

A photograph of modern buildings at dusk. The sky is a deep blue, and the buildings are illuminated from within, showing warm yellow lights. The buildings have a mix of glass facades and concrete structures with balconies.




Outstanding annual results 2019

INVESTOR PRESENTATION, 18 MARCH 2020



FY 2019: outstanding

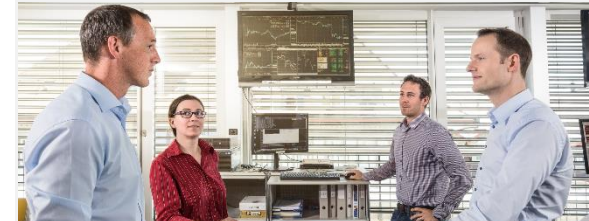
Growth on all levels

Revenue	+7%	
EBIT	+19%	
Net profit	+149%	
FFO	+52%	

Main drivers



Remarkable growth of Services

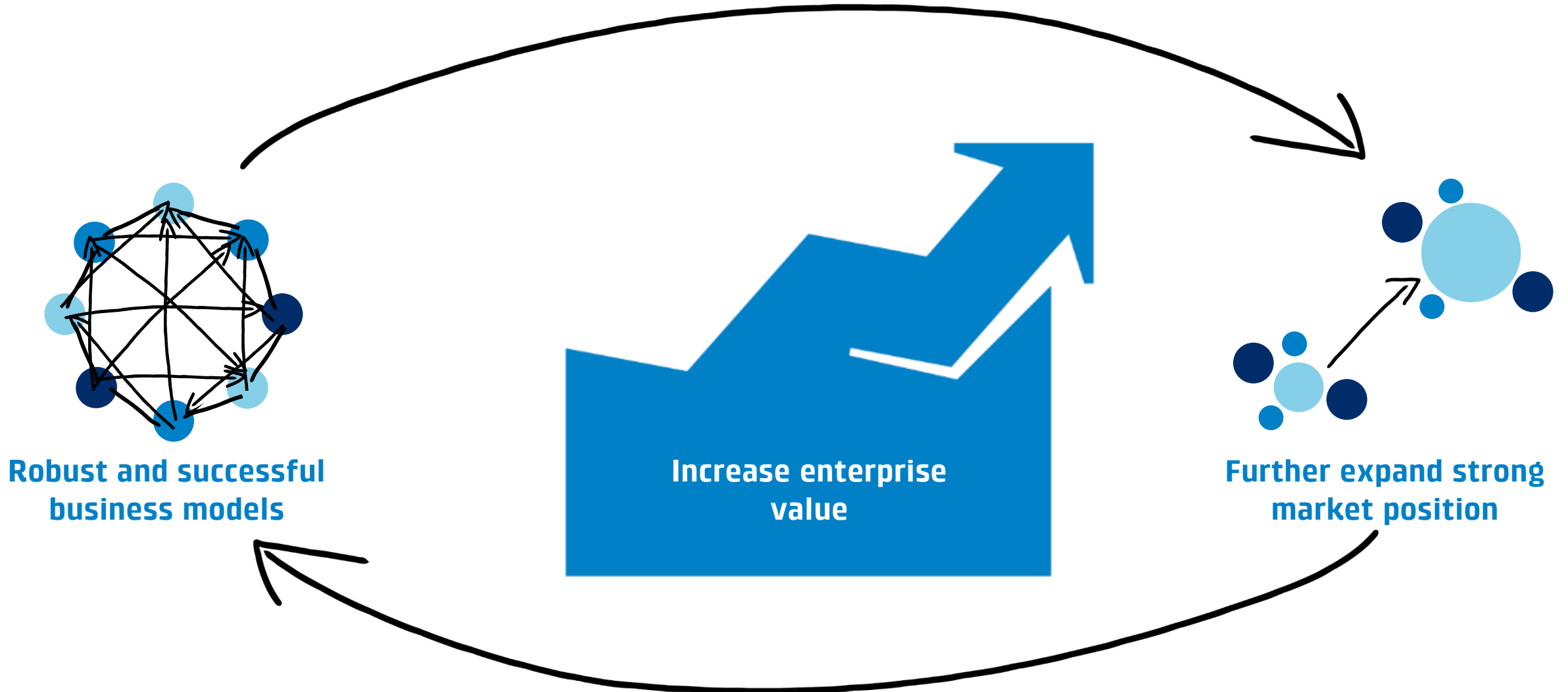


Excellent results of trading business



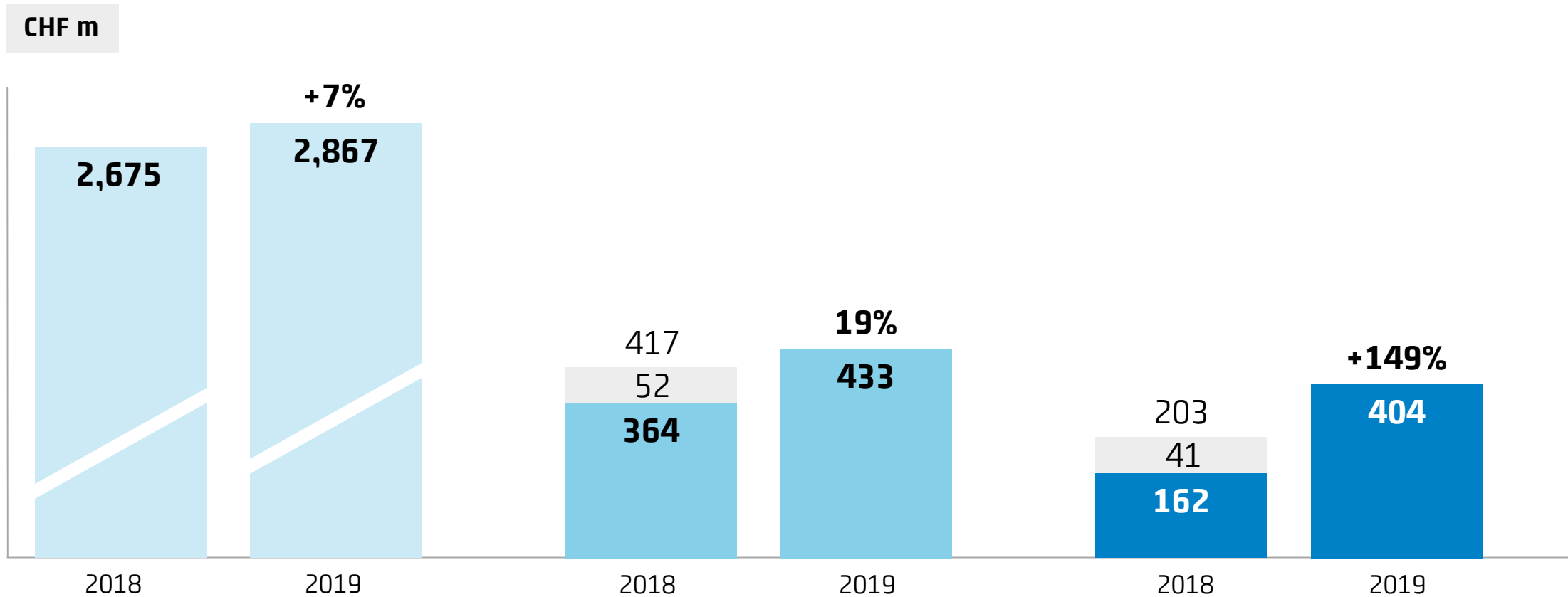
Strong performance of state funds

