09 August 2024

Press Release >

EnBW presents good half-year earnings and steps up investment in the energy transition

- **Adjusted EBITDA of €2.6 billion in line with expectations**
- **Earnings guidance for 2024 financial year confirmed**
- **Gross investments, at €2.5 billion, around 60% higher than previous year**
- **Capital market financing for 2024 already completed, entirely in the form of green bonds**

Karlsruhe. EnBW Energie Baden-Württemberg AG, with a workforce of 29,329 (+6%), generated a Group operating result (adjusted EBITDA) of €2.6 billion in the first six months of the current 2024 financial year. As in the first quarter, the lower earnings compared to the first half of 2023 (€3.5 billion) are mainly attributable to specific developments in the segment Sustainable Generation Infrastructure last year. This was related to exceptionally high trading margins in the marketing of the company's own generation volumes. Adjusted Group net profit attributable to the shareholders of EnBW AG amounted to €927 million in the first half-year (previous year: €1.65 billion).

EnBW Deputy CEO and CFO Thomas Kusterer: "The earnings trend from the first quarter continued in the second quarter. Our half-year earnings are fully in line with our expectations. After the previous year's exceptional performance due to the unusual market price levels, earnings have returned to normal. We continue to expect earnings in the current financial year to be in a range between €4.6 billion and €5.2 billion. This once again underscores the robustness of our integrated business model."

Increased investment in energy transition

From this position, EnBW successfully continued its investment drive in the first half of 2024 for the accelerated implementation of the energy transition. Gross investments, at €2.5 billion, were around 60% higher than in the previous year. Around 90% of these investments are environmentally sustainable as defined in the EU Taxonomy. This figure for the first half-year exceeds the 85% target for the new key performance indicator. In addition to the expansion of offshore wind power, most investment spending went on the construction of low-carbon, hydrogen-ready, flexibly dispatchable gas-fired power plants and on the expansion of the electricity transmission and distribution grids. This spring, EnBW announced the goal of investing €40 billion in the energy transition by 2030. On an annual average, this corresponds to almost twice the previous level of investment.

Green bonds strengthen finances

Thomas Kusterer: "As well as stable operating income, our significantly higher investments require access to the capital market at all times. We already covered a large part of our financing requirements for this year by the end of 2023. In January, we pre-funded the hybrid bond that is due to be repaid in the second half of the year. With two further green bond issues for a total of €1.2 billion, we have already successfully completed the capital market financing planned for 2024, entirely in the form of green bonds."

Reduced carbon emissions

Increased generation from renewable energy sources and a larger than expected reduction in coal-fired generation led to a continued fall in carbon emissions. As a result, EnBW expects its carbon intensity to be no higher than last year and, at mid-year, is adjusting its expected range for 2024 from originally 390-450 g/kWh to 290-350 g/kWh.

Performance by segment

Adjusted EBITDA in the segment **Sustainable Generation Infrastructure** (Renewable Energies and Thermal Generation and Trading), as expected, declined by 44% year on year to approximately €1.5 billion.

At around €596 million, adjusted EBITDA in **Renewable Energies** was 35% down year on year, mainly due to lower earnings from pumped storage power plants. This was partly offset by the positive impact of increased earnings from run-of-river power plants and better wind conditions.

In **Thermal Generation and Trading**, adjusted EBITDA fell by 50% to €855 million. This was primarily because of lower revenue from the marketing of electricity generated by the company's power plants, due to the normalization of the market price level.

In the segment **System Critical Infrastructure** – comprising the electricity and gas transmission and distribution grids – adjusted EBITDA increased by 13% year on year to €1.2 billion. The increase was due to higher grid usage revenue, mainly as a result of returns from increased investment activity, partly offset by higher personnel expenses.

