Agenda

- Welcome       Michaela Leuenberger
- Overview of 1H17  Kurt Bobst
- Financial results  Brigitte Krapf
- Outlook       Kurt Bobst
- Questions     All
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## Capital base strengthened further

<table>
<thead>
<tr>
<th></th>
<th>1H16</th>
<th>1H17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total operating revenue</td>
<td>881</td>
<td>905</td>
</tr>
<tr>
<td>EBIT</td>
<td>45</td>
<td>20</td>
</tr>
<tr>
<td>Shareholders' equity</td>
<td>620</td>
<td>794</td>
</tr>
</tbody>
</table>
Market environment: slight recovery possible

- Market environment remains challenging
- Slightly positive development in prices possible medium term
- Slight recovery in EUR/CHF rate has positive impact
- Political risks remain

First half at a glance

Market prices in EUR/MWh*

EUR/CHF exchange rate

*Prices in Germany
Bespoke offerings, focus on energy efficiency

- Focus on energy utilities & infrastructure operators (CH), SMEs & SOHO (I)
- Products and tools adding value for customers: boosting process and energy efficiency
- Complement to traditional products and services
- Basis for designing customised packages of offerings
- Additional potential from implementation of Energy Strategy 2050
Innovative tools add value for customers

Energy Space
Trading platform for large customers

Asset Monitor
Comprehensive tool for managing infrastructure assets

Italy: various product solutions
VAMPA: detecting faults
eFFettiva: improving efficiency
DIODA: switching to LED for greater efficiency
FOCUS: support with energy audits
Risks and opportunities related to energy policy

ES2050  electricity-market-model  digitisation  direct-marketing
decentralisation  energy-turnaround
new-business-models  market-opening
water-rates  liberalisation
Positive movement on the Swiss market… 1/2

- Customers
  - New customers coming to Repower: services and energy utilisation (Ryburg-Schwörstadt & energy from waste)
  - Comprehensive, modular packages deepen bonds with customers, including existing customers

- Orders
  - Various energy supply agreements renewed: energy utilities, market customers, Repartner energy supply agreement
  - Good position in terms of contracts for third parties: Swissgrid, EKW, municipalities
…and good position in core business (2/2)

- **Basic supply**
  - Stable position
  - Projects based on output-based grid tariffs (Smart Power) at very advanced stage

- **Trading**
  - Concentrating on asset management
  - Providing bespoke offerings for customers
  - Business complemented by prop trading
Good results from Market Italy

- **Sales business**
  - Expansion of customer segment beyond the classic SME realm under way
  - Margins still under pressure, but better in 1H2017
  - Extra services create greater customer loyalty and bolster margins
  - Digitisation boosts efficiency

- **Teverola plant**
  - Plant currently well positioned in the market
  - Ancillary services market remains volatile
  - Overhauls scheduled for second half of the year
113th Annual General Meeting

Financial results
Operating income above expectations

- Operating income well above expectations
- Substantial contribution to income from Market Italy, especially Teverola plant, and sales as well
- Market Switzerland’s results in line with budget, but unfortunately continues to suffer from low level of prices
- EKZ takes interest in Repartner, completing sale of 49% of the production company
- Expected operating income better than budget for the whole of 2017, but will not be possible to maintain momentum of first six months
### Overview of 1H2017

Operating income down on prior year

<table>
<thead>
<tr>
<th>CHF m</th>
<th>1H2017</th>
<th>1H2016 before extraordinary items</th>
<th>1H2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total operating revenue</td>
<td>905</td>
<td>881</td>
<td>881</td>
</tr>
<tr>
<td>Gross margin</td>
<td>109</td>
<td>108</td>
<td>113</td>
</tr>
<tr>
<td>EBITDA</td>
<td>43</td>
<td>49</td>
<td>51</td>
</tr>
<tr>
<td>EBIT</td>
<td>20</td>
<td>26</td>
<td>45</td>
</tr>
<tr>
<td>Group profit</td>
<td>1</td>
<td>0</td>
<td>18</td>
</tr>
<tr>
<td>FFO (funds from operations)</td>
<td>35</td>
<td>26</td>
<td>26</td>
</tr>
<tr>
<td>CFO (cash flow from operating activities)</td>
<td>19</td>
<td>44</td>
<td></td>
</tr>
<tr>
<td>Investments*</td>
<td>11</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>FFO/net debt**</td>
<td>-313%</td>
<td>23%</td>
<td></td>
</tr>
<tr>
<td>Net debt/EBITDA</td>
<td>-0.1</td>
<td>2.4</td>
<td></td>
</tr>
<tr>
<td>Equity ratio</td>
<td>47%</td>
<td>35%</td>
<td></td>
</tr>
<tr>
<td>No. of employees on 30 June (FTEs)</td>
<td>569</td>
<td>604</td>
<td></td>
</tr>
</tbody>
</table>