BKW succeeds with strong business models in growing markets



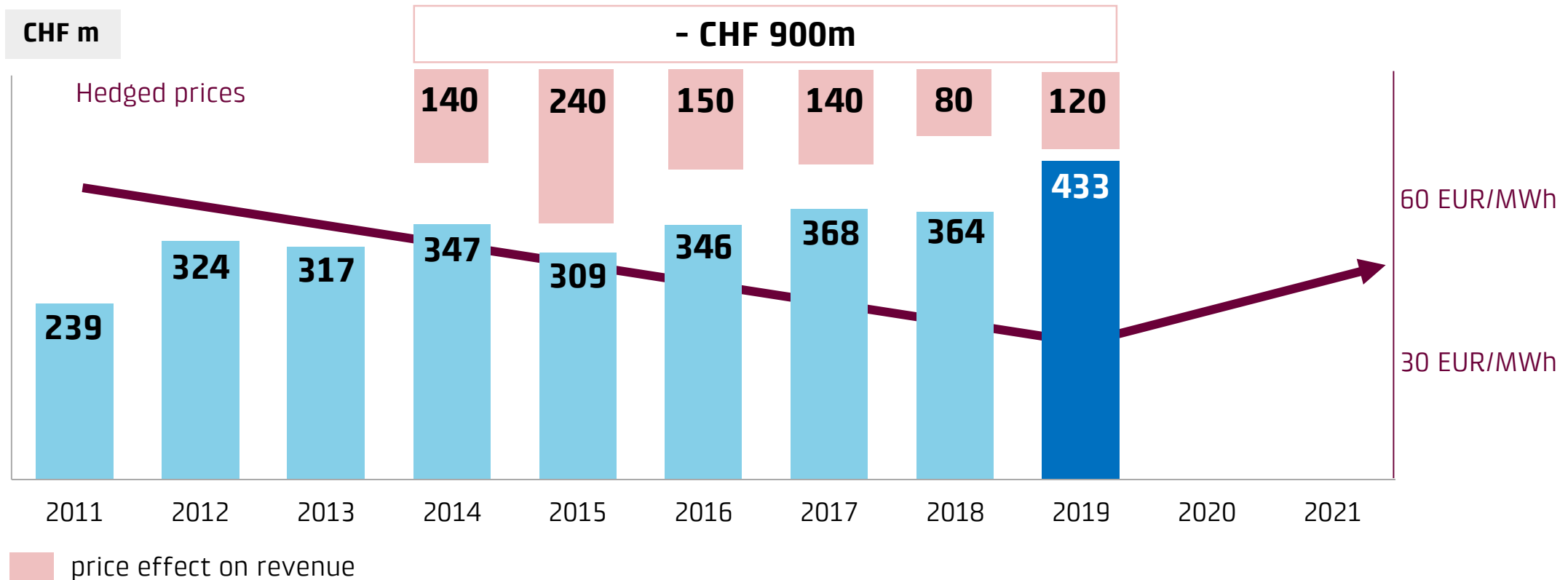
Financials FY 2019

Operating revenue, EBIT and net profit



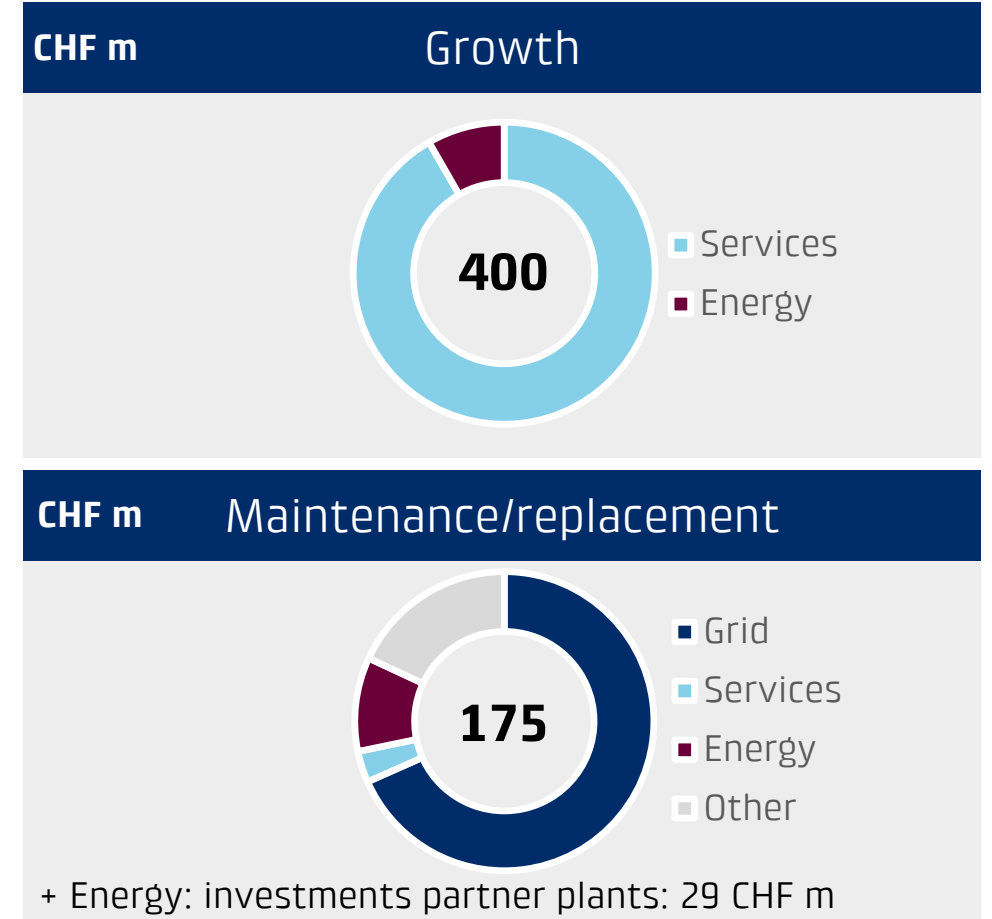
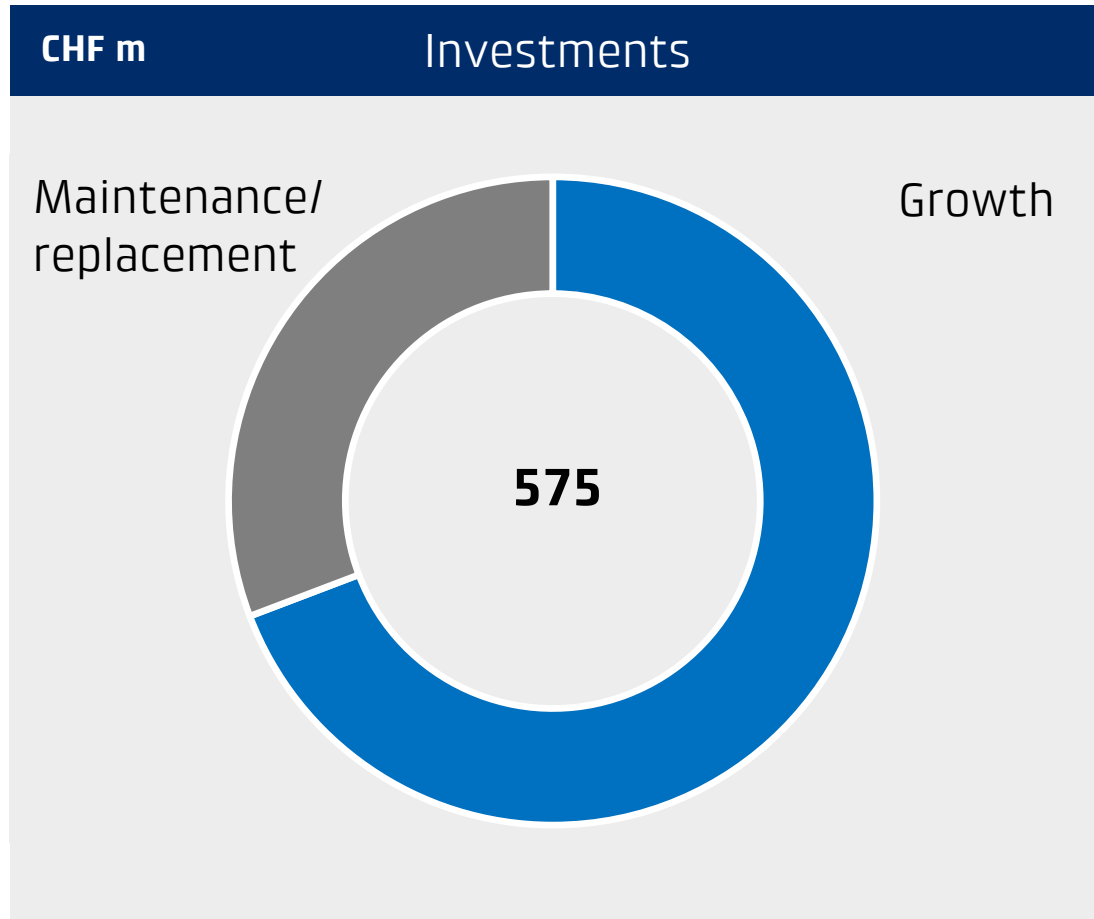
Significant growth on all levels – despite lower electricity prices

EBIT development / price effect on revenue



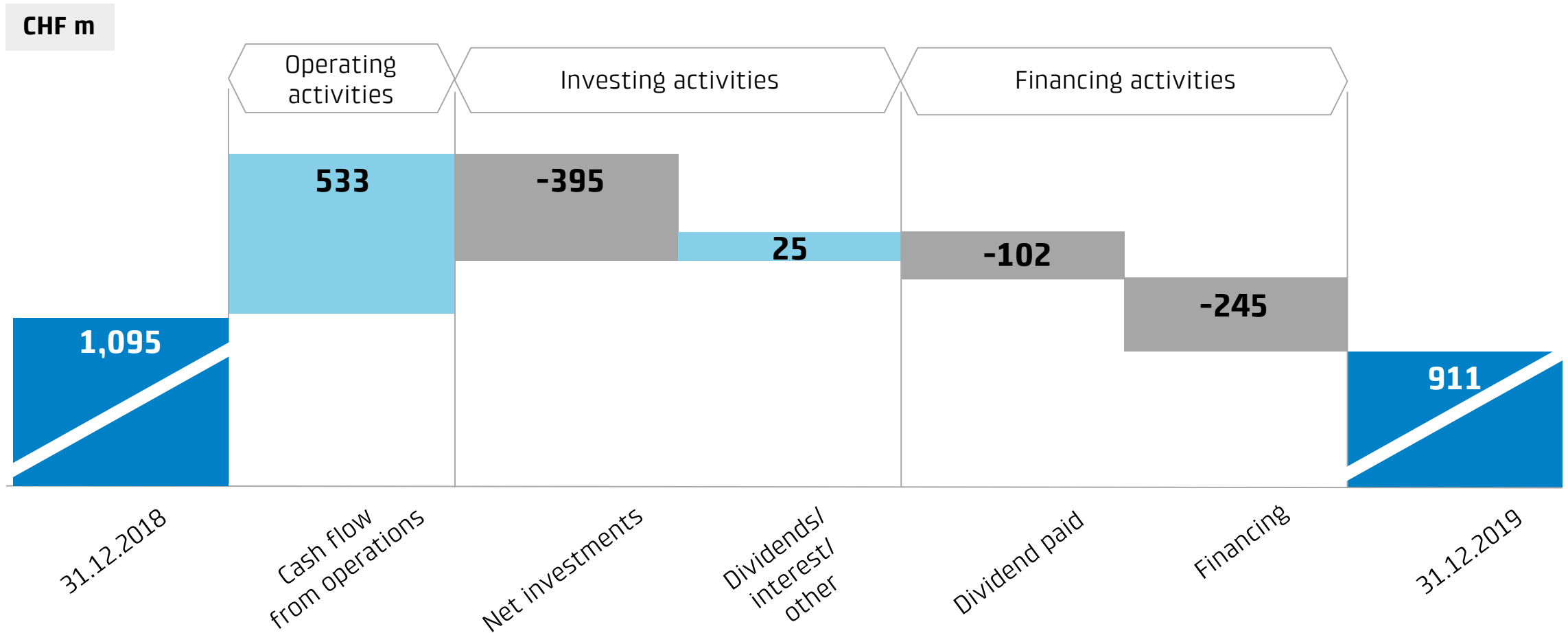
Negative price effect 2019 of CHF 120m on revenue significantly overcompensated on EBIT-level

70% of investments in growth



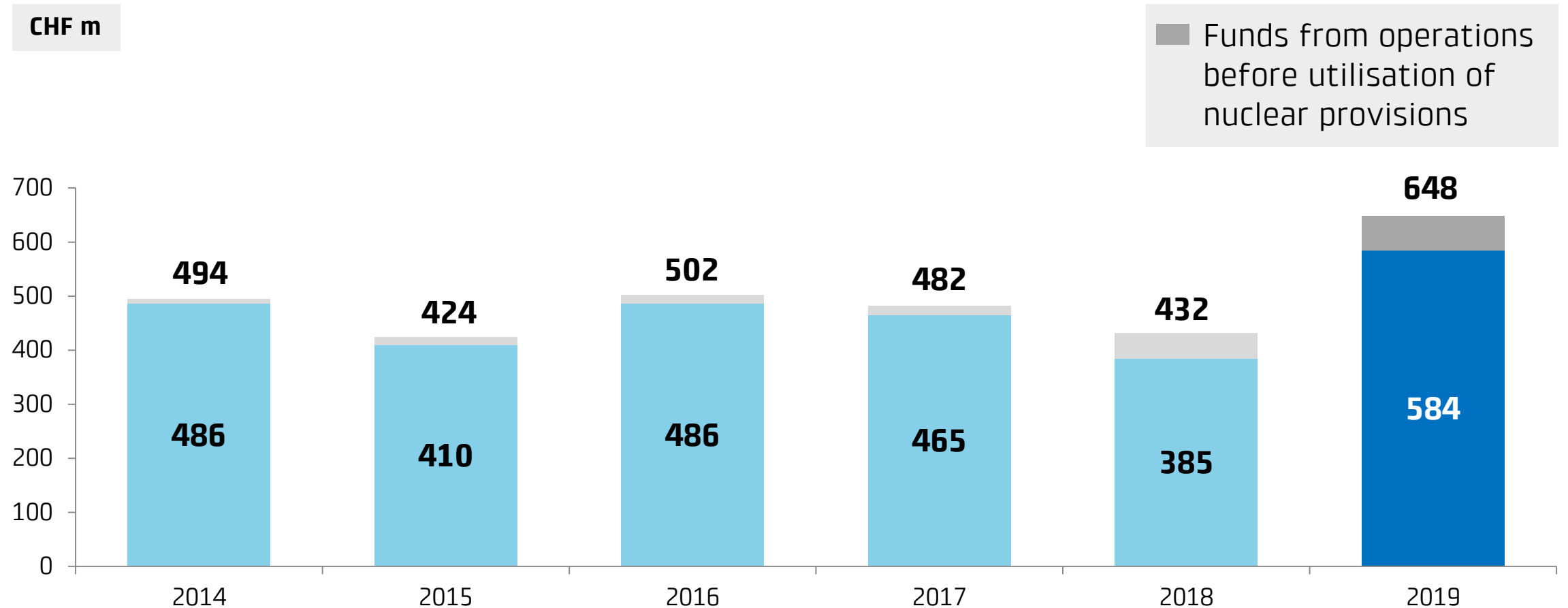
Main investment activities: growth of Services and Grid maintenance

