



EVN conference call FY 2019/20 results

16 December 2020

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- Sound Group net result: EUR 199.8m
 - Corona crisis
 - Selective negative influence on EVN's operating results
 - Stabilising effects: integrated business model, diversified customer base
 - Strategy 2030: sustainable growth and performance improvement
 - Increase in renewable generation capacity to reduce specific CO₂ emissions from own generation by 50% below the 2005 level by 2030
 - Keeping sales quality standards high, also by using digitalisation
 - Innovative solutions for circular economy
 - Share of renewable electricity generation rises to 59.5% (previous year: 41.4%)
 - Dividend proposal: 0.49 per share

Key financials FY 2019/20



	FY 2019/20	+/-
	EURm	%
Revenue	2,107.5	-4.4
EBITDA	590.4	-6.5
Depreciation and amortisation	-296.7	-10.0
Effects from impairment tests	-20.6	-
EBIT	273.1	-32.3
Financial results	-15.8	47.3
Group net result	199.8	-33.9
Net cash flow from operating activities	412.0	-4.1
Investments ¹⁾	367.9	-6.0
Net debt	1,037.7	3.8
	%	
Equity ratio ²⁾	54.3	-1.3
	EUR	
Earnings per share	1.12	-34.0

→ Different developments in revenue

- Positive trend from South East Europe and international project business
- Decrease in thermal generation and in the Networks Segment

→ Decline in EBITDA

- Price and volume effects in the Networks Segment
- Recovery of EVN KG
- Impairment loss of EUR 20.7m at Verbund Innkraftwerke

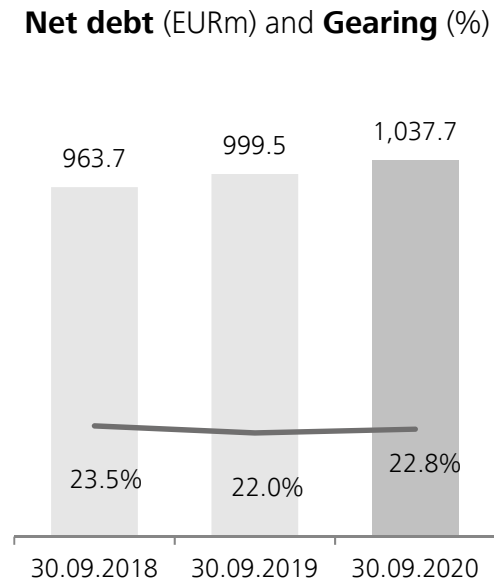
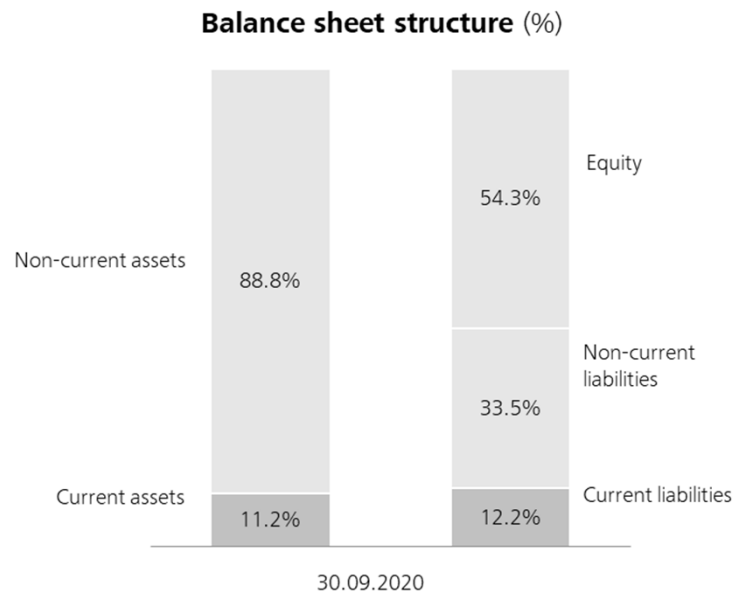
→ Decline in EBIT

