch

# Items on the AGM agenda

1. Amendment to the articles of association
  - 1.1 Partial amendment of the articles of association
  - 1.2 Provisions to create the standard registered share
2. 2015 annual report, financial statements and consolidated financial statements
3. Appropriation of retained earnings
4. Discharge of the members of the Board of Directors
5. Elections
  - 5.1 Board of Directors (resignations, re-elections)
  - 5.2 Auditor
6. Advisory vote on the compensation report for the 2015 financial year

# Items on the AGM agenda

1. Amendment to the articles of association
  - 1.1 Partial amendment of the articles of association
  - 1.2 Provisions to create the standard registered share
2. 2015 annual report, financial statements and consolidated financial statements
3. Appropriation of retained earnings
4. Discharge of the members of the Board of Directors
5. Elections
  - 5.1 Board of Directors (resignations, re-elections)
  - 5.2 Auditor
6. Advisory vote on the compensation report for the 2015 financial year

# Items on the AGM agenda

1. Amendment to the articles of association
  - 1.1 Partial amendment of the articles of association
  - 1.2 Provisions to create the standard registered share
2. 2015 annual report, financial statements and consolidated financial statements
3. Appropriation of retained earnings
4. Discharge of the members of the Board of Directors
5. Elections
  - 5.1 Board of Directors (resignations, re-elections)
  - 5.2 Auditor
6. Advisory vote on the compensation report for the 2015 financial year

# Items on the AGM agenda

1. Amendment to the articles of association
  - 1.1 Partial amendment of the articles of association
  - 1.2 Provisions to create the standard registered share
2. 2015 annual report, financial statements and consolidated financial statements
3. Appropriation of retained earnings
4. Discharge of the members of the Board of Directors
5. Elections
  - 5.1 Board of Directors (resignations, re-elections)
  - 5.2 Auditor
6. Advisory vote on the compensation report for the 2015 financial year

# Items on the AGM agenda

1. Amendment to the articles of association
  - 1.1 Partial amendment of the articles of association
  - 1.2 Provisions to create the standard registered share
2. 2015 annual report, financial statements and consolidated financial statements
3. Appropriation of retained earnings
4. Discharge of the members of the Board of Directors
5. Elections
  - 5.1 Board of Directors (resignations, re-elections)
  - 5.2 Auditor
6. Advisory vote on the compensation report for the 2015 financial year

## Appropriation of retained earnings in 2015

**Motion not to distribute a dividend**

TCHF

Result for 2015	-98,978
Retained earnings carried forward	35,602
<b>Balance sheet loss</b>	<b>-63,376</b>
Brought forward from other reserves	100,000
Dividend on bearer share	0
Dividend on participation certificate	0
<b>Balance carried forward</b>	<b>36,624</b>

# Items on the AGM agenda

1. Amendment to the articles of association
  - 1.1 Partial amendment of the articles of association
  - 1.2 Provisions to create the standard registered share
2. 2015 annual report, financial statements and consolidated financial statements
3. Appropriation of retained earnings
4. Discharge of the members of the Board of Directors
5. Elections
  - 5.1 Board of Directors (resignations, re-elections)
  - 5.2 Auditor
6. Advisory vote on the compensation report for the 2015 financial year



# Items on the AGM agenda

1. Amendment to the articles of association
  - 1.1 Partial amendment of the articles of association
  - 1.2 Provisions to create the standard registered share
2. 2015 annual report, financial statements and consolidated financial statements
3. Appropriation of retained earnings
4. Discharge of the members of the Board of Directors
5. Elections
  - 5.1 Board of Directors (resignations, re-elections)
  - 5.2 Auditor
6. Advisory vote on the compensation report for the 2015 financial year