Strong liquidity at CHF 0.9bn



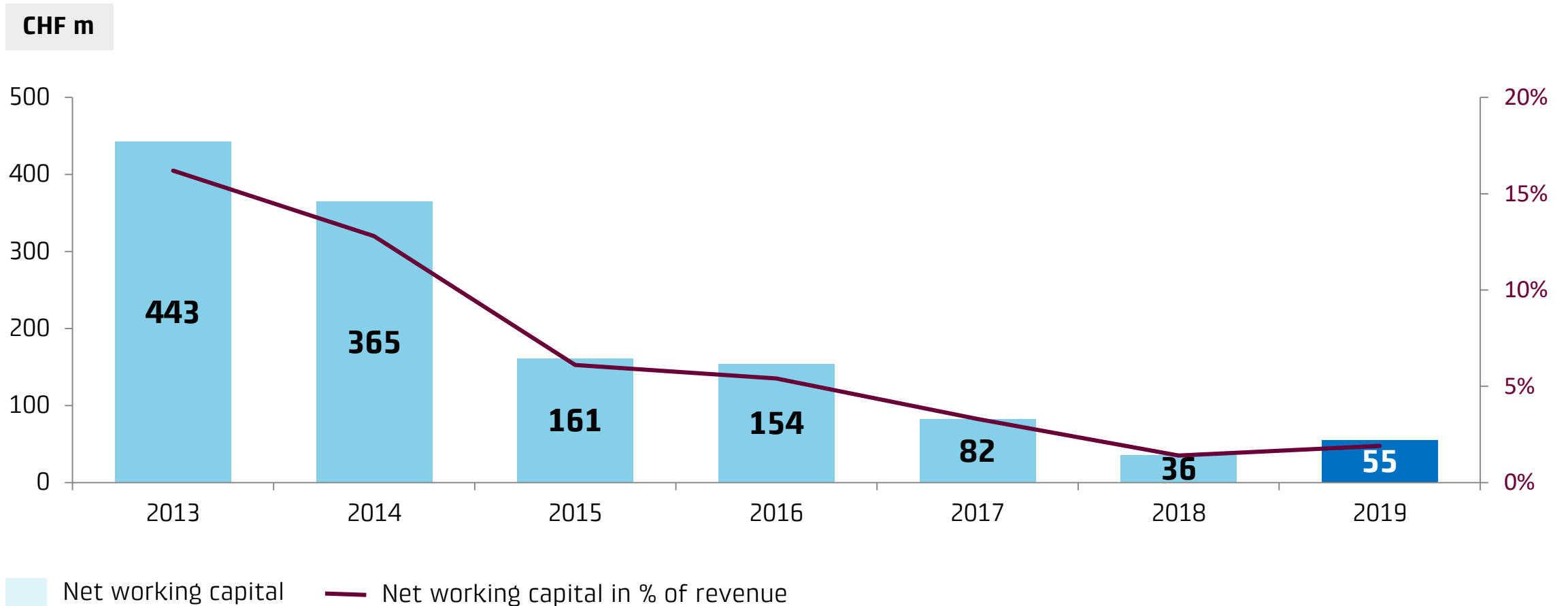
Strong operating cash flow preserves high liquidity despite substantial investments

Funds from operations at a record high



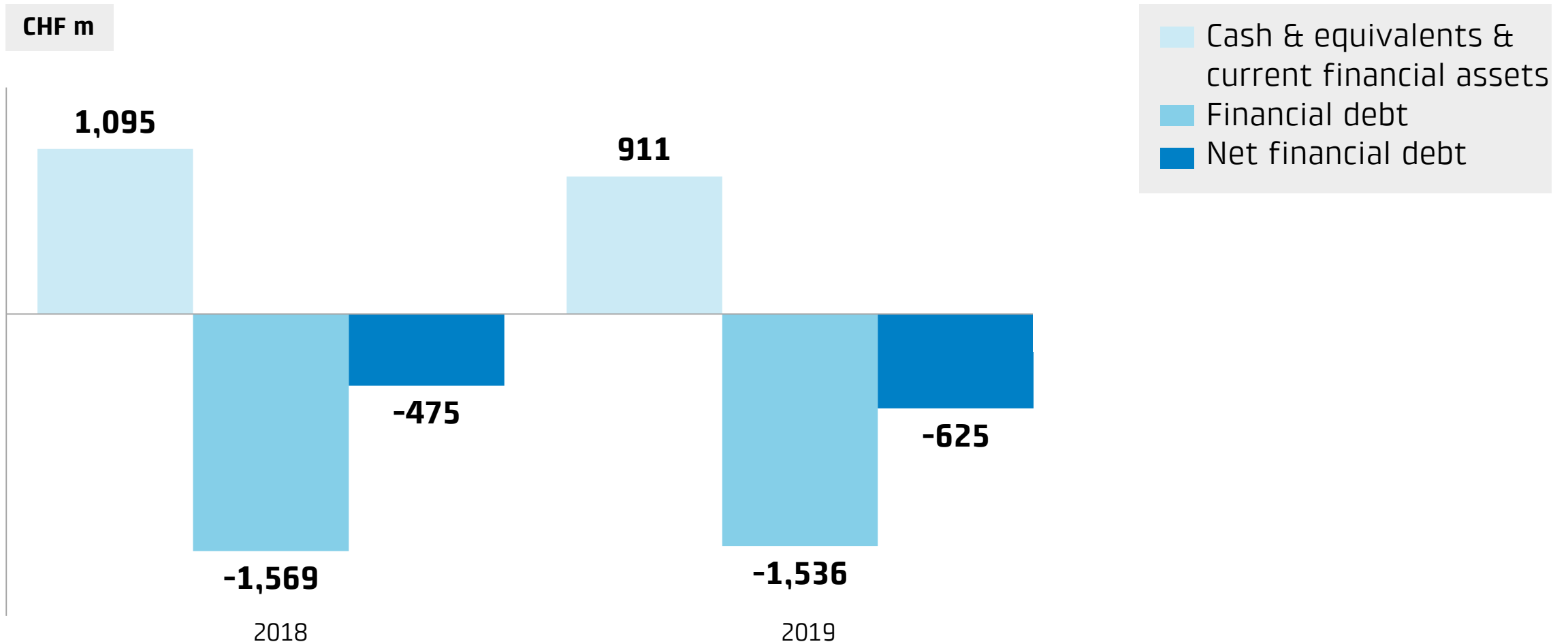
Consecutive strong cash inflows: 2019 on record level

Successful net working capital management



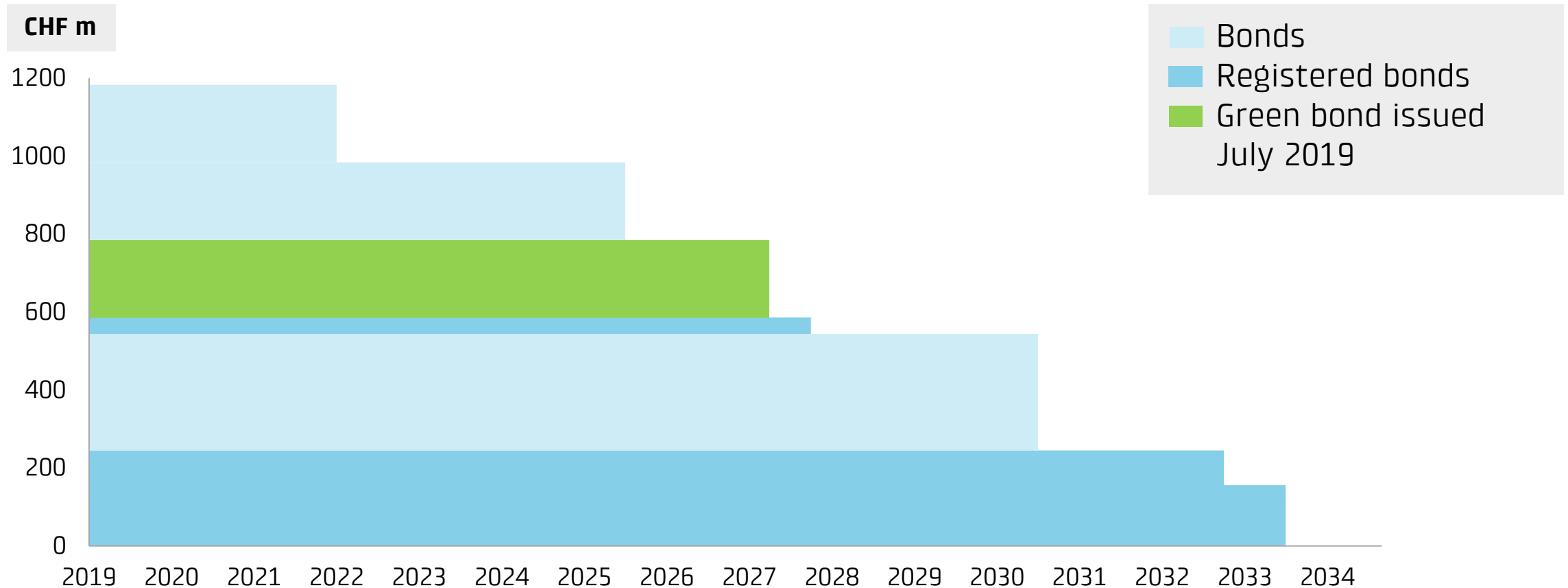
Net working capital substantially reduced

