

Presentation of the  
2024 annual report

Zurich, 03/11/2025

BKW achieves a successful  
result in the 2024 fiscal year

# Program

## **Review of the 2024 fiscal year**

CEO Robert Itschner

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## **Results of the 2024 fiscal year**

CFO Martin Zwysig

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## **Outlook for the 2025 fiscal year**

CEO Robert Itschner

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## **Q&A**

CEO Robert Itschner and CFO Martin Zwysig

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# Review of the 2024 fiscal year

CEO Robert Itschner

# Overview: Successful 2024 fiscal year for BKW

**Total operating income**

CHF 4,772 m

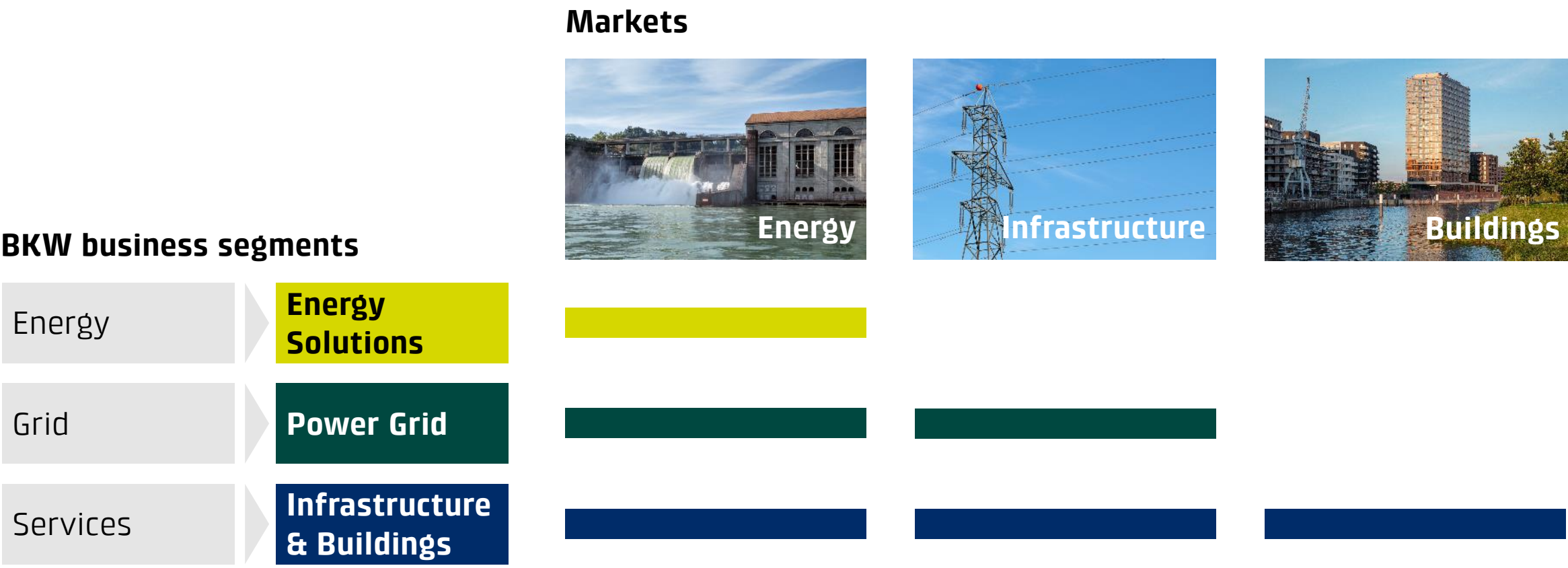
**EBIT**

CHF 790 m

**Net profit**

CHF 647 m

# Proven business model: Focus on comprehensive offers for the new energy world



# Energy Solutions: Electricity Act paves the way for energy transition

## Market developments and political environment

- Above-average hydropower production
- Approval of the Electricity Act
- Yes from the municipality for the MontSol alpine solar project
- High volatility in electricity prices in the first half of the year
- Growing demand for customized energy solutions



# Energy Solutions: Growth in structured offerings



## 2024 milestones

- Construction start of Turbach hydro power plant
- Inauguration of Rosenskog wind farm (SE)
- Dismantling of Mühleberg nuclear power plant on schedule
- PPA contracts over 1 GW

# Power Grid: Regulated business with a high investment requirement

## Market developments and political environment

- Photovoltaic expansion: 650 MW on the BKW grid
- High demand for new grid connections
- Enabling of virtual associations for self-consumption (vZEV) through Electricity Act



# Power Grid: More efficient grid expansion for the energy transition



## 2024 milestones

- Installation of 16,000 smart meters
- Reinforcement of 50 kV Wimmis-Frutigen line
- Accelerated processing of grid connection requests
- Powerline workers' training program for career changers

# Infrastructure & Buildings: Increasing demand for infrastructure

## **Market developments and political environment**

- Increasing demand for specialist skills
- Investments in energy and heat transition in CH & DE
- Continued growing demand for grid infrastructure in DE
- Sustained solar boom on Swiss roofs
- Increase efficiency through digitization and automation



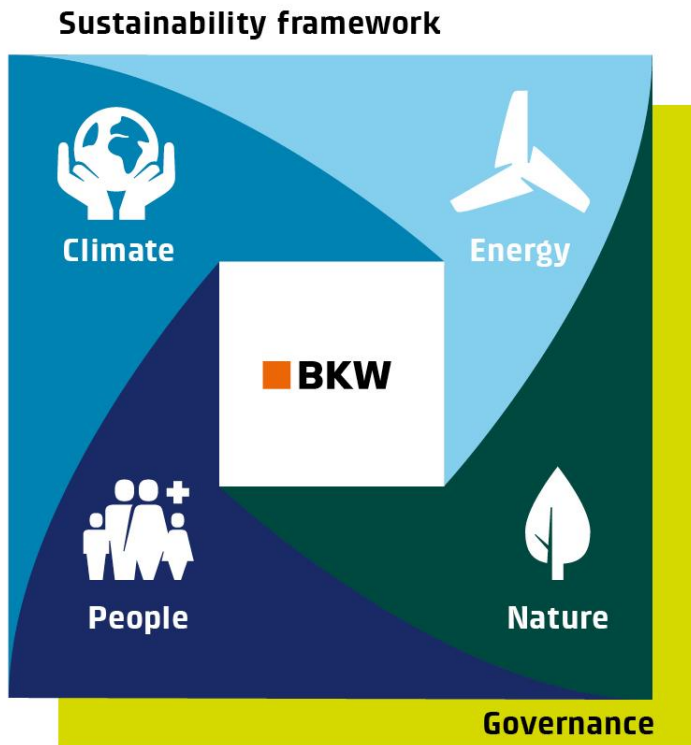
# Infrastructure & Buildings: Expansion of general planning, energy infrastructure, railway and building technology



## 2024 milestones

- Completion of Roots Hamburg (DE)
- Inauguration of Arzberg battery storage (DE)
- Opening of Albula Graubünden Tunnel II
- Launch of Solstis PV offering throughout CH
- Growth in energy management offers

# Sustainability: New framework with ambitious goals adopted in 2024



## Climate

Net-zero emissions by 2040<sup>1</sup>, 50% reduction in CO<sub>2</sub> intensity by 2030<sup>2</sup>

## Energy

3.4 GW of installed renewable energy capacity by 2030

## Nature

Achieve net positive impact on biodiversity from 2030 in BKW's energy and infrastructure projects

## People

Still 0 serious work accidents and occupational deaths

<sup>1</sup> Scopes 1 and 2

<sup>2</sup> Scopes 1 and 2, base year 2022

# Sustainability: Milestones achieved in 2024



## Climate

- 4.5% reduction in greenhouse gas intensity in 2024 compared to 2023
- At the end of 2024, 214 e-vehicles were in operation and another 85 had been ordered from the supplier



