

Press Release

E.ON begins the new financial year successfully and reaffirms investments in the energy transition

- CFO Marc Spieker: “The transformation of Europe’s energy system continues to gain momentum. Our energy networks and decarbonization solutions are playing a key role.”
- E.ON reaffirms the implementation of its growth strategy and invests more than €1 billion in the energy transition in the first quarter, 30 percent more than in the prior-year quarter.
- Earnings in the Energy Networks business increase by more than €430 million compared to the prior-year quarter to about €1.9 billion.
- Earnings in the Customer Solutions business are up by almost €400 million year-over-year to more than €800 million.
- Forecast for 2023 confirmed: adjusted Group EBITDA of €7.8 to €8.0 billion and adjusted net income of €2.3 to €2.5 billion expected.

E.ON continues its positive earnings development in the first three months of fiscal year 2023. The Group delivered a strong operating performance even amid a still volatile market environment. At the presentation of E.ON’s first-quarter results, CFO Marc Spieker said: “We have started the new financial year successfully. We were once again able to significantly increase the pace of investment activity. We see ourselves on a very good path to achieving our operational and financial targets for full-year 2023.”

Strong operating performance results in positive first-quarter earnings

E.ON’s business performance in the first quarter of 2023 was very positive. The adjusted Group EBITDA of about of €2.7 billion was €627 million above the prior-year figure. Earnings in the Energy Networks business increased by more than €430 million compared to the prior-year quarter to a total of roughly €1.9 billion. In the Customer Solutions business the adjusted EBITDA went up by almost €400 million year-over-year to more than €800 million.

The good earnings performance resulted from investment-driven growth, the recovery of the energy market environment and recovery effects in the Energy Network business. Earnings in the prior-year period were already heavily impacted by the increased energy prices on the wholesale market.

Net debt seasonally increased as expected

E.ON’s adjusted net income in the first three months of fiscal year 2023 amounted to about €1 billion compared with €683 million in the prior-year quarter. In the first quarter, the economic net debt rose to a total of €35.1 billion (December 31, 2022: €32.7 billion). Main reasons were as expected a seasonally negative operating cash flow and investment expenditures.

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Billions of investments in network expansion and sustainable energy solutions

E.ON's good first-quarter earnings strengthen the foundation for its ambitious growth and investment program to drive forward the energy transition in Europe. E.ON invested over €1 billion in the first three months, an increase of more than 30 percent relative to the investments in the prior-year quarter. Its primary focus was on new grid connections for renewable energy plants, the modernization of network infrastructure, and investments in projects for sustainable, decentralized energy infrastructure solutions. The Group reaffirmed its planned investments of roughly €5.8 billion for full-year 2023. E.ON plans to invest a total of €33 billion in Energy Networks and Customer Solutions through 2027.

Spieker emphasized: "The current crisis is an accelerator on our path to a climate-friendly energy future. The transformation of Europe's energy system toward sustainable supply has recently gained rapid momentum. Robust, digital energy networks and our decarbonization solutions for residential consumers, cities, companies, and industries are playing a key role. We will continue to invest heavily in this area."

Forecast for the 2023 financial year confirmed

Against the backdrop of the ongoing war in Ukraine and the still volatile developments on the energy market, E.ON confirmed its forecast for full-year 2023. E.ON now assumes to end up towards the upper end of the guidance ranges for adjusted Group EBITDA, adjusted net income, and earnings per share. Spieker said: "The crisis is not over yet. Compared with the current market environment, our forecast also factors in the possibility of a further deterioration in the remainder of the year. We believe we are well-positioned to deal with the volatility that is expected to continue."

For full-year 2023 E.ON expects to record an adjusted Group EBITDA of €7.8 to €8.0 billion and an adjusted net income of €2.3 to €2.5 billion. This corresponds to earnings per share of 88 to 96 cents. E.ON also sees itself on track regarding its targets through 2027.

Financial Figures			
€ in millions	First quarter		
	2023	2022	+/- %
Sales	33,543	29,507	14
Adjusted EBITDA ¹	2,715	2,088	30
Adjusted EBIT ¹	2,036	1,396	46
Net income/net loss	-90	965	-
Net income/net loss attributable to shareholders of E.ON SE	-72	826	-
Adjusted net income ¹	1,031	683	51
E.ON Group investments	1,038	790	31
Cash provided by operating activities	-820	-644	-27
Cash provided by operating activities before interest and taxes	-431	-476	9
Economic net debt (March 31, 2023 and December 31, 2022)	35,086	32,742	7
Earnings per share (€) ^{2, 3}	-0.03	0.32	-
Adjusted net income per share (€) ^{2, 3}	0.40	0.26	54
Shares outstanding (weighted average, in millions)	2,610	2,609	0

¹ Adjusted for non-operating effects.

² Based on shares outstanding (weighted average).

³ Attributable to shareholders of E.ON SE.

Current footage material is available at:

<https://www.eon.com/de/ueber-uns/presse/pressefotos.html>

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