Sound financial situation



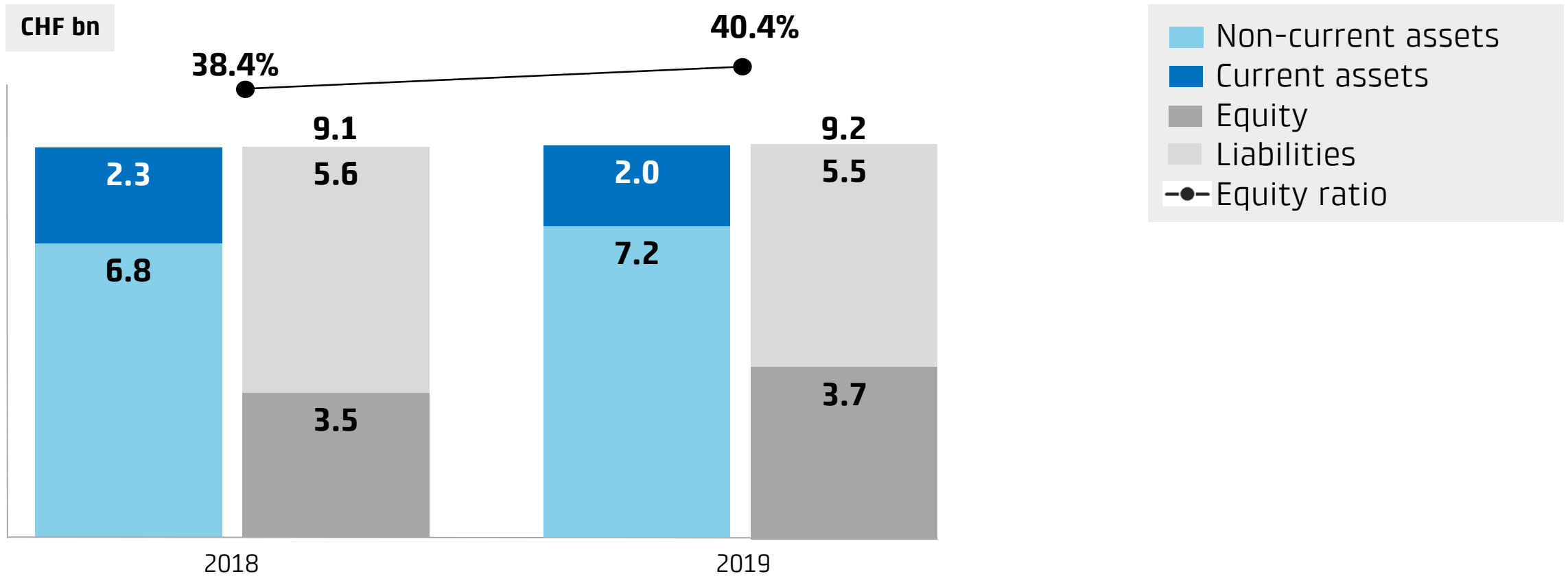
Net debt remains on low level – despite significant investments

Long-term financing framework ensures financial flexibility



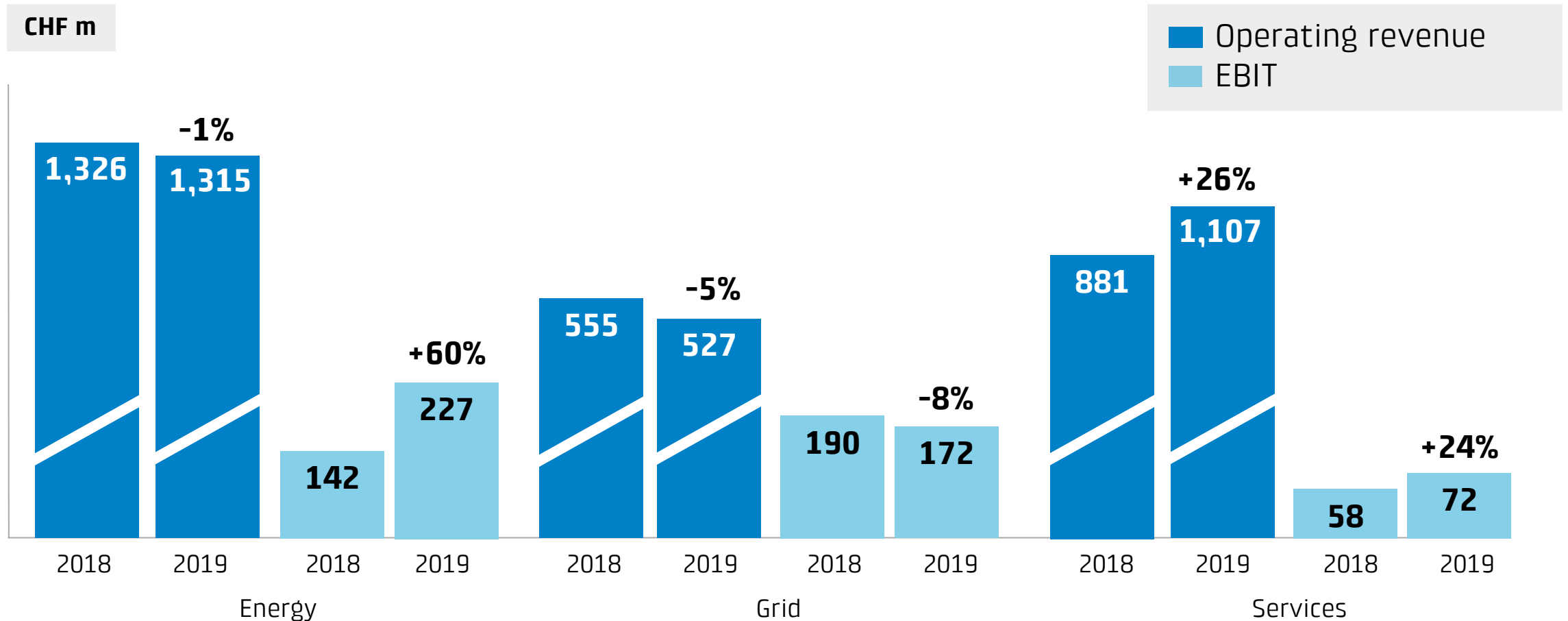
0.25%-Green bond of CHF 200m successfully issued in July 2019

Sound balance sheet: equity ratio at 40.4%



Increased equity ratio resulting from strong net profit

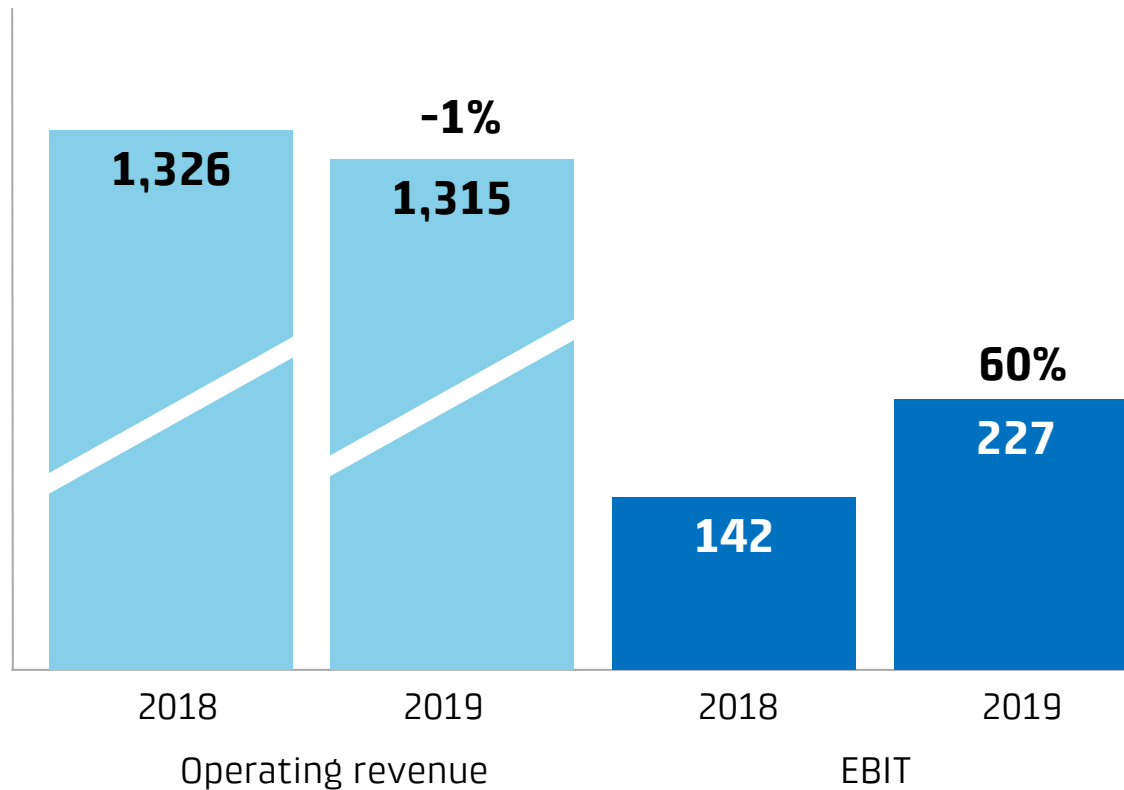
Operating revenue and EBIT per business area



Sharp increase in Energy on EBIT level, consistent growth in Services, stable Grid contribution

Energy: negative price effects largely compensated

CHF m



Key points

Negative price effect of CHF 120m nearly compensated on revenue resulting from:

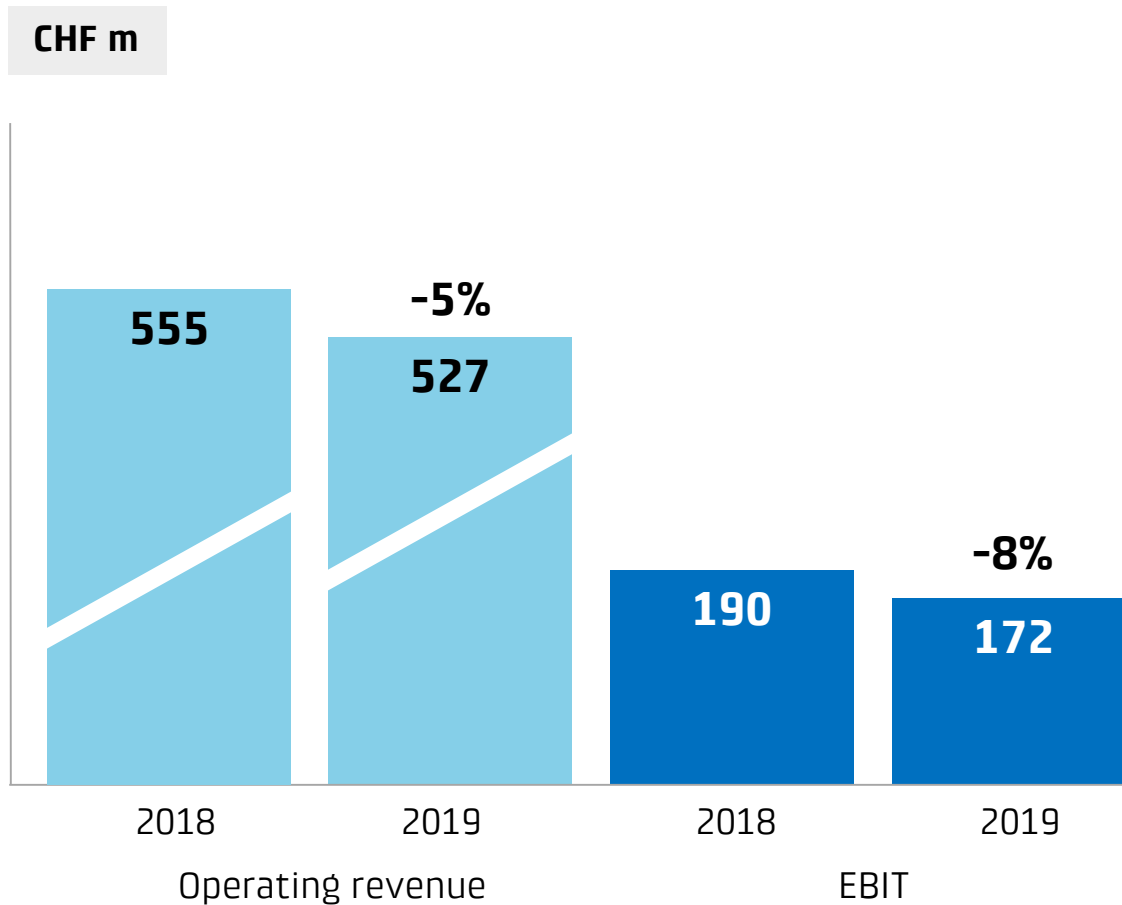
- Higher production volumes
- Higher trading and sales revenue