## Energy

- Increase in installed wind and PV capacity to 935 MW (2023: 893 MW)



## Nature

- Biodiversity register created to identify locations near ecologically sensitive zones
- Group-wide environmental and climate policy adopted by the BKW Board of Directors



## People

- No serious accidents at work and no work-related fatalities thanks to increased prevention and promotion of an occupational safety culture
- Group-wide human rights policy adopted by the BKW Board of Directors

## Governance

- First step in aligning the sustainability report with the European Sustainability Reporting Standards (ESRS)
- Introduction of sustainability-related components to the incentive and remuneration system for the Group Executive Board and senior management



# Results of the 2024 fiscal year

CFO Martin Zwyssig

# BKW's performance in a nutshell

| CHF m                             | 2024         | 2023         | Δ           | Δ %           |
|-----------------------------------|--------------|--------------|-------------|---------------|
| <b>Revenue</b>                    | <b>4,772</b> | <b>4,598</b> | <b>+175</b> | <b>+3.8%</b>  |
| <b>EBITDA</b>                     | <b>1,073</b> | <b>953</b>   | <b>+120</b> | <b>+12.6%</b> |
| <i>EBITDA as % of revenue</i>     | 22.5%        | 20.7%        | +2          |               |
| <b>EBIT</b>                       | <b>790</b>   | <b>620</b>   | <b>+170</b> | <b>+27.3%</b> |
| <i>EBIT as % of revenue</i>       | 16.6%        | 13.5%        | +3          |               |
| <b>Net profit</b>                 | <b>647</b>   | <b>488</b>   | <b>+159</b> | <b>+32.6%</b> |
| <i>Net profit as % of revenue</i> | 13.6%        | 10.6%        | +3          |               |
| Operating net profit              | 550          | 432          | +118        | +27.4%        |
| Operating cashflow                | 739          | 704          | +36         | +5.1%         |
| Return on Capital Employed (ROCE) | 9.5%         | 8.1%         | +1          | +17.3%        |
| Equity ratio                      | 48.8%        | 45.8%        | +3          | +6.6%         |

## Revenue

- Lower energy price level in Energy Solutions outweighed mainly by higher Swissgrid tariffs in Power Grid and organic growth in I&B

## EBIT

- Lower trading result compensated by favorable factors in Energy Solutions
- Strong margin improvement in I&B

## Net profit

- Another further increase from last year's strong KKM-STENFO result

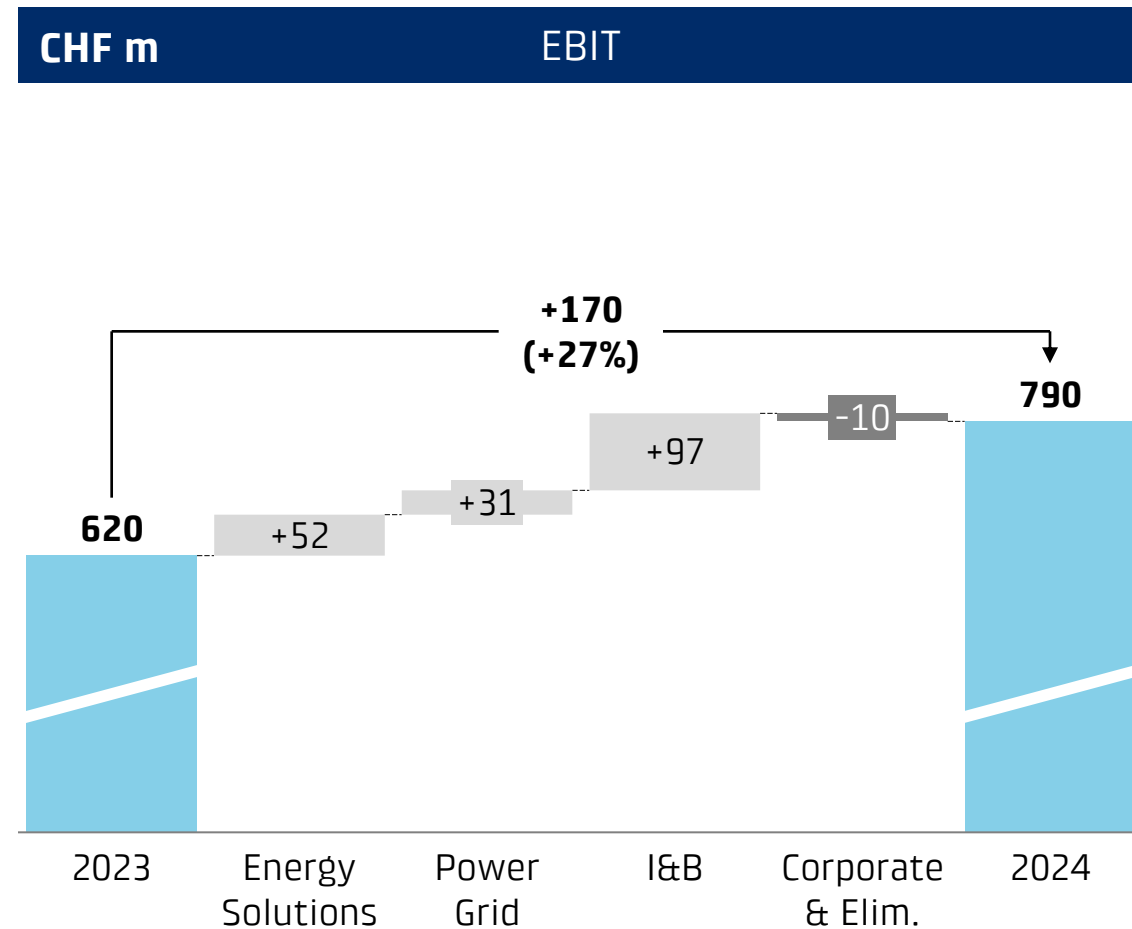
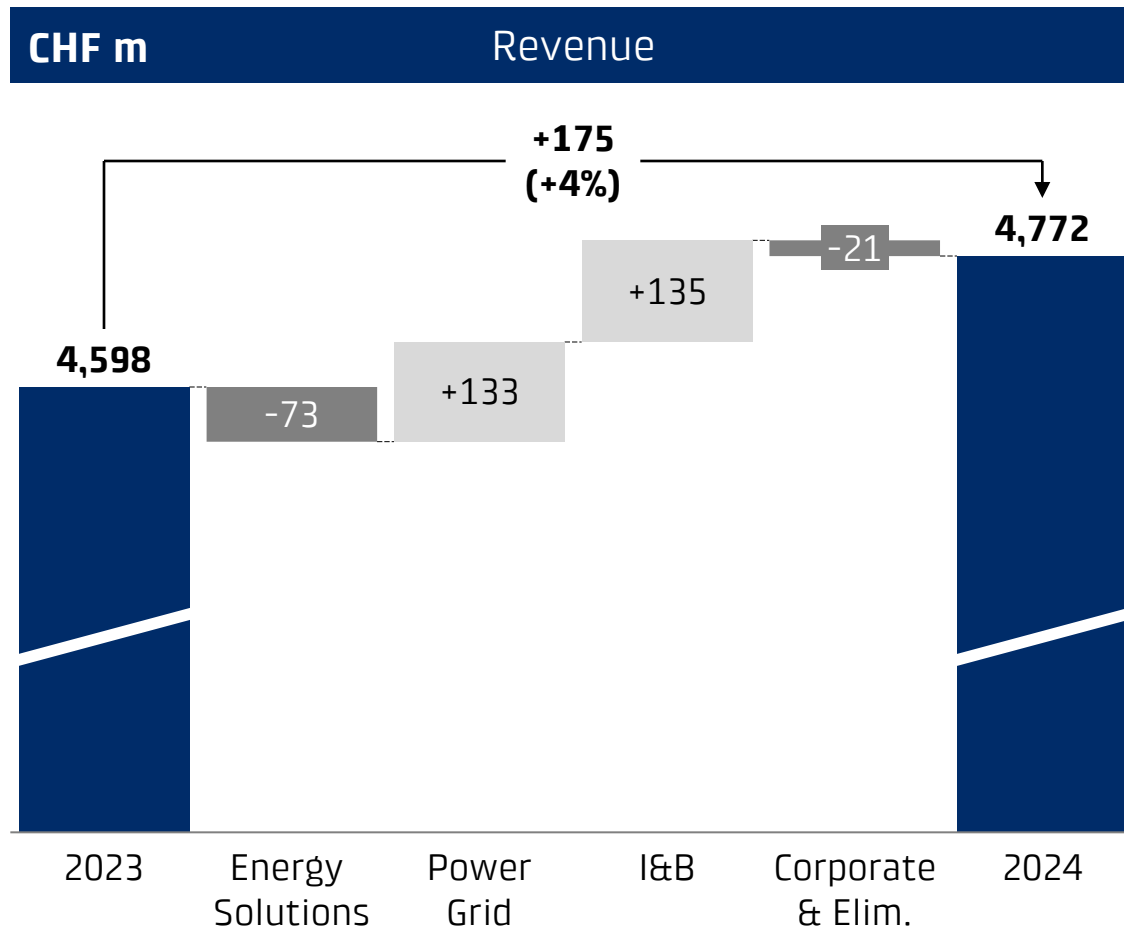
## Operating cashflow