# Items on the AGM agenda

1. Amendment to the articles of association
  - 1.1 Partial amendment of the articles of association
  - 1.2 Provisions to create the standard registered share
2. 2015 annual report, financial statements and consolidated financial statements
3. Appropriation of retained earnings
4. Discharge of the members of the Board of Directors
5. Elections
  - 5.1 Board of Directors (resignations, re-elections)
  - 5.2 Auditor
6. Advisory vote on the compensation report for the 2015 financial year

# Items on the AGM agenda

1. Amendment to the articles of association
  - 1.1 Partial amendment of the articles of association
  - 1.2 Provisions to create the standard registered share
2. 2015 annual report, financial statements and consolidated financial statements
3. Appropriation of retained earnings
4. Discharge of the members of the Board of Directors
5. Elections
  - 5.1 Board of Directors (resignations, re-elections)
  - 5.2 Auditor
6. Advisory vote on the compensation report for the 2015 financial year

## Election to the Board of Directors

# Dr Eduard Rikli



- › Eduard Rikli
- › Dr. sc. techn., dipl. Masch.-Ing. ETH
- › Born 1951
- › Since 1 January 2010 Chairman of the Board of Directors and Board Committee of Repower AG
- › Self-employed; exercises various mandates

## Election to the Board of Directors

# Dr Manfred Thumann



- > Manfred Thumann
- > Dr. Ing.
- > Born 1954
- > Since the 2013 AGM member of the Board of Directors, since the 2014 AGM Vice Chairman of the Board of Directors and the Board Committee of Repower AG
- > CEO of Venga GmbH, Lengnau

## Election to the Board of Directors

# Dr Martin Schmid



- › Martin Schmid
- › Dr. iur. HSG, lawyer
- › Born 1969
- › Since the 2008 AGM member of the Board of Directors, and since the 2011 AGM member of the Board Committee of Repower AG
- › Lawyer at the law firm Kunz Schmid Rechtsanwälte und Notare AG in Chur; exercises a number of mandates
- › Member of the Swiss Council of States for Canton Graubünden

## Election to the Board of Directors

# Dr Rudolf Huber



- > Rudolf Huber
- > Dr. oec. publ.
- > Born 1955
- > Since the 2013 AGM member of the Board of Directors and Board Committee of Repower AG
- > Chairman of the board of directors and presently Acting CEO of Looser Holding AG; also serves on the boards of directors or advisory boards of various other companies
- > Owner of consulting firm Axega GmbH in Zurich

## Election to the Board of Directors

# Placi Berther



- > Placi Berther
- > Lic. iur., lawyer
- > Born 1959
- > Since the 2011 AGM member of the Board of Directors of Repower AG
- > Independent lawyer



## Election to the Board of Directors

# Claudio Lardi



- > Claudio Lardi
- > Lic. iur., lawyer
- > Born 1955
- > Since the 2011 AGM member of the Board of Directors of Repower AG
- > Lawyer; exercises various mandates

## Election to the Board of Directors

### Rolf W. Mathis



- › Rolf W. Mathis
- › Dipl. Masch. Ing. ETH, Wirtsch.-Ing. STV
- › Born 1956
- › Since the 2003 AGM member of the Board of Directors of Repower AG
- › Senior manager at Axpo Power AG; holds various directorships

## Election to the Board of Directors

# Gerhard Jochum



- › Gerhard Jochum
- › Degree in economics
- › Born 1953
- › Since the 2013 AGM member of the Board of Directors of Repower AG
- › Works for Büro Jochum in Berlin (strategic consulting to the energy industry) and holds various mandates

# Election to the Board of Directors

## Vote on Item 5.1

- a) Re-election of Dr Eduard Rikli
- b) Re-election of Dr Manfred Thumann
- c) Re-election of Dr Martin Schmid
- d) Re-election of Dr Rudolf Huber
- e) Re-election of Placi Berther
- f) Re-election of Claudio Lardi
- g) Re-election of Rolf W. Mathis
- h) Re-election of Gerhard Jochum