More than offset on EBIT-level by

- Excellent trading result
- Better sales margins
- Lower cost

Ongoing successful transformation of the Energy business

Grid: solid EBIT-contribution



Key points

Lower revenue due to

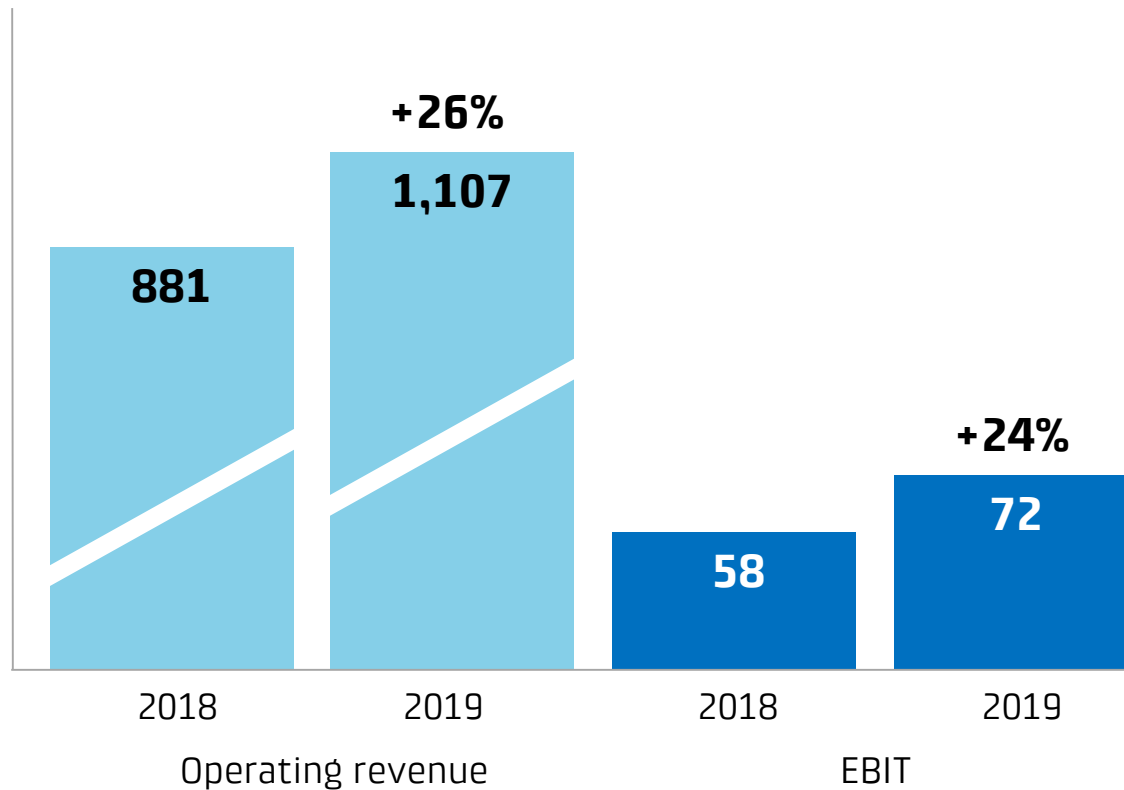
- minor tariff reduction
- weather conditions

Income from associates impacted by one-off effect swissgrid

Grid once more with a stable result

Services: consecutive strong growth

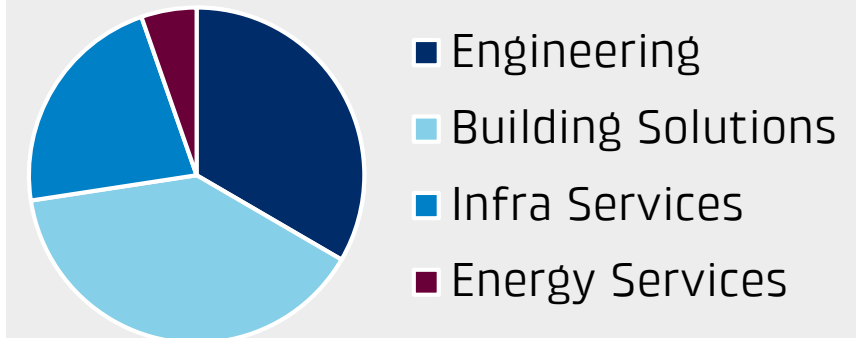
CHF m



Key points

- Sales above CHF 1,1bn, up by 26%
- 20 acquisitions in 2019 (growth in all key business fields)
- Stable EBIT-margin at 7%

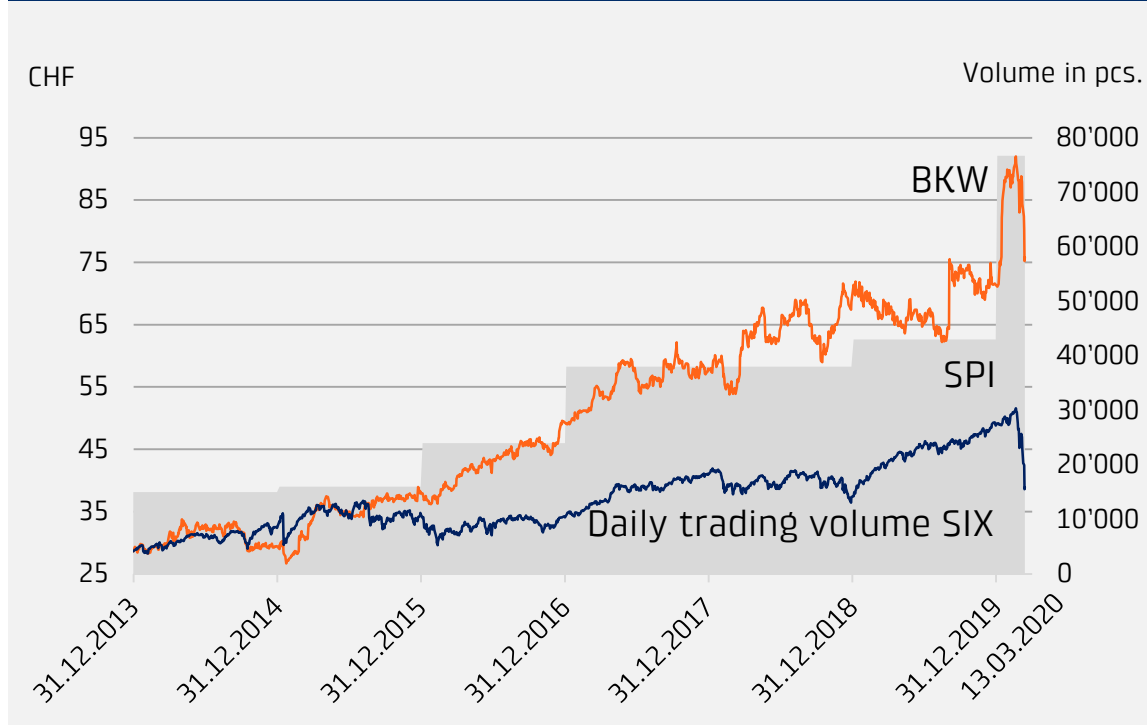
Revenue breakdown



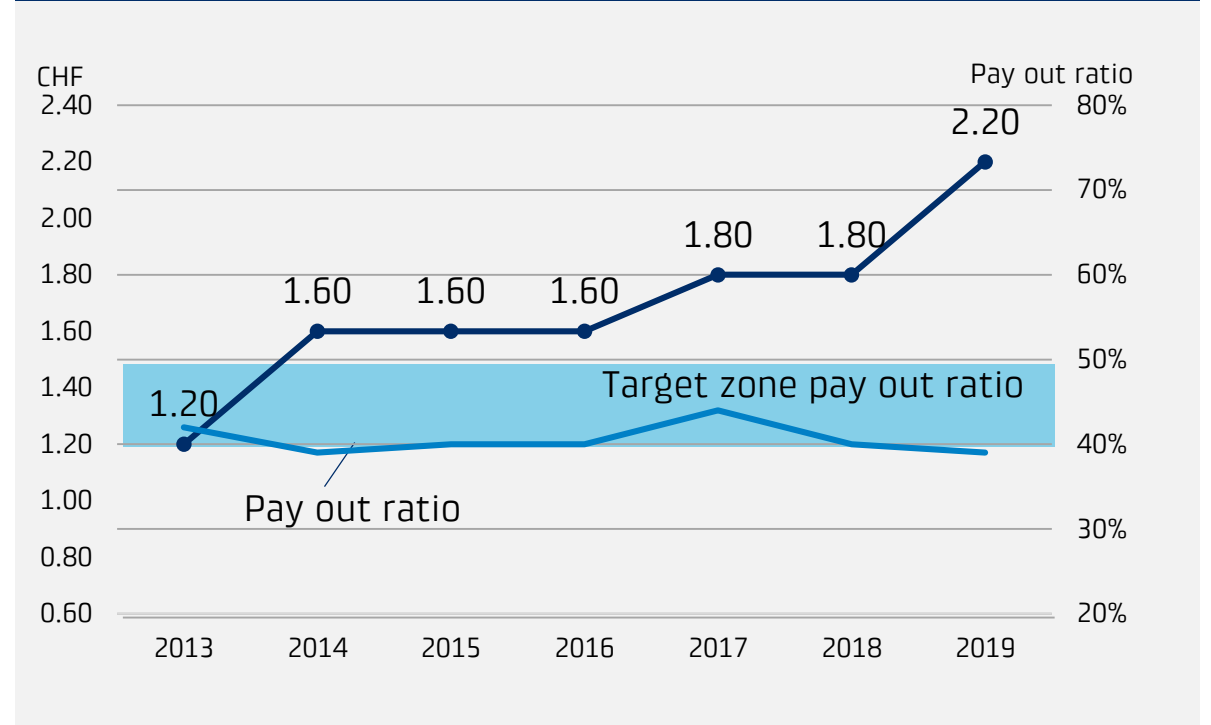
Significant expansion achieved: BKW among top leaders in all major business fields

Dividend: CHF 1.80 → CHF 2.20

Share price



Dividends



Annual total shareholder return above 23% since 2014

Outlook and strategy update

BKW expects to successfully continue its transformation

Based on normalized trading result and state fund performance,

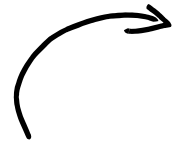
BKW expects FY 2020 operating profit to be in the range of **CHF 380m to 400m**

This expectation reflects:

- Increase of wholesale power prices
- further profitable growth of the Services business

It is difficult to assess the effects of the coronavirus on the economy in general and on BKW in particular at present. However, BKW's strong position in the Energy and Services business will also be advantageous in these circumstances.