- Steady, strong cash conversion

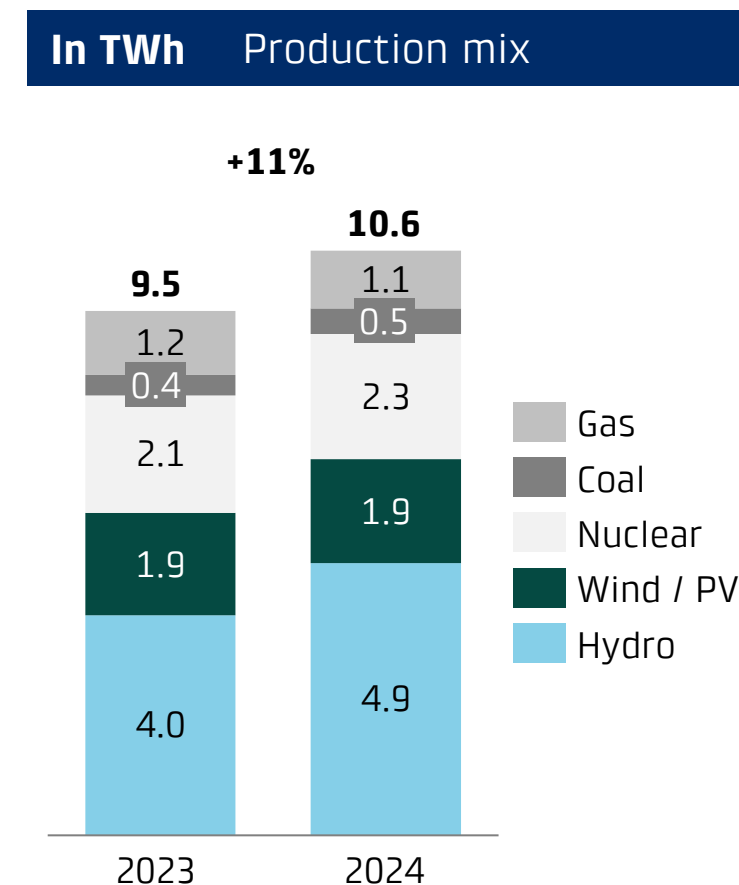
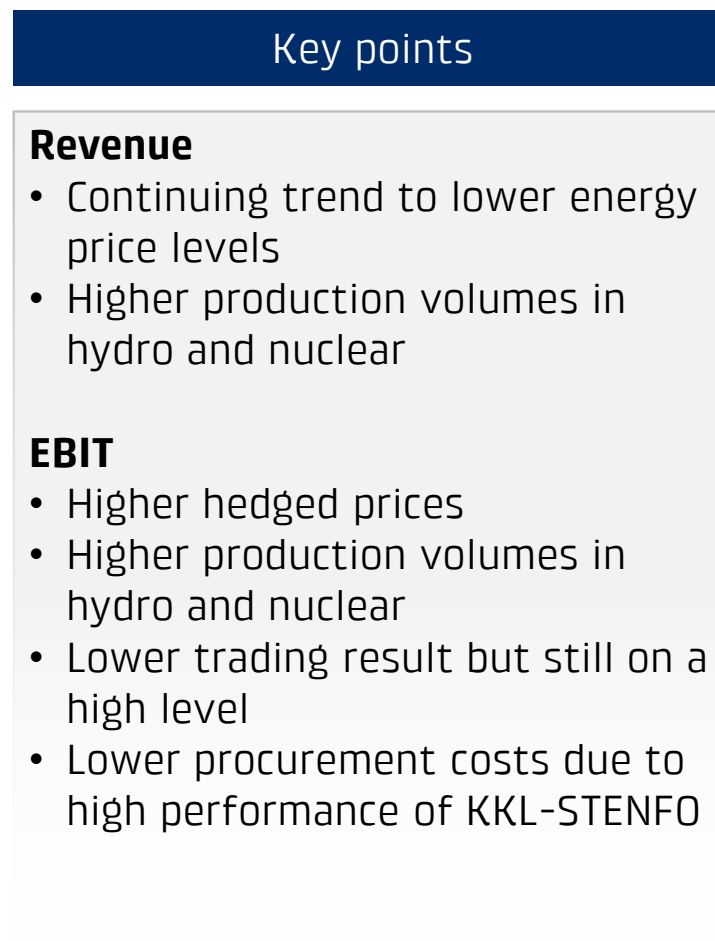
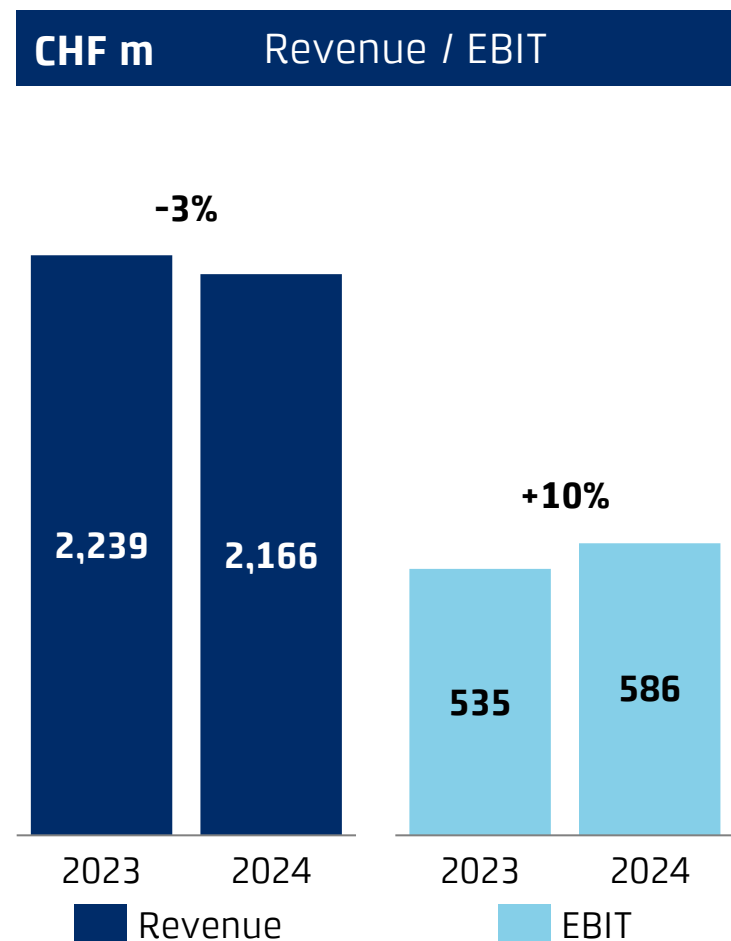
## Equity ratio