- Previous year was influenced by revaluations

¹⁾ In intangible assets and property, plant and equipment

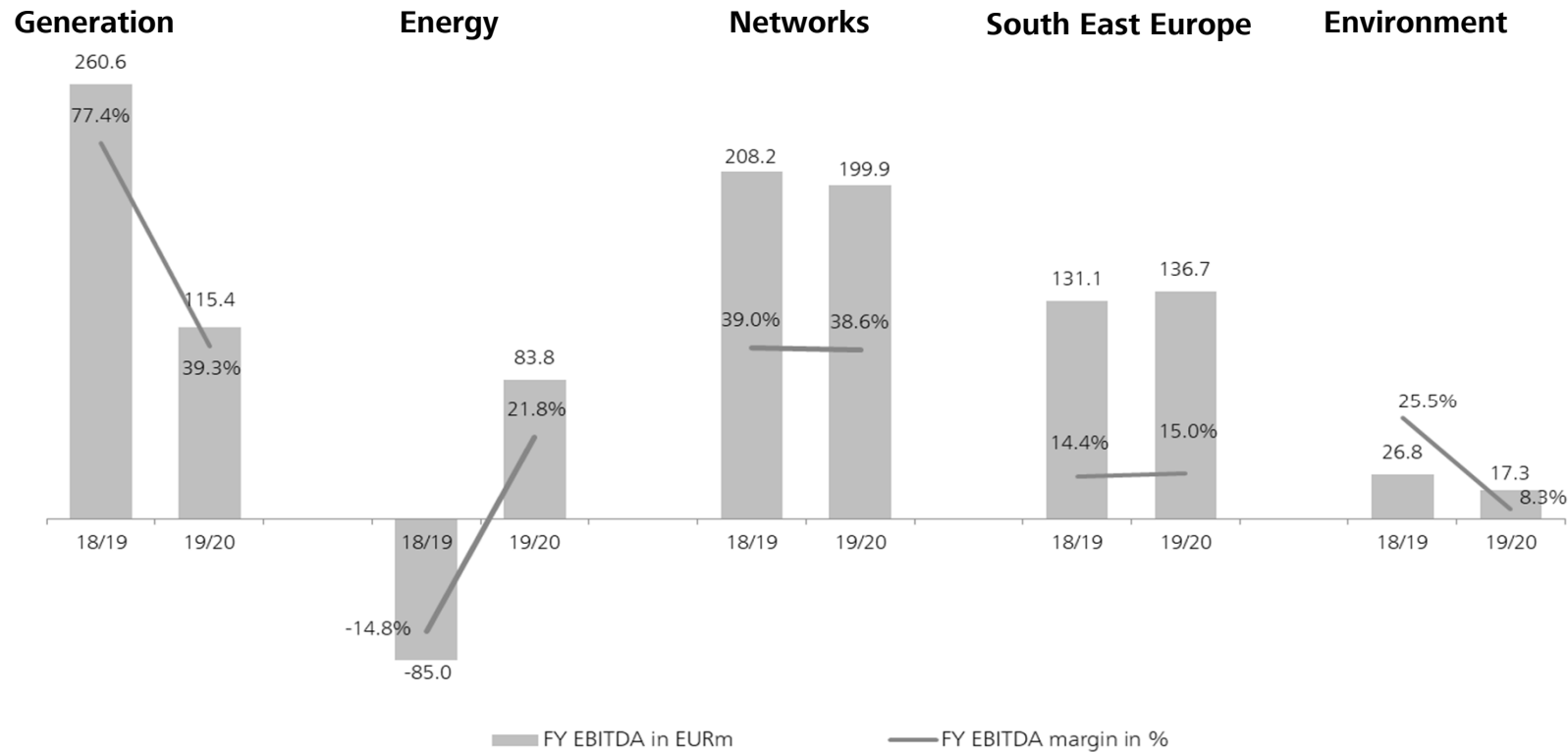
²⁾ Changes reported in percentage points

Solid balance sheet structure



- Increase of net debt includes effect of ~EUR 73m in connection with initial application of IFRS 16
- Strong balance sheet as a basis for continued increase in future investments (up to EUR 450m p.a. on average over the coming years)

EBITDA development by segments



- Electricity generation below previous year
- Impairment effect at Verbund Innkraftwerke after previous year's revaluation

- Return to positive earnings contributions from EVN KG

- Negative volume and tariff effects

- Lower procurement costs for grid losses

- Y-o-y comparison influenced by positive one-off effects in prior year's at equity result

	FY 2019/20	+/-
Electricity generation volumes	GWh	%
Total	3,083	-36.4
Renewable energy sources	1,888	-2.7
Thermal energy sources	1,195	-58.9
Key financial indicators	EURm	
Revenue	293.9	-12.7
EBITDA	115.4	-55.7
EBIT	42.9	-80.4

→ Decline in electricity generation

- Renewable generation lower y-o-y (additional wind capacity, but lower water flows)
- Lower thermal generation (closure of coal-fired power plant in Dürnröhr in August 2019; less calls for network stabilisation)

→ Revenue, EBITDA and EBIT below previous year

- FY 2018/19 was influenced by revaluation effects

Sales volumes to end customers	FY 2019/20	+/-
	GWh	%
Electricity	8,463	6.6
Natural gas	4,839	-2.8
Heat	2,111	5.9
Key financial indicators	EURm	
Revenue	383.6	-33.1
EBITDA	83.8	-
EBIT	61.4	-

→ Different development of energy sales volumes

- Corona-related declines in electricity demand of industry were offset by new industrial customers
- Weather- and competition-related decline in natural gas volumes