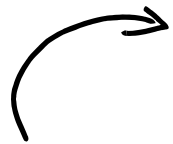
BKW strategy is based on and contributes to society needs and sustainability



Resource efficiency for buildings and infrastructures



Integrated services and solutions



Flexibility and technology for volatile and decentralised energy




Trading and distribution

Renewables and infrastructures for an energy hungry world



Generation

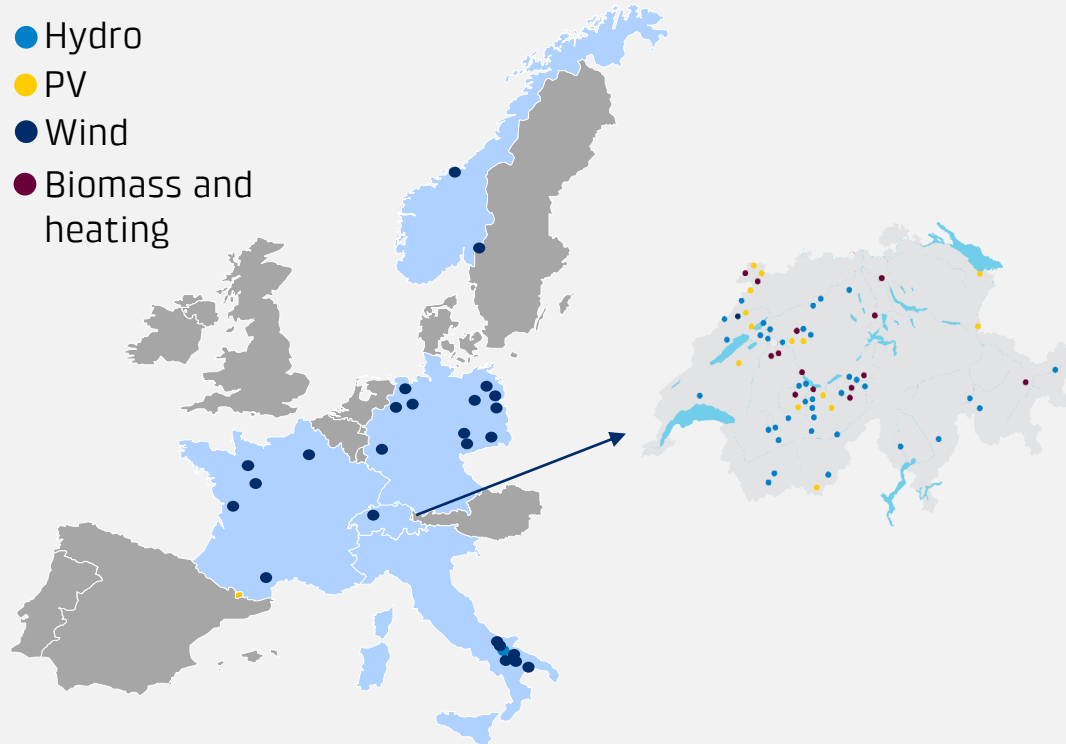


Renewables &
infrastructures
for an energy
hungry world

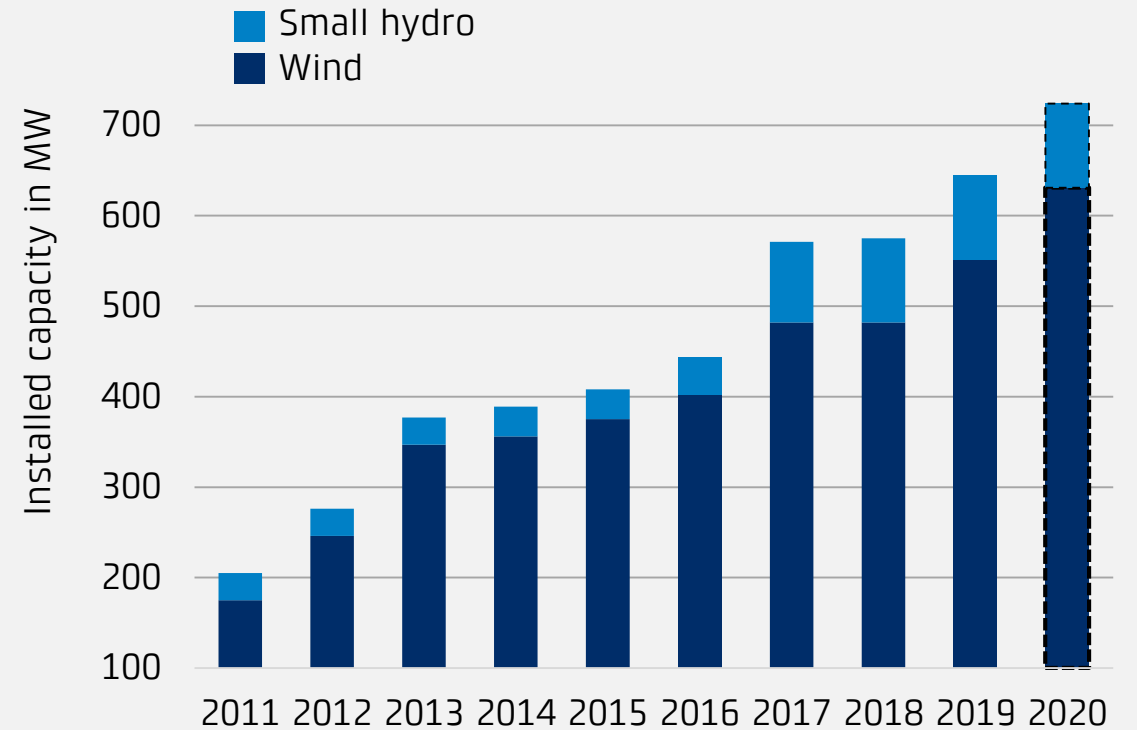
Renewables portfolio contributes to future proof energy system

Diversified renewables portfolio (regulation and weather impact)