- Net profit contribution boosts both equity and equity ratio

# All business segments contribute to the increase in EBIT



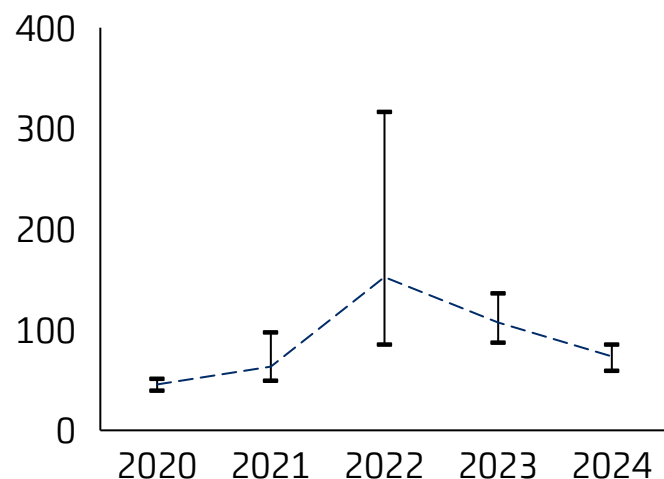
# Energy Solutions: Strong performance supported by favorable factors



# Energy Solutions: Favorable factors in 2024

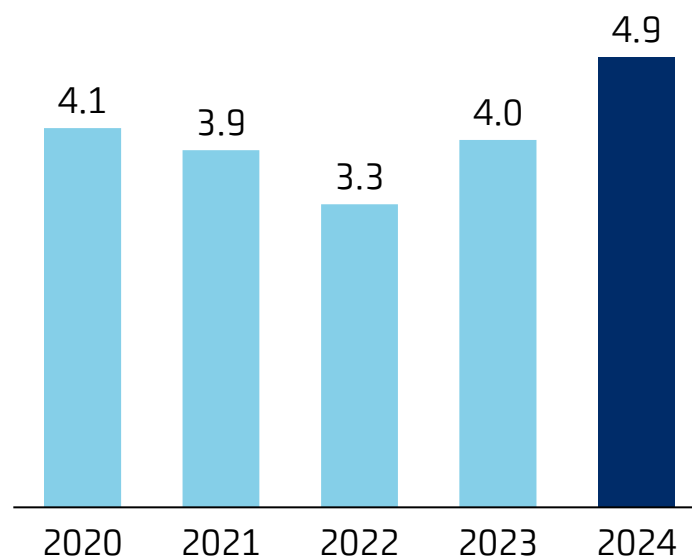
## €/MWh Power price volatility

Power price Germany 3 years forward  
Yearly high, low and average



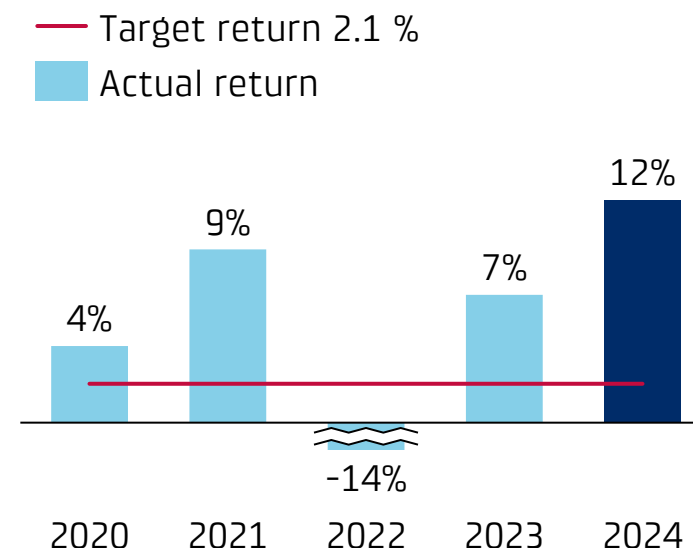
Forward-price volatility has declined but remained elevated throughout 2024

## In TWh Hydro production



Record-high precipitation-driven hydroelectric power generation

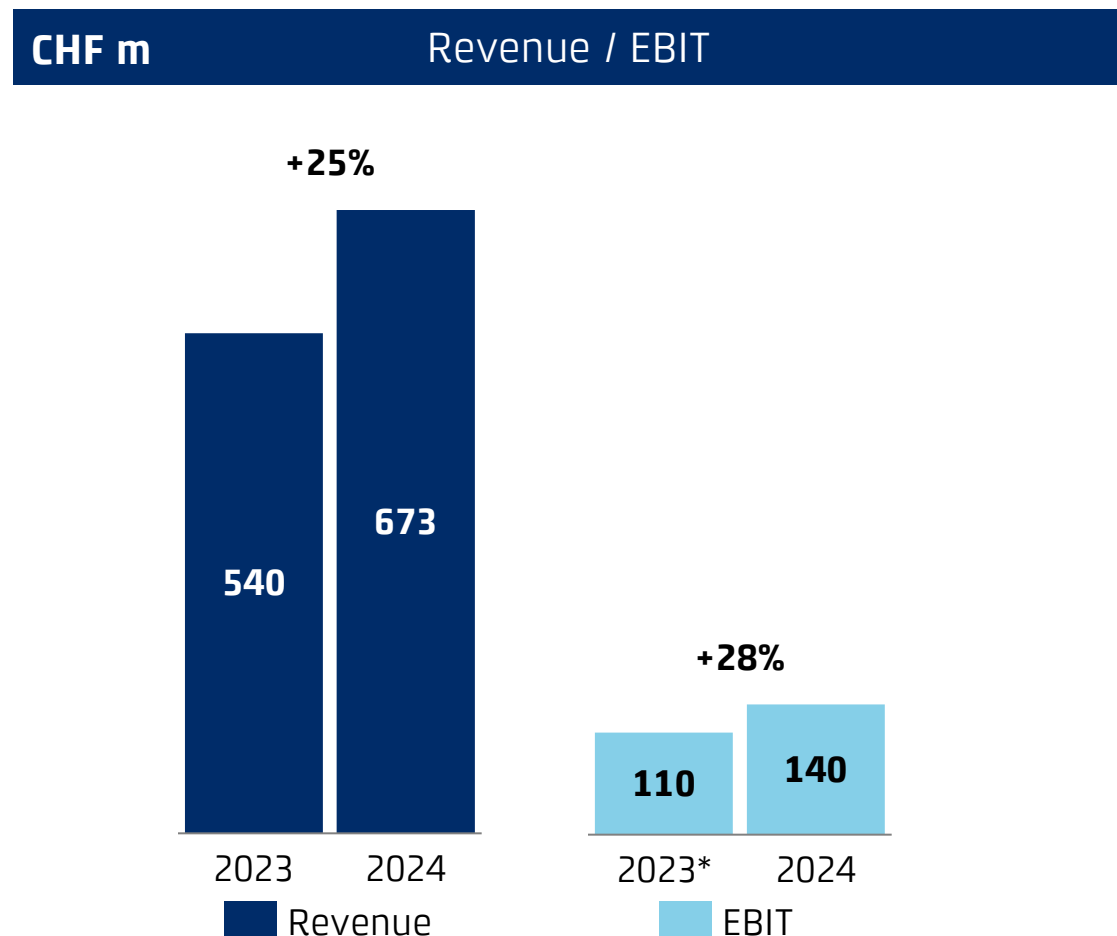
## % KKL-STENFO performance



Yet another outstanding KKL-STENFO performance<sup>1</sup>

<sup>1</sup> Positive STENFO-Performance of Kernkraftwerk Leibstadt (KKL) had a positive impact in 2024 on energy procurement costs, Positive STENFO-Performance of Kernkraftwerk Mühleberg (KKM) had a positive impact in 2024 on the financial result.