The segment **Smart Infrastructure for Customers** generated adjusted EBITDA of €173 million, compared to €21 million in the same period of the previous year. The main reason for the improvement in earnings is the absence of the negative impact from the deconsolidation of bmp greengas in parallel with a higher negative impact in the home storage business at solar subsidiary SENEC, which is currently restructuring its product portfolio.

09 August 2024

Performance indicators of the EnBW Group

Financial and strategic performance indicators

in € million	01/01–30/06/2024	01/01–30/06/2023	Change in %	01/01–31/12/2023
External revenue	19,033.5	26,686.1	-28.7	44,430.7
Adjusted EBITDA	2,588.0	3,498.3	-26.0	6,365.2
Share of adjusted EBITDA accounted for by Sustainable Generation Infrastructure in € million/in %	1,450.8/56.1	2,607.0/74.5	-44.3/–	4,647.6/73.0
Share of adjusted EBITDA accounted for by System Critical Infrastructure in € million/in %	1,156.8/44.7	1,021.2/29.2	13.3/–	1,772.0/27.8
Share of adjusted EBITDA accounted for by Smart Infrastructure for Customers in € million/in %	172.7/6.7	20.9/0.6	–/–	239.5/3.8
Share of adjusted EBITDA accounted for by Other/Consolidation in € million/in %	-192.3/-7.5	-150.8/-4.3	-27.5/–	-293.9/-4.6
EBITDA	3,239.3	5,134.0	-36.9	5,738.3
Adjusted EBIT	1,756.0	2,656.1	-33.9	4,678.9
EBIT	2,407.3	3,920.6	-38.6	3,341.3
Adjusted Group net profit [1]	926.9	1,653.4	-43.9	2,779.5
Group net profit [1]	1,344.5	2,525.8	-46.8	1,537.6
Earnings per share from Group net profit (€) [1]	4.96	9.33	-46.8	5.68
Retained cash flow	880.0	2,238.0	-60.7	4,831.5
Net cash investment	2,159.9	1,602.3	34.8	2,739.8

in € million	30/06/2024	31/12/2023	Change in %
Net debt	12,585.4	11,703.1	7.5

Non-financial performance indicators [2]

	01/01–30/06/2024	01/01–30/06/2023	Change in %	01/01–31/12/2023
Customers and society goal dimension				
EnBW/Yello Customer Satisfaction Index	111/166	127/170	-12.6/-2.4	130/161
SAIDI (electricity) in min./year	5.9	5.6	5.4	19.3
Employees goal dimension				
LTIF for companies controlled by the Group [3, 4]	2.6	2.2	18.2	2.4
LTIF overall [3]	4.3	3.1	38.7	3.7

Employees [5, 6]

	30/06/2024	30/06/2023	Change in %	31/12/2023
Employees	29,329	27,575	6.4	28,630
Full-time equivalents [7]	27,563	25,932	6.3	26,943

1 In relation to the profit/loss attributable to the shareholders of EnBW AG.
2 The values for the key performance indicators Reputation Index, People Engagement Index (PEI), "Installed output of renewable energies (RE) in GW and the share of the generation capacity accounted for by RE in %" and CO_2 intensity are exclusively collected at the end of the year.
3 The LTIF for companies controlled by the Group excluding waste management and LTIF overall, which includes the area of waste management, only includes companies with more than 100 employees excluding external agency workers and contractors.
4 Newly fully consolidated companies are not included for a maximum transition period of three years.
5 Number of employees excluding apprentices/trainees and inactive employees.
6 The number of employees for the ITOs (ONTRAS Gastransport, terranets bw and TransnetBW) is only updated at the end of the year; for intervals of less than a year, the number of employees from 31 / 12 / 2023 is carried forward.
7 Converted into full-time equivalents.

09 August 2024

Contact

EnBW Energie Baden-Württemberg AG
Corporate Communications
Martina Evers / Johanna Kick
Durlacher Allee 93
76131 Karlsruhe, Germany

Phone: +49 721 63-255550
E-mail: presse@enbw.com

Website: www.enbw.com