

Press Release

E.ON continues to invest in the energy transition and remains on growth path

- Investments in the energy transition in the first half of 2023 increased by 36 percent to €2.4 billion year-on-year
- About 2,000 new employees hired to implement growth targets
- Positive first-half performances in both segments – Energy Networks and Customer Solutions – cause adjusted Group EBITDA to increase to €5.7 billion (first half of 2022: €4.1 billion)
- Earnings forecast for financial year 2023 raised: adjusted Group EBITDA of €8.6 to €8.8 billion and adjusted Group net income of €2.7 to €2.9 billion anticipated
- Declining prices on wholesale markets will be systematically passed on to customers; as announced, additional power and gas price reductions for millions of customers will come in late summer

E.ON continues its growth path. The increasingly calming energy market environment had a positive impact on the Group's first-half results. Both segments – Energy Networks and Customer Solutions – delivered a strong operating performance. Against this backdrop, E.ON raised its earnings forecast for full-year 2023. At the same time, accelerated cross-sectoral decarbonization efforts are providing a tailwind for further business growth.

At the presentation of the company's results for the first half of 2023 E.ON CEO Leonhard Birnbaum said, "After a long period of crisis, we sense that the headwinds for our business are diminishing. We see our markets increasingly recover. At the same time, the energy transition is becoming more tangible with every passing day, and the demand for our sustainable energy solutions and our infrastructure is increasing. We are therefore in an environment that presents us with a lot of work, but also offers tremendous growth potential."

Birnbaum continued, "We are not only carrying out our announced investment plans, but also keeping our promises to our customers. The historically high power and gas procurement costs were a big challenge for us last year. Now we see that wholesale markets are calming down again. As announced, this will enable us to again lower prices for millions of power and gas customers."

Earnings and investments increase significantly

E.ON's business performance in the first half of 2023 was positive. Compared with the prior-year period, which was adversely impacted by the energy-industry environment, the adjusted Group EBITDA rose by 40 percent to €5.7 billion. Both segments, Energy Networks and Customer Solutions, contributed to the increase.

E.ON SE
Brüsseler Platz 1
45131 Essen
www.eon.com

Please address inquiries to:

Isabel Reinhardt
T +49 173-6840253
isabel.reinhardt@eon.com

August 9, 2023
Page 1 / 3

The adjusted EBITDA at the network business rose by nearly €800 million relative to the prior year to €3.5 billion. This positive performance in the first half of 2023 was characterized in particular by investment-driven growth in all regions, especially in Germany, and by temporary effects that will be returned to customers in the coming years.

Customer Solutions' adjusted EBITDA climbed by €1.2 billion to €2.2 billion. This increase was due in particular to efficient procurement and the ongoing recovery of the market environment. By contrast, the historically high energy prices on wholesale markets had a significant adverse impact on earnings in the prior-year period. Going forward, E.ON intends for its customer solutions business to benefit even more from the demand from industry, cities, and households for sustainable energy solutions and decarbonization products.

The ongoing cross-sectoral decarbonization driven by the extended policy targets offers E.ON tremendous growth potential. Being Europe's largest distribution network operator and a provider of sustainable customers solutions enables the Group to play a key role in the energy transition. Leonhard Birnbaum said, "E.ON is on a clear growth path. Our growth strategy focusing on digitalization and sustainability puts us right on track. Europe and Germany significantly expanded their growth targets for renewables. For us, this means that by 2030 we'll have to connect a total of roughly six million new facilities to our networks in Germany alone. This requires a suitable and legally secure investment environment."

The connection boom in the network business and the increasing demand for green energy solutions are also reflected in the investments the company has planned and made. E.ON had