# Power Grid: Steady performer with solid results



\* EBIT restatement 2023:  
Transfer of Swissgrid equity result of CHF 37 m from Power Grid to Corporate segment

**Key points**

**Revenue**

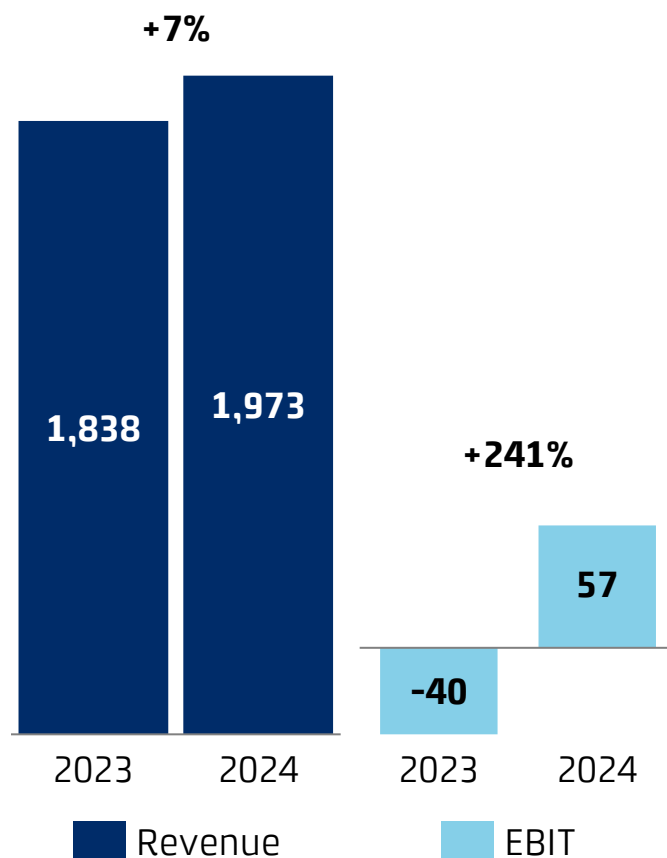
- Pass through of higher Swissgrid transmission grid tariffs (no EBIT impact)
- Tariff increase to recover costs that occurred in previous years

**EBIT**

- Tariff increase to recover costs that occurred in previous years
- Higher hydro production reduce grid procurement costs from Swissgrid transmission grid
- Increase of WACC from 3.83% to 4.13%

# Infrastructure & Buildings: Back on track, EBIT margins significantly improved

CHF m Revenue / EBIT



Key points

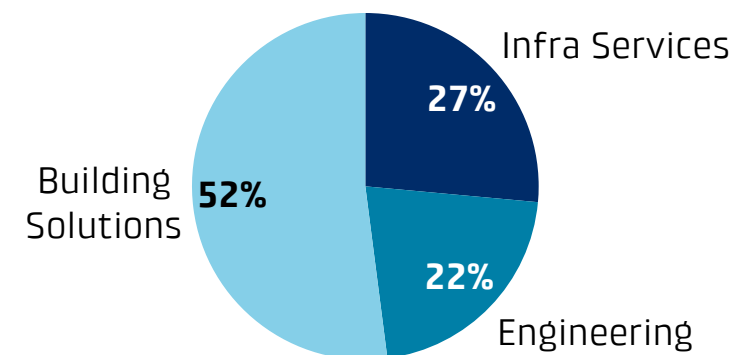
## Revenue

- Significant organic growth, primarily driven by the strong development of Infra Services

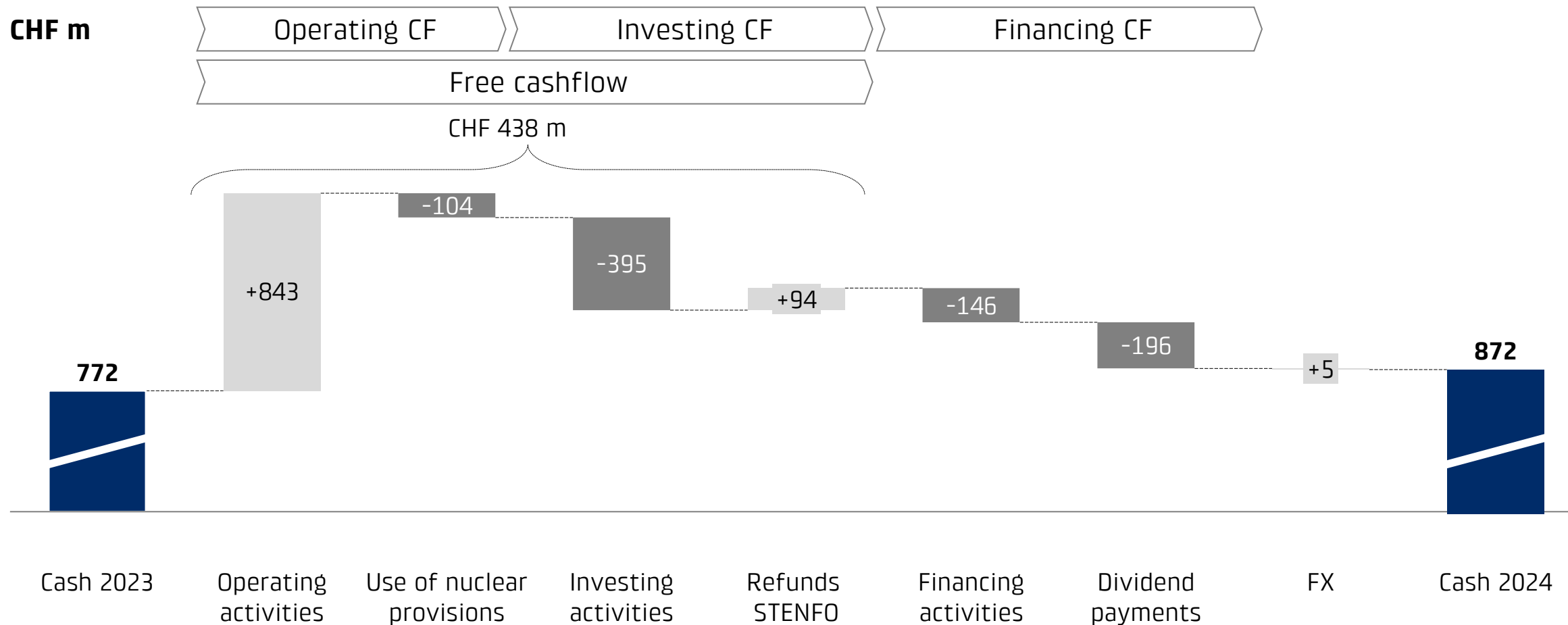
## EBIT

- Efficiency gains through targeted optimization of structures and processes
- Substantial improvement of EBIT margins across all business areas
- EBIT higher than 2022 (EBIT 2022: 53 CHF m)