- Hydro
- PV
- Wind
- Biomass and heating

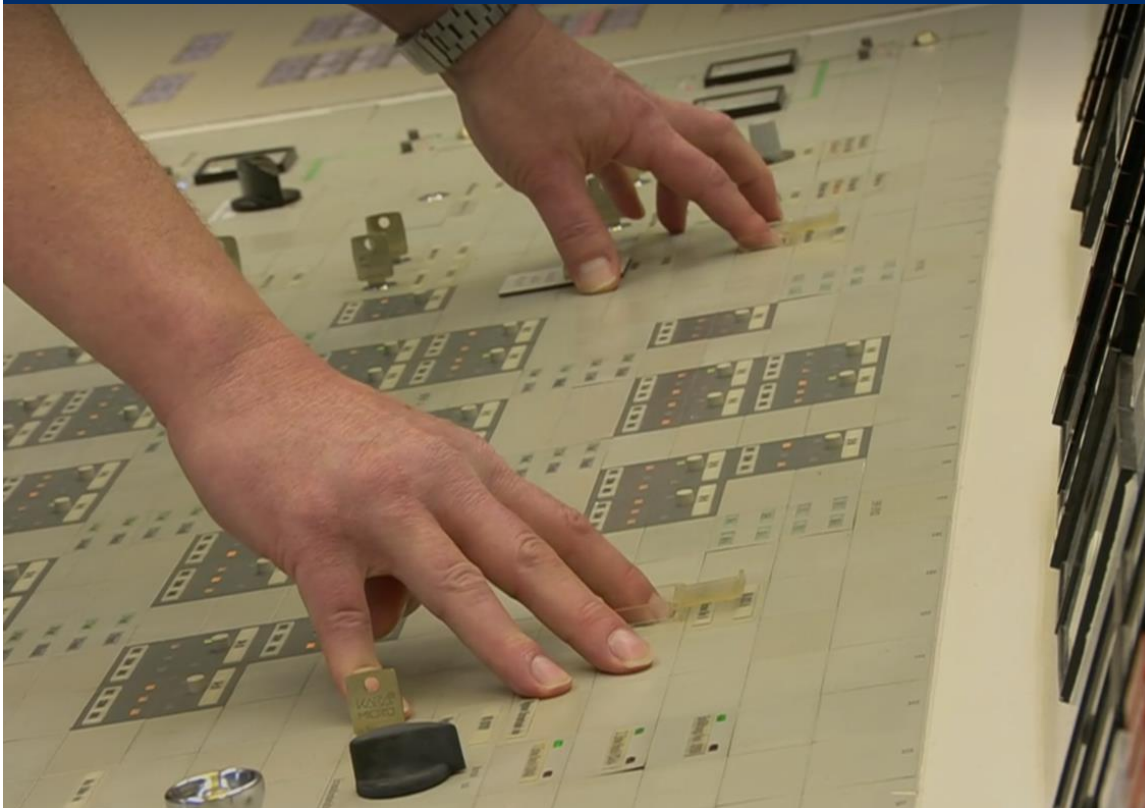


Growing in wind and small hydro




KKM: efficient, save dismantling after successful preparation

47 years of safe and reliable operations ended on 20 December 2019



Dismantling started on 6 January 2020 and is on schedule

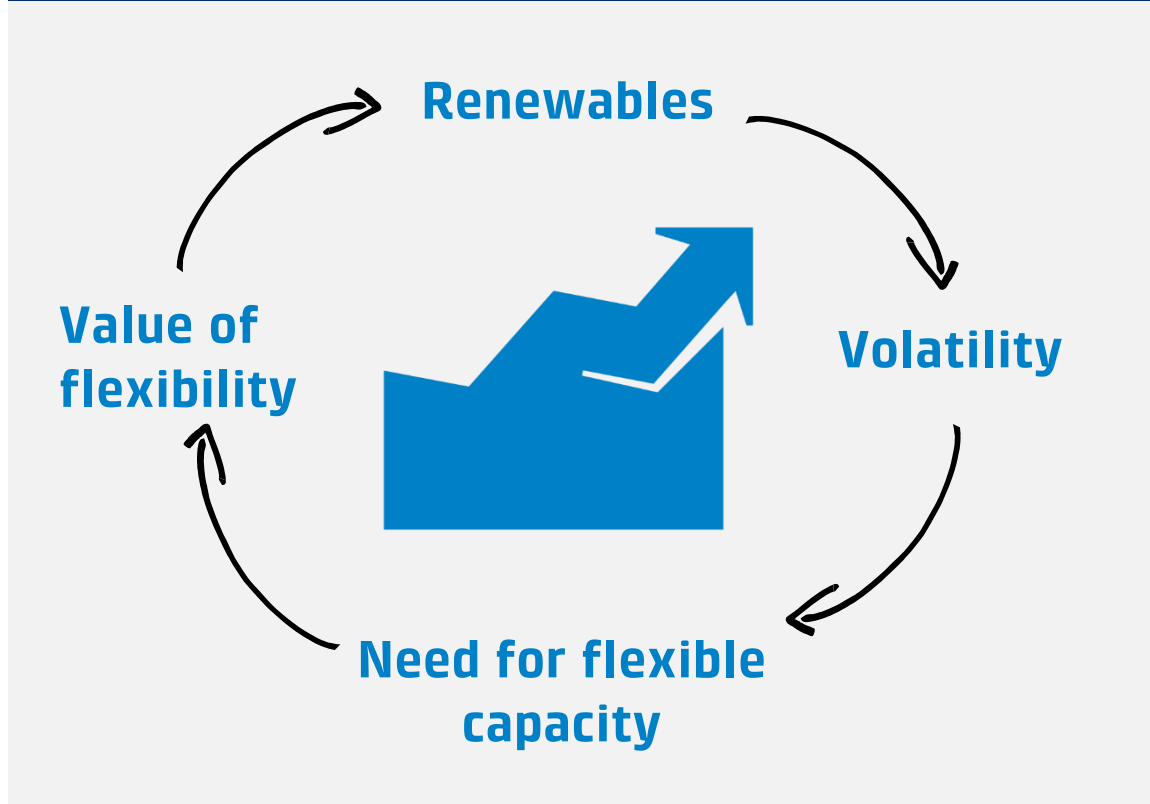




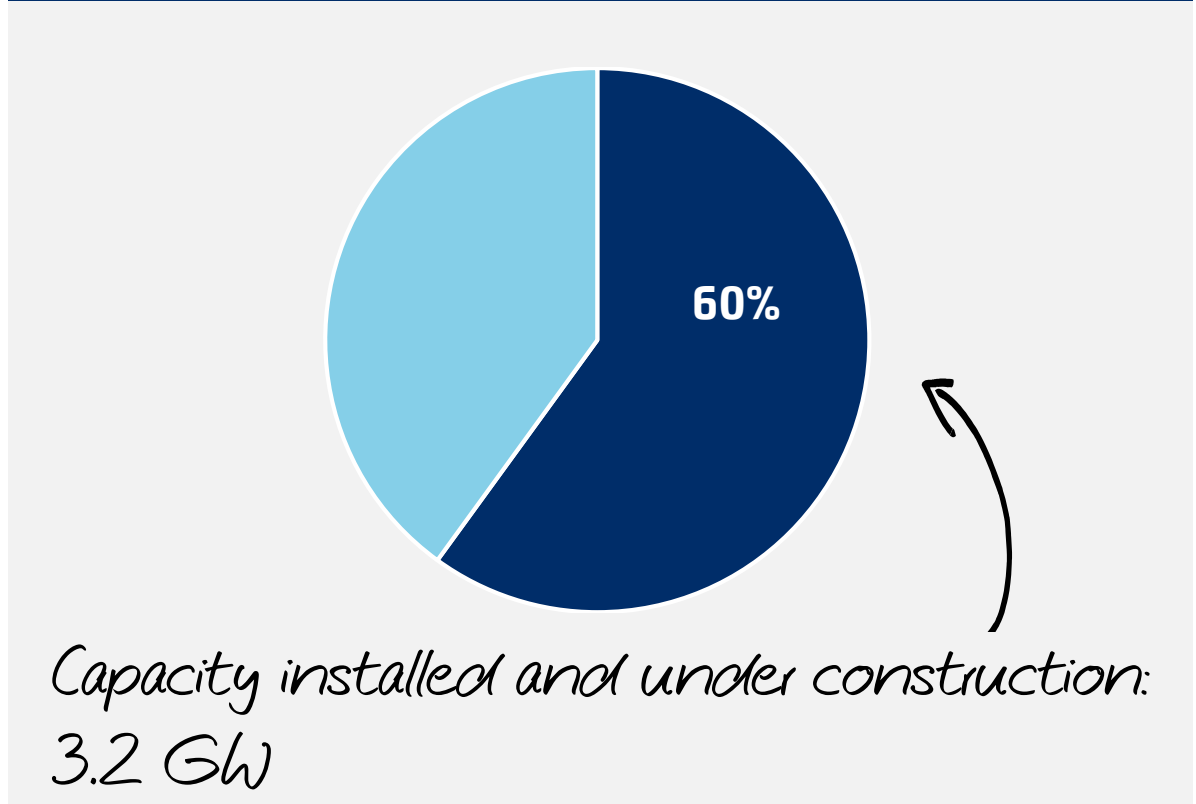
Flexibility for
volatile and
decentralised
energy

BKW's flexible generation technology increases value creation

Market trend



BKW positioning in market: high share of flexible energy production



BKW trading: success with technology and market knowledge



Powerful technology and systems

Integrated market view on all energy commodities

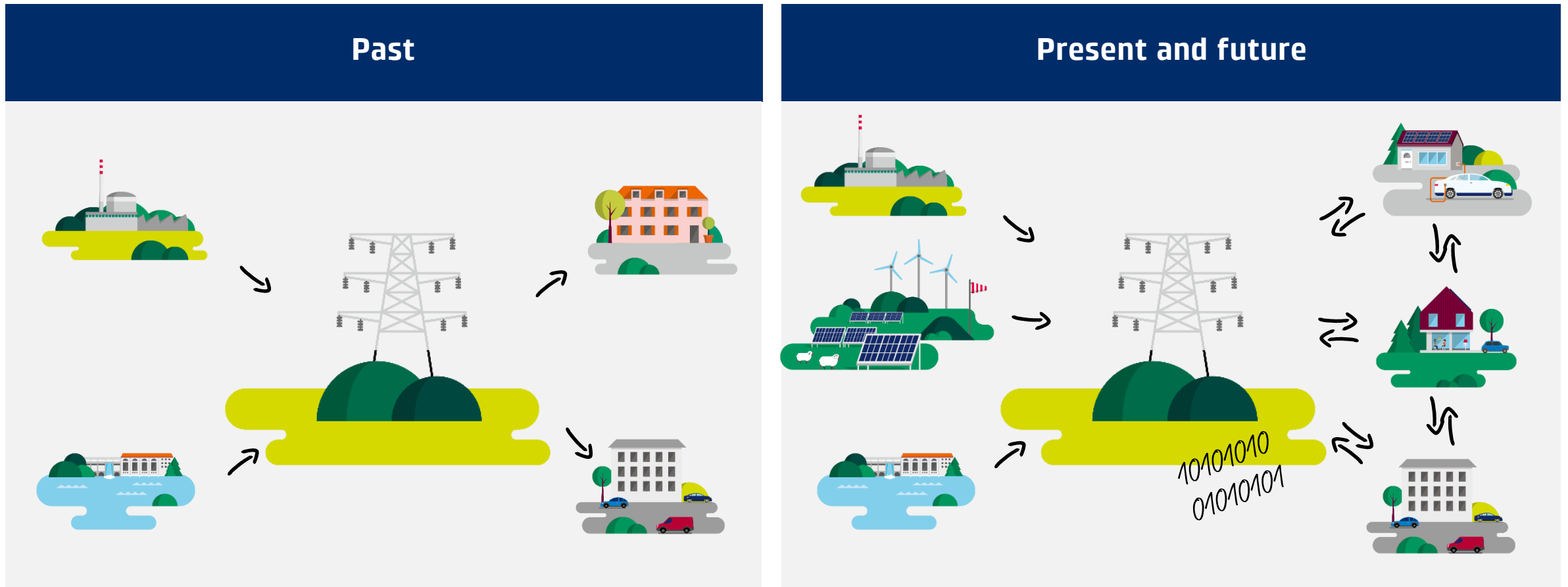


Capability in short term and intraday trading

Experience in fundamental modelling



Grid technology: energy and IT are merging



BKW leading with integrated data expertise



Resource
efficiency for
buildings and
infrastructures

BKW services: resource efficiency for buildings and infrastructures

Engineering



planning/
consulting

installation

maintenance

Energy, infrastructure and environmental projects



Infra Services



planning/
consulting

installation

maintenance

Power, water, telecom and traffic grids



in D

Building Solutions



planning/
consulting

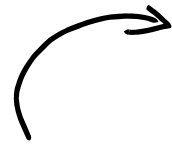
installation

maintenance

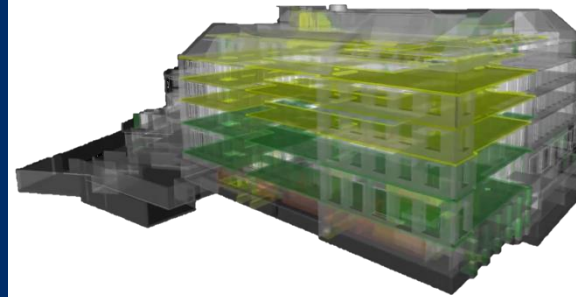
Integrated services around buildings



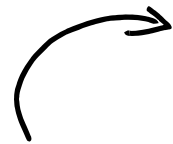
BKW innovates across entire value chain: data and ICT



BIM
Building automation
Smart buildings
Engineering innovation
campus



Integrated services and
solutions



Advanced modelling in
trading
algorithms for
decentralised grid
management



Trading and distribution

PV and wind monitoring
to manage production



Generation

Competences across the value chain lead to major project wins

ingenhoven google, palo alto • designed to ecological capacity

The Google Master plan and building design concept is to, at minimum, not exceed the responsible ecological capacity for the building set out in the WWF Living Planet Report. The building is a catalyst for social and community betterment, urban densification, enhanced communication and improved transit strategies within the master plan - a jumpstart for the future.

Working in Nature/ Trees
95% of the site is freely accessible due to the raised design of the building. The areas planted with natural vegetation together with the green roof add up to 170% of the site area due to the raising of the building.

Most Healthy Building
Indoor air quality, material selection, noise levels, smell, daylight, artificial lighting, food and electrical emissions have been carefully considered in regard to well being and health.

Recycling/ Cleaning
Waste is avoided wherever possible or recycled and reused.

Google Boulevard
By providing additional public facilities along the central spine of the Google Boulevard and the careful densification of the site, a more vibrant and interactive campus is created. The mixing of uses shortens distances to supermarkets, childcare facilities, restaurants and leisure facilities, reducing traffic but also encouraging a 24/7 campus life.

Working outside on roof, balcony and "in trees"
semi-private sport and spare activities on the roof
max. transparency
anthemised, multi-coloured and glowing effects around the building
raising the building to decrease noise pollution
high vegetation
planting the building for shading purposes

Fresh Air Pond
The shaded areas under the building serve as cool air ponds to promote air circulation. Improved air quality through purification is achieved as a result of the vegetation planted throughout the site.

Water Autarky
A highly efficient water system design incorporates rain water harvesting, a grey water system and a Black Water Bio-Reactor. This system ensures that no additional potable water needs to be added to the water cycle.