*Includes investment in tangible assets, intangible assets and associates, and investment-type loans

**Net debt running at CHF -11 million, hence negative figures for debt ratios
**EBIT impacted by lower proceeds from divestment**

<table>
<thead>
<tr>
<th>CHF m</th>
<th>EBIT 1H16</th>
<th>Gross margin</th>
<th>Other operating income</th>
<th>Personnel expense</th>
<th>Other operating expense</th>
<th>Depreciation/amortisation and impairment</th>
<th>EBIT 1H17</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>25.0</td>
<td>1.6</td>
<td>13.1</td>
<td>2.5</td>
<td>3.4</td>
<td>0.7</td>
<td>20.3</td>
</tr>
</tbody>
</table>

- Reduced income primarily the result of lower proceeds from divestments (property, group companies)
- Costs reduced thanks to further savings and disposals of group companies
Gross margin stable - decline in other income

Gross margin stable versus prior year
- Long-term items continue to put pressure on margins
- Speculative trading margin in line with expectations
- Sales slightly below budget owing to higher procurement costs; grid slightly below budget owing to seasonal effect

Decline in proceeds from divestment impacts operating income
- Operating expenses stable versus prior year
- Proceeds of disposals and internally produced and capitalised assets down on prior year
Strong result from ancillary services

Gross margin

- HY 2016: CHF 58 (6%)
- HY 2017: CHF 62

Gratifying increase in gross energy margin

- The revenue contribution from the Teverola combined-cycle gas turbine plant was well above expectations
- Sales margins (electricity and gas) well above expectations, thanks among other things to lower procurement and transport costs
- Trading margins better than expected, thanks in particular to deployment of Teverola plant

Recovery in margin impacts EBIT

- HY 2016: CHF 19 (23%)
- HY 2017: CHF 23

- Higher energy margin directly impacts operating income
- Lower non-recurring income offset by reduced expense
- EBIT much better than expected
Another improvement in equity ratio

Equity ratio still at high level

- Equity ratio of 47% above target range of 35% to 45%
- Factors including new EKZ interest in Repartner give further boost to equity
Another reduction in net debt to EBITDA

- **Net debt reduced**
  - Conservative investment strategy at present having positive impact on net debt
  - Cash effect of long-term energy supply agreement with Repartner (Scarnuz) and sale of remaining 6% interest in Repartner to EKZ

- **Further reduction in net debt to EBITDA**
  - Besides the items described above, better-than-budget operating income further reduces net debt
  - **2017 outlook**
    - Development of earnings in Italy stable but slower
    - Switzerland overall still stuck at low level
    - Expected operating income still ahead of budget
Ongoing optimisation and market focus efforts will continue in 2H17

- Repower is giving priority to optimising internal processes with a view to implementing corporate strategy
- Ongoing development and market launch of new solutions
  - Example: Smart Power solution helping customers tackle the challenges of the new energy environment
- Organisation geared even more effectively to services
Earnings expectations in line with six-month figures

- Margins basically remain under pressure
- CHF/EUR rate still a challenge
- Strategy implementation on course and founded on strong capital base
- We expect operating income for the whole of 2017 to be in line with the present half-year results
Next dates in the financial agenda

- Analysts’ meeting: 30 October 2017
- Information on 2017 results: 10 April 2018
- 2018 annual general meeting: 16 May 2018
Many thanks for your interest!