Revenue split

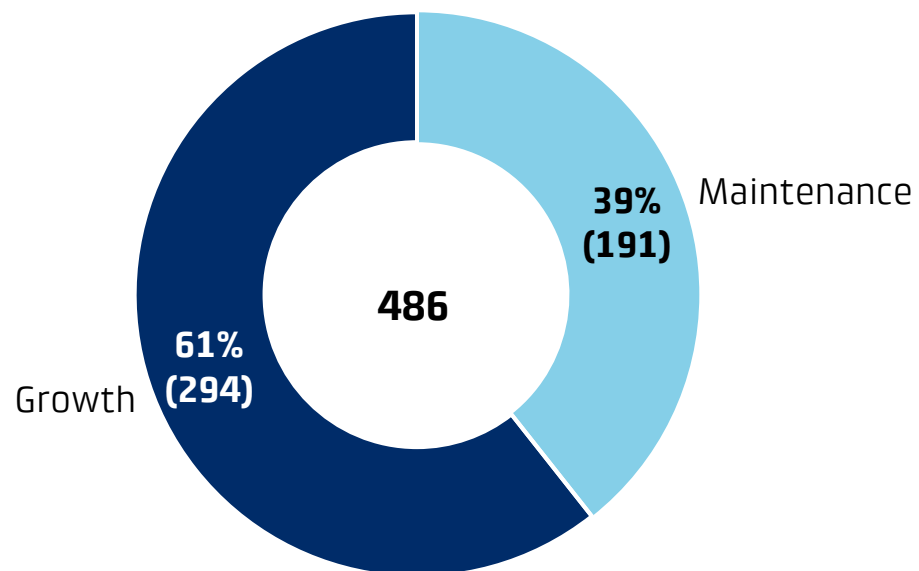


# Free cashflow remains strong while investing for future growth



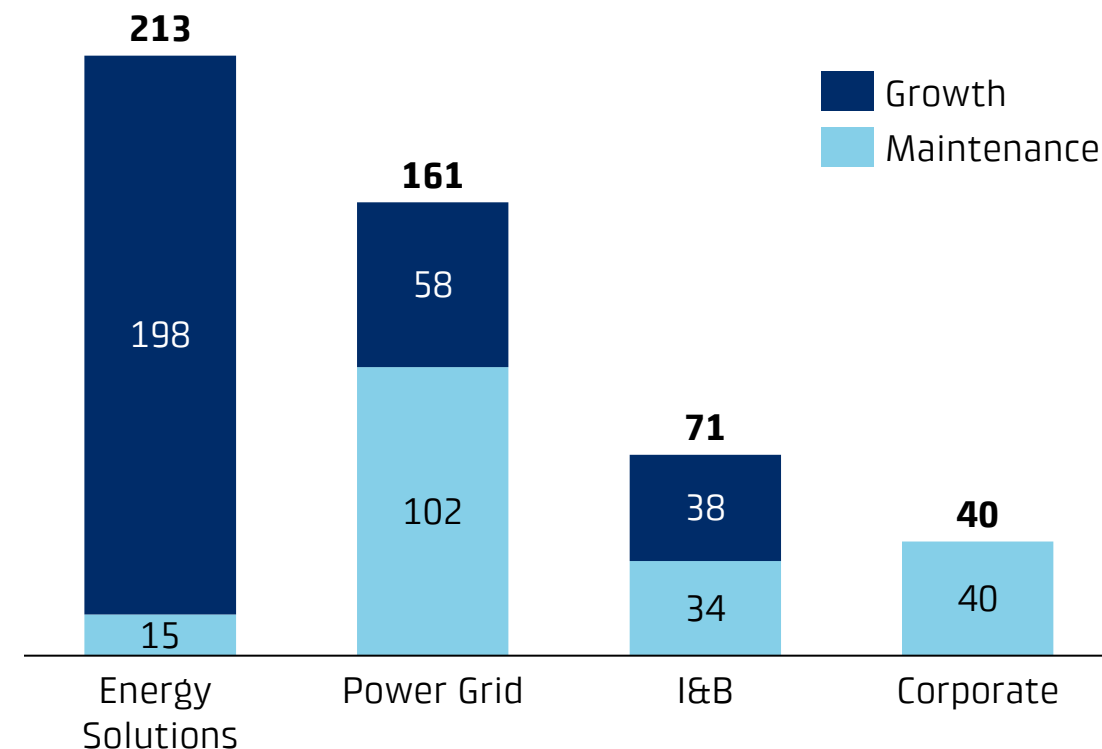
# Capital directed towards the energy transition: Focus on renewable energy and grid expansion