Materials
The construction is reduced to a reasonable minimum and follows the Cradle to Cradle design principles. Materials are recyclable or recycled and locally sourced to avoid long distance transportation.

Energy
A highly efficient energy system design incorporates solar, wind, geothermal, and photovoltaics. Energy is used for heating/cooling and direct-free cooling heat pump.

Photovoltaics
green roof reducing heat island effect
urban farming

Google Wind Park
"Offshore" wind turbines generate green electricity.

Google Photovoltaic Field
Fishing
Diet/ Farming
Food for the staff is provided from Google farms and urban farming. CO2 emissions are reduced through the use of organic food.

Electrical Autarky
All electrical energy is sourced from solar and wind energy either on the building or through the Google energy farms. Steam turbines fed by the deep piling provide further supplemental energy.

Thermal Autarky
The indoor environmental comfort is largely controlled by the use of natural ventilation, external sunshading and highly effective thermal insulation. The minimised remaining loads for cooling and heating are supplemented by geothermal energy.

Comfortable Climate
The climatic conditions and air quality of Mountain View allow for natural ventilation for 95% of the year.

Minimised Traffic
E-bicycle stations, bicycle parking & sharing, and end of trip facilities encourage carbon free travel.

Ecological Footprint
The ecologically and socially responsible design solution is based on the ecological capacity (WWF Living Planet Report). The area available for work is translated into the available land area to cover the demands.

supergreen® - Qualified Autarky
Energy- and environmental design as well as material choice and construction follow strictly the principles of autarky.

Global hectares:
■ demand per person
■ available per person

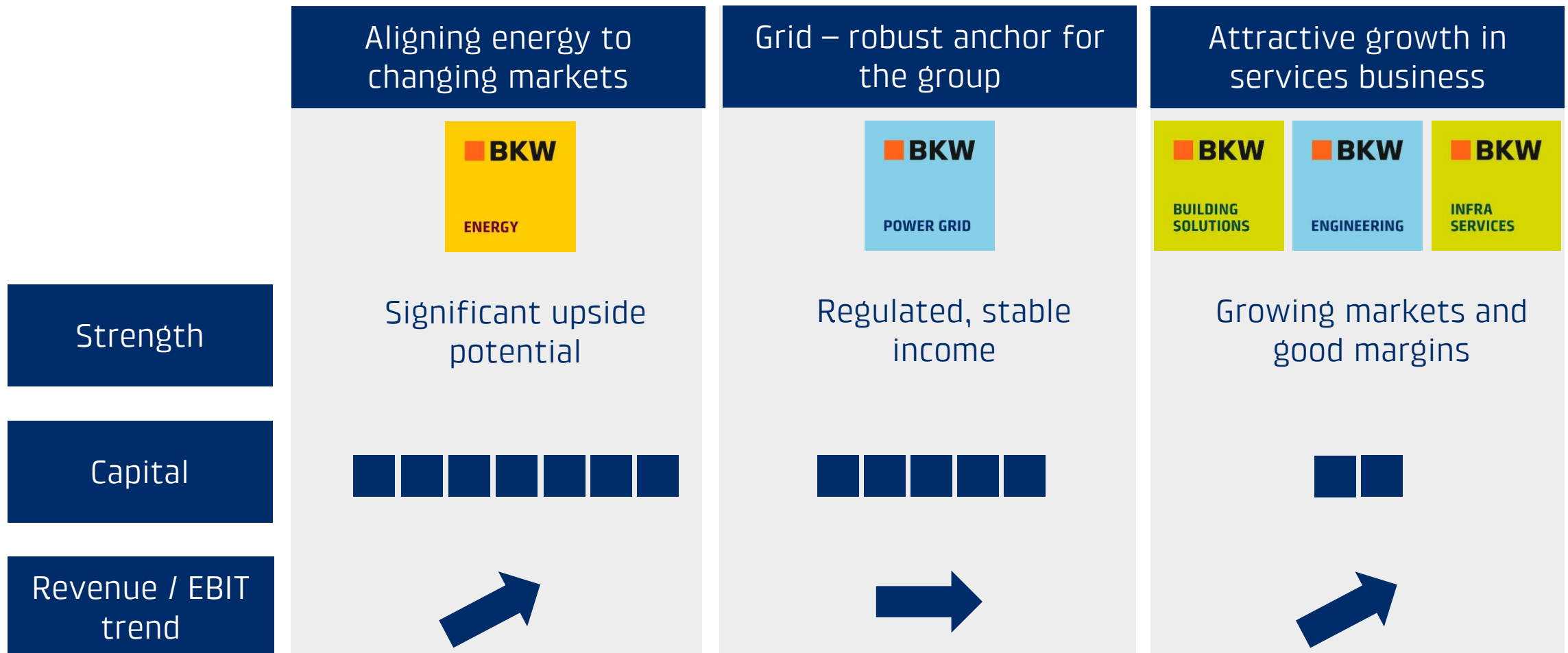
Region	Demand per person (Global hectares)	Available per person (Global hectares)
World	2.7	1.7
Germany	4.8	1.8
USA	7.9	3.6

Google staff: 3000
 3.6 ha available per person × 3000 = 10,800 ha demand
 1.2 ha leisure × 3000 = 3,600 ha demand
 1.2 ha living × 3000 = 3,600 ha demand
 1.2 ha work × 3000 = 3,600 ha demand
 Total demand: 10,800 ha
 Available capacity: 3,600 ha × 3 = 10,800 ha

Biocapacity
The area available for work is translated into the available land area to cover the demands.

*related capacity of:
 1 low land area
 2 mountain area
 3 marine area

BKW strong business model: growth and robustness



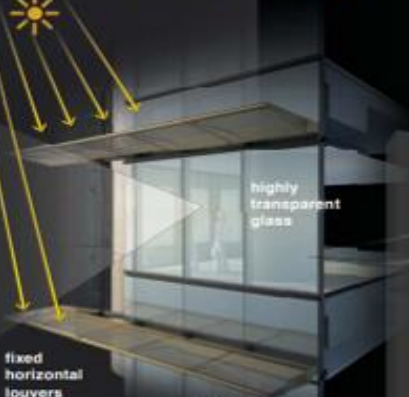
marina one, singapore • role model for mega cities

Marina One's mixed use towers around a green heart are a human focussed solution for the rapidly growing mega cities within the tropical and sub-tropical climate zones.

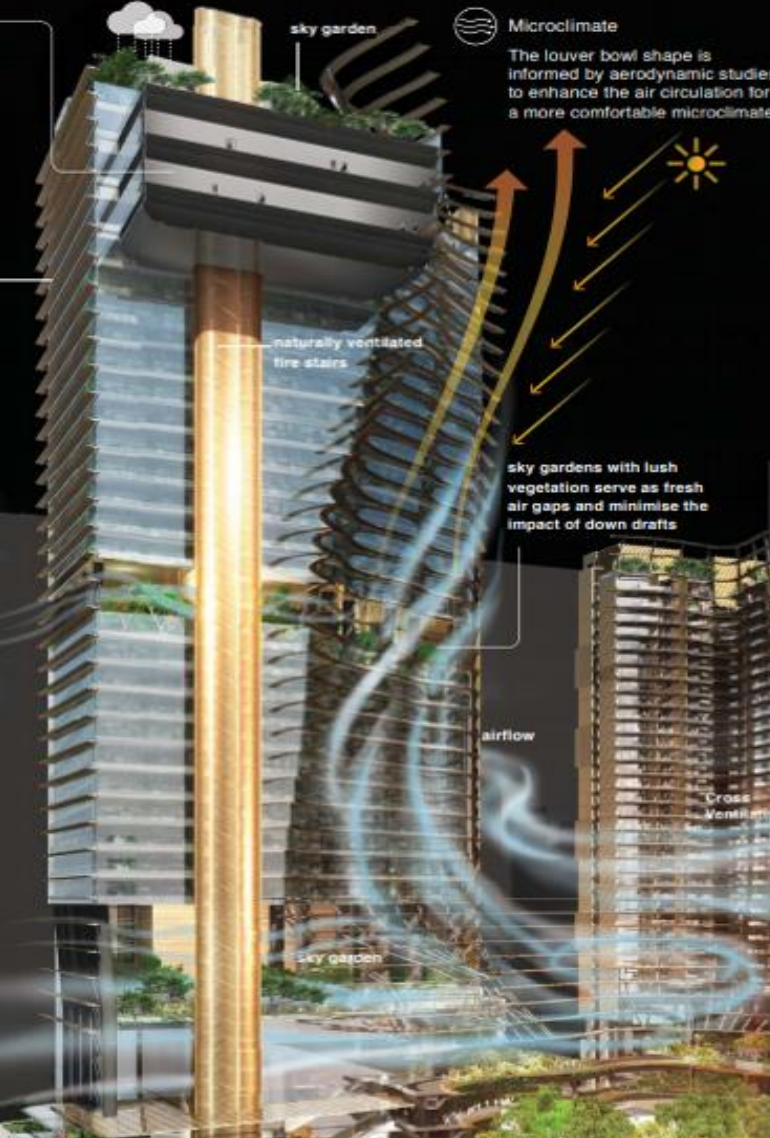
Trading Floors
Optimised compact office floor layouts offer maximum flexibility through a column free design. The 100,000 sq. ft. sky bridge is the highest trading floor in the world.



External Sunshading
1.5m wide fixed mesh louvers provide full shading for 90% of the working hours while maintaining a high daylight factor through the use of a perforated mesh material.



Mixed Use - High Density
Marina One provides 1042 residential units and workspace for 25,000 people. Within the podium, all necessary facilities are provided including arrival lobbies.



Microclimate
The louver bowl shape is informed by aerodynamic studies to enhance the air circulation for a more comfortable microclimate.

Rain Water Harvesting
Rain water collected from the multiple roofs, terraces and the façade is used for irrigation.



Photovoltaics
PV cells on the roof top generate electricity.



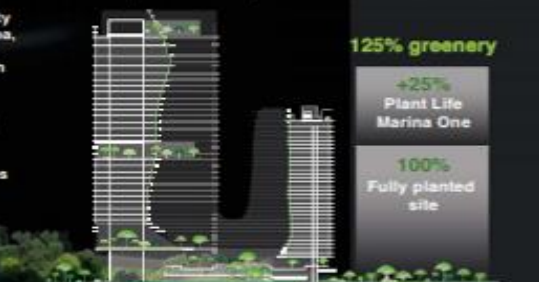
Cross Ventilation
The porous floor plan layout allows for natural cross ventilation for all apartments.



Façade Design for Tropical Climate
The balcony enclosures provide privacy and protection against the high sun while allowing for comfortable air flow through the mesh screen.



Truly Green
The design provides accessible greenspace equal to 1.25 times the size of the site. The greenery serves as a public sanctuary and mediates the micro-climate.



125% greenery
+25% Plant Life Marina One
100% Fully planted site

residential amenity floor with gym, spa, 50m pool, child play area and lush vegetation

podium with retail and residential arrival lobbies

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Thank you for your attention



Questions?