# Items on the AGM agenda

1. Amendment to the articles of association
  - 1.1 Partial amendment of the articles of association
  - 1.2 Provisions to create the standard registered share
2. 2015 annual report, financial statements and consolidated financial statements
3. Appropriation of retained earnings
4. Discharge of the members of the Board of Directors
5. Elections
  - 5.1 Board of Directors (resignations, re-elections)
  - 5.2 Auditor
6. Advisory vote on the compensation report for the 2015 financial year

# Election of auditor

## Ernst & Young AG



- › Ernst & Young AG, Zurich
- › Auditor since 2015
- › Alessandro Miolo, auditor-in-charge
- › Ralf Noffke, auditing expert
- › Re-election for a term of one year

# Items on the AGM agenda

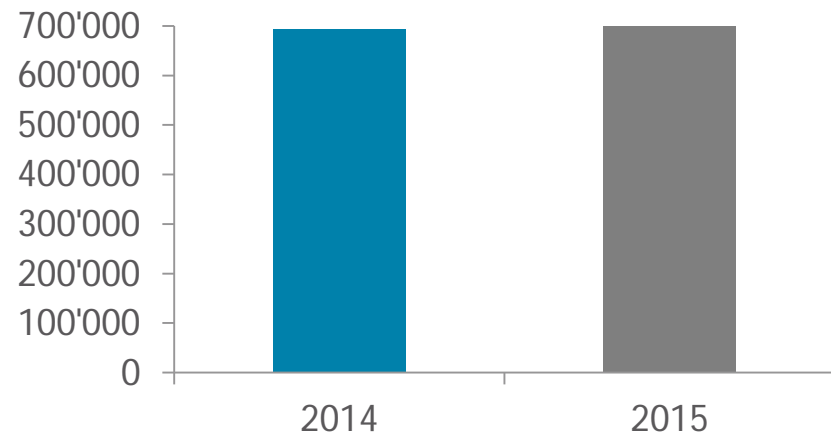
1. Amendment to the articles of association
  - 1.1 Partial amendment of the articles of association
  - 1.2 Provisions to create the standard registered share
2. 2015 annual report, financial statements and consolidated financial statements
3. Appropriation of retained earnings
4. Discharge of the members of the Board of Directors
5. Elections
  - 5.1 Board of Directors (resignations, re-elections)
  - 5.2 Auditor
6. Advisory vote on the compensation report for the 2015 financial year

## Overview of 2015 compensation

## Members of the Board of Directors and Executive Board

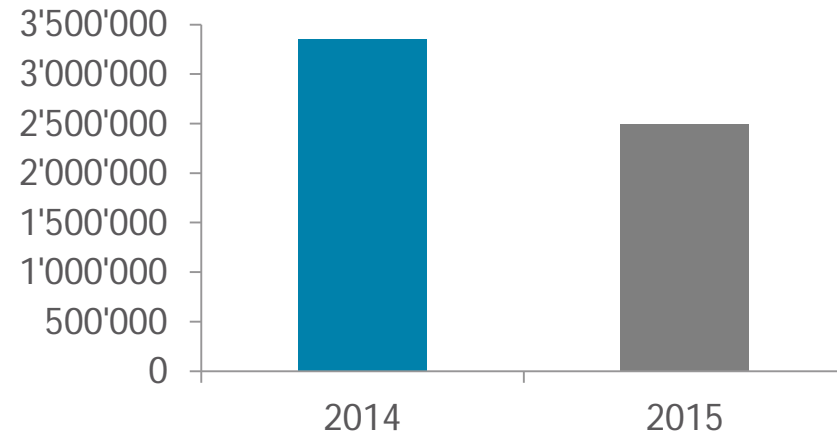
## Board of Directors

CHF



## Executive Board

CHF





# Agenda

- › Welcome
- › Summary of 2015
- › General remarks and formalities
- › Items on the AGM agenda
- › Drinks and lunch



**Goodbye!**  
**See you at the 113th AGM**  
**in Pontresina on 17 May 2017.**