CHF m

Investments<sup>1</sup>

CHF m

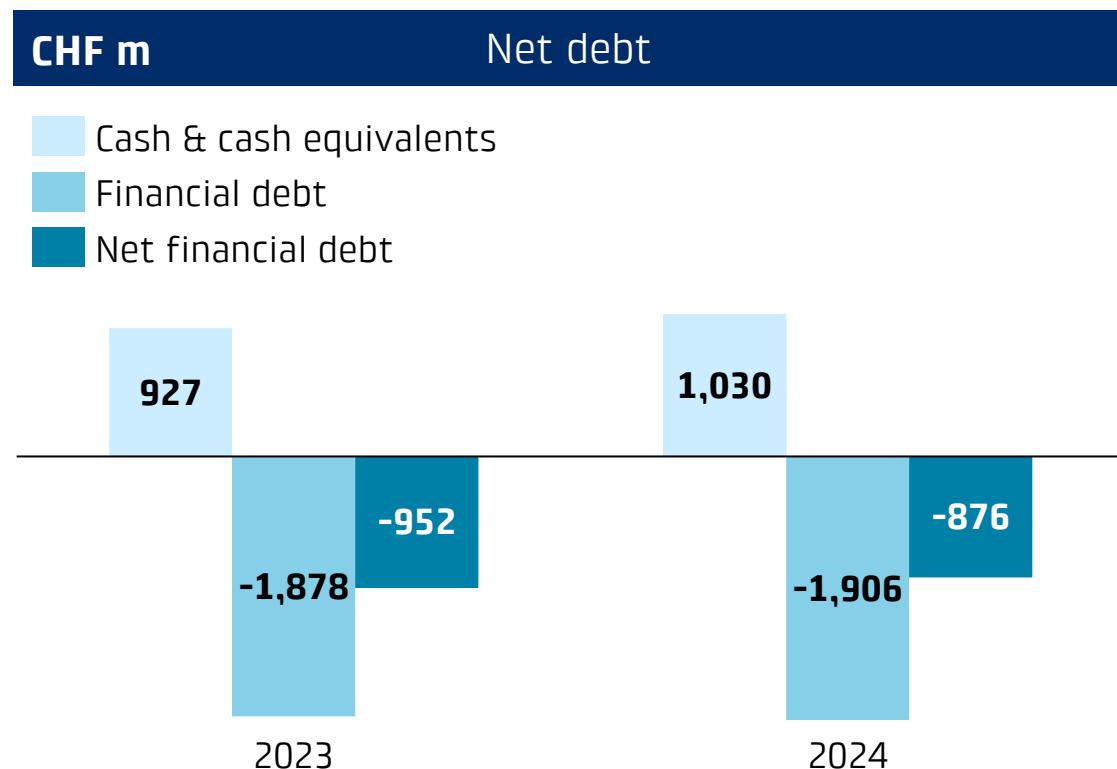
Investments by segments



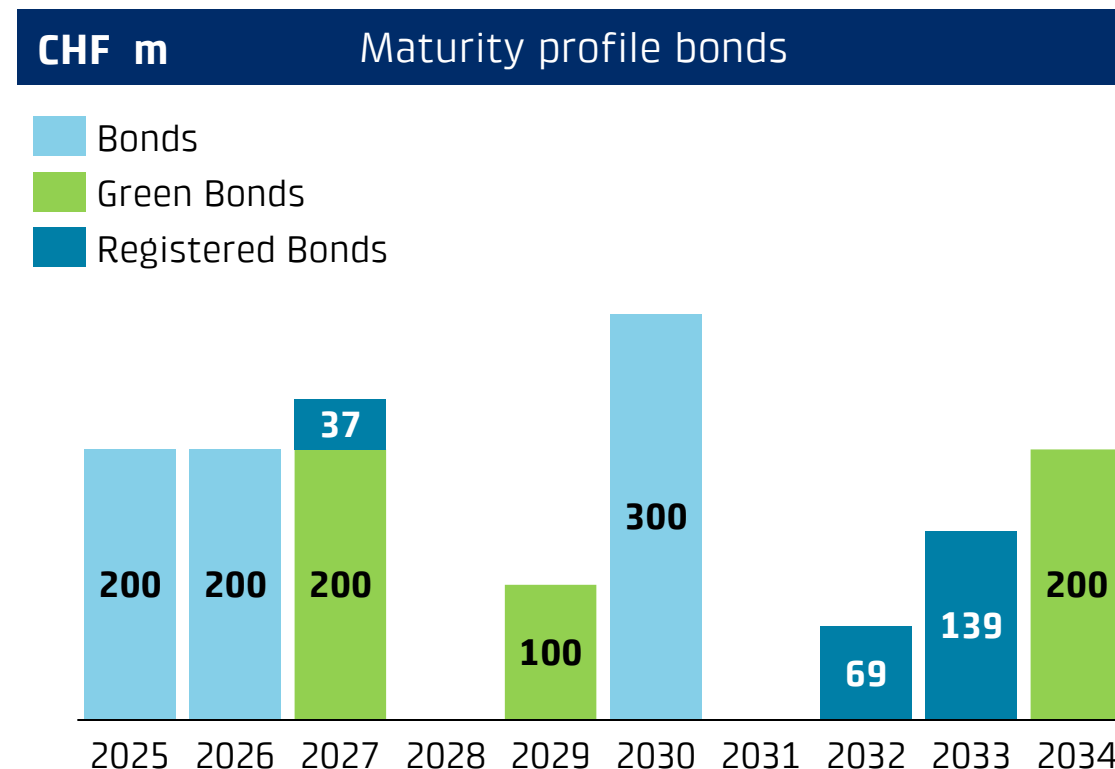
<sup>1</sup> Investments in property, plant and equipment; acquisitions of group companies; and investments in intangible assets

# Higher liquidity strengthens net debt metrics

## Robust financing strategy drives financial flexibility

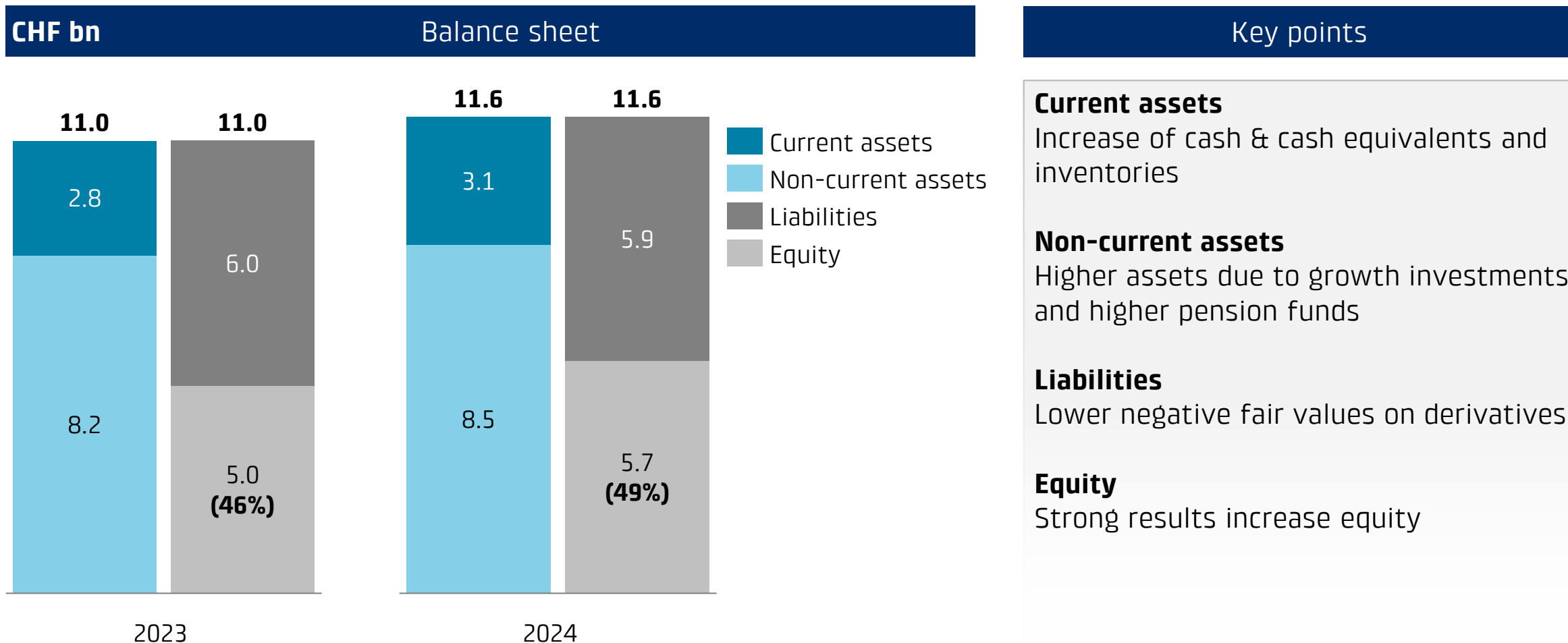


Liquidity higher due to strong operating cashflow;  
Investments fully self-financed, keeping gross debt  
at a steady level



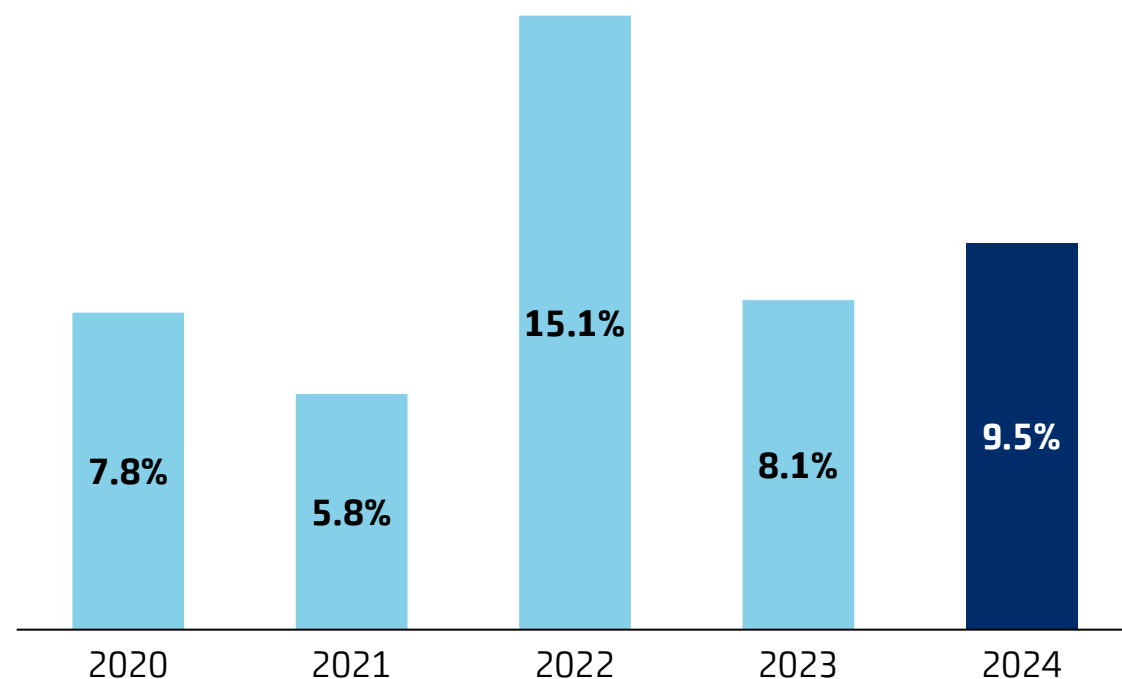
Additional undrawn RCF of CHF 1 bn (2029+1+1)  
and accordion option of CHF 0.5 bn