→ Revenue below previous year

- Decline in marketing of own generation

→ Improvement in EBITDA and EBIT

- Recovery of EVN KG

Network distribution volumes	FY 2019/20	+/-
	GWh	%
Electricity	8,411	-1.2
Natrual gas	14,967	-5.5

Key financial indicators	EURm	
Revenue	517.9	-3.0
EBITDA	199.9	-4.0
EBIT	69.6	-16.1

→ **Decline in network distribution volumes**

- Decline in electricity consumption caused by Covid-19 (volume effects to be offset in future tariffs according to Austrian regulation)
- Decline in natural gas due to lower use of thermal power plants for network stabilisation and mild winter

→ **Revenue below previous year**

- Negative volume and price effects

→ **EBITDA and EBIT declined y-o-y**

Key energy business indicators	FY 2019/20 GWh	+/- %
Electricity generation volumes	399	-6.2
thereof renewable energy	128	2.9
thereof thermal power plants	270	-9.9
Network distribution volumes	13,742	-3.4
Electricity sales volumes	11,351	-5.3
Heat sales volumes	192	-8.3
Key financial indicators	EURm	
Revenue	912.2	0.2
EBITDA	136.7	4.3
EBIT	66.1	-31.1

→ **Network and energy sales volumes declined y-o-y**

- Unusually mild temperatures and corona crisis

→ **Improvement in EBITDA**

- Lower procurement costs for grid losses

→ **EBIT below previous year**

- FY 2018/19 was influenced by revaluation effects

Key financial indicators	FY 2019/20	+/-
	GWh	%
Revenue	208.1	98.0
EBITDA	17.3	-35.4
EBIT	0.6	-96.3
Financial results	-5.9	49.6
Result before income tax	-5.3	-

→ **Higher revenue y-o-y**

- Increase in drinking water sales volumes
- Positive development of international project business

→ **EBITDA and EBIT below prior year**

- Corresponding increase in operating expenses
- Previous year benefited from positive effects in at equity results

→ **International project business**

- Acquisition of three thermal sewage sludge utilization projects in Germany
- Start of work on Umm Al Hayman wastewater treatment project in Kuwait

Cash flows



	FY 2019/20	+/-
	EURm	in %
Gross cash flow	497.1	-9.7
Net cash flow from operating activities	412.0	-4.1
Net cash flow from investing activities	-428.6	-
Net cash flow from financing activities	-88.8	53.5
Net change in cash and cash equivalents	-105.4	-

→ CF from operating activities

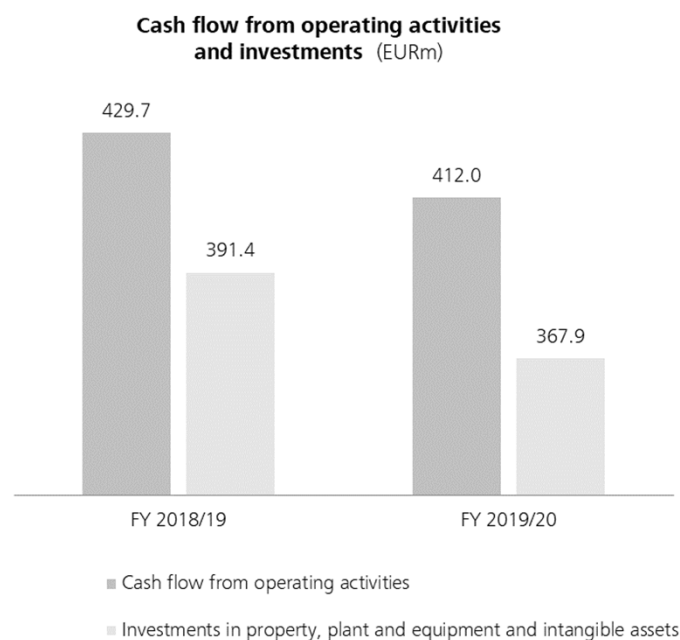
- Decrease due to lower result

→ CF from investing activities

- Equity contribution for Kuwait project and increased investments in cash funds
- Divestments of securities (R 138 fund)

→ CF from financing activities

- Dividend payment for FY 2018/19 and scheduled repayment of financial liabilities
- EUR 100m green promissory note loan issued in April 2020



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- Group net result for 2020/21 is expected to range from approximately EUR 200m to EUR 230m
 - Assuming average conditions in the energy business environment
 - Further course of corona crisis and the resulting macroeconomic effects could have a negative influence
 - Investment strategy
 - Approximately EUR 450m p.a. over the next financial years
 - Thereof approximately three fourths will be directed to networks, renewable generation, natural heat and drinking water in Lower Austria
 - Delays resulting from the lockdown will be recovered as soon as possible

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