# Further increase of equity in absolute and relative terms, supporting the future balance sheet extension

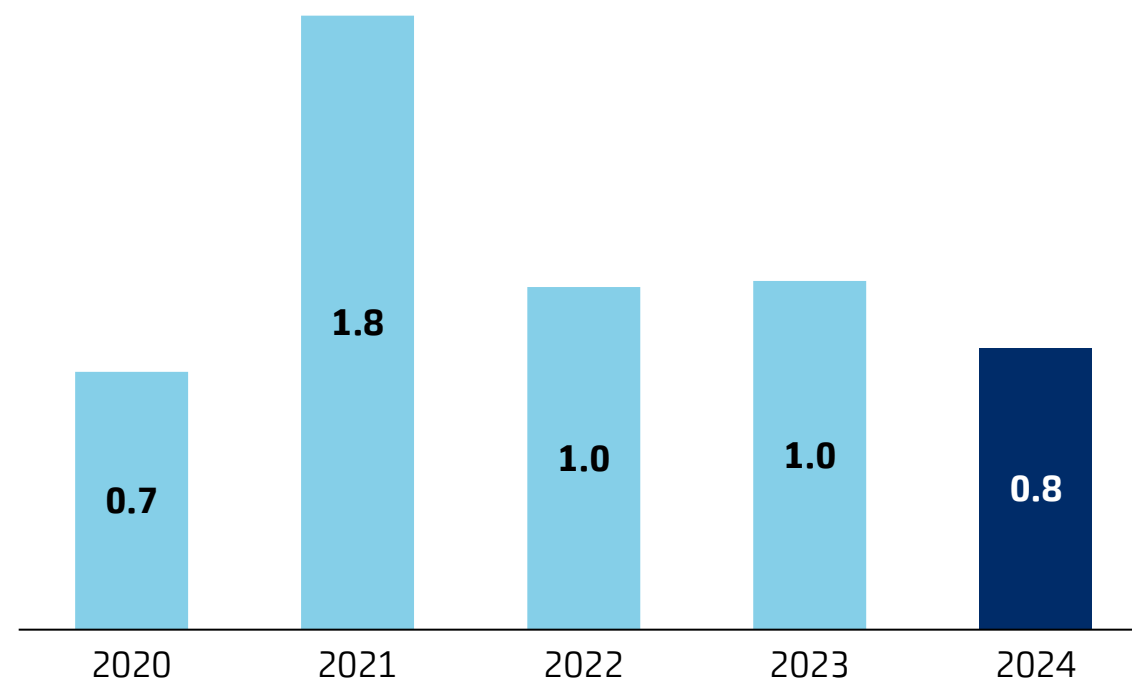


# ROCE outperforms capital costs by far

## Further improved Net Debt / EBITDA ratio

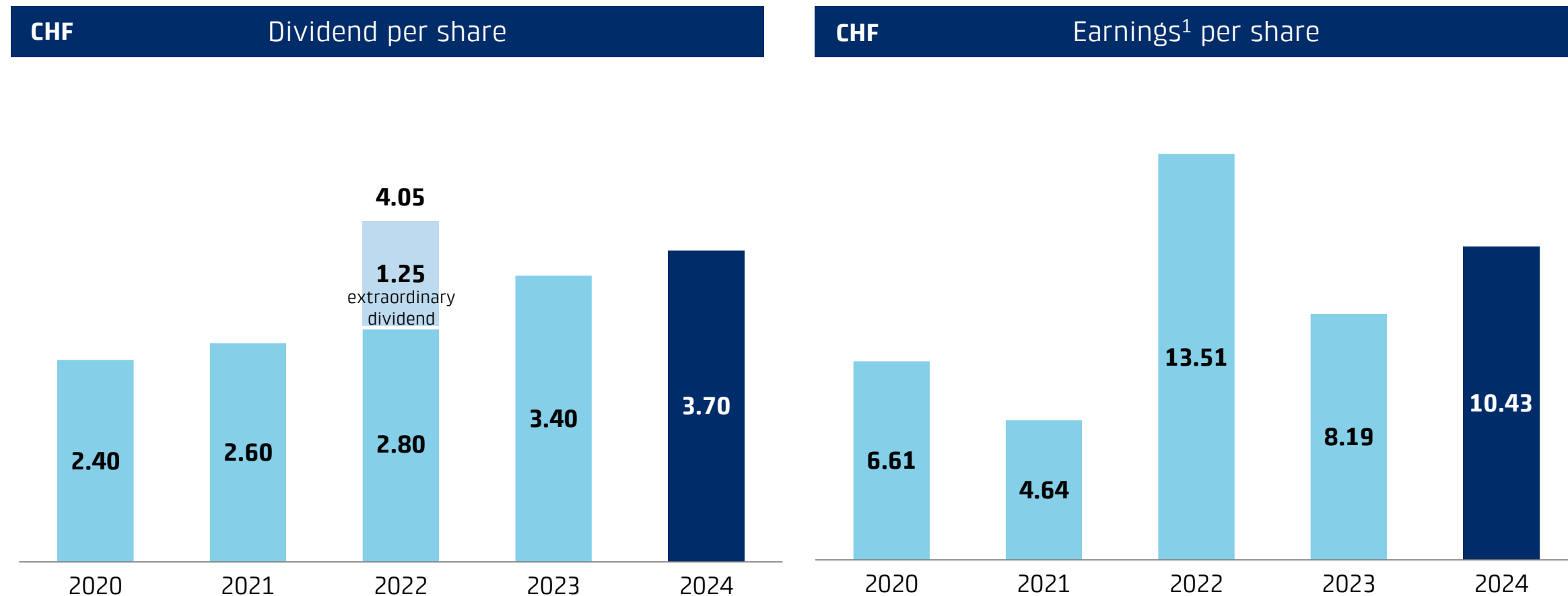
Return on Capital Employed<sup>1</sup> (ROCE)

Net Debt / EBITDA



<sup>1</sup> Net operating profit after tax / capital employed including goodwill

# Proposed 9% increase in regular dividend from CHF 3.40 to **CHF 3.70** in line with dividend policy



<sup>1</sup> Operating net profit = Net profit before gains/losses from KKM-STENFO, net of tax



# Outlook for the 2025 fiscal year

CEO Robert Itschner

# “BKW Solutions 2030”: Solutions for a new energy world

## BKW offers solutions to address

- the **changing needs** of customers, investors and the public
- the dramatic **increase** in demand for **energy and resource efficiency**
- the **accelerated transformation** of the **energy system**



# Energy Solutions: Production, storage and marketing



## 2025 outlook

- Commissioning of Cerignola wind farm (IT)
- Commissioning of Sousbach hydro power plant
- Commissioning of Oberfranken battery storage (DE)
- Further expansion of structured customer solutions

# Power Grid: Smart expansion while maintaining high availability



## 2025 outlook

- Smart Meter rollout ongoing
- Optimized processing of grid connection requests
- Review of basic electricity supply product portfolio
- Enabling of local electricity associations

# Infrastructure & Buildings: Selective, profitable growth



## 2025 outlook

- Extension of Terminal 1E at Munich Airport
- Large order in TenneT grid reinforcement project of 380 kV line Unterweser-Conneforde (DE)
- Expansion of SBB Bern-West
- Increased focus on service business

# EBIT guidance 2025

## **Energy Solutions**

Further market normalization

## **Power Grid**

Stable EBIT contributions

## **Infrastructure & Buildings**

Continuing to increase profitability

**BKW expects EBIT in the range of CHF 650 to 750 m for the 2025 fiscal year.**





Q&A



We create spaces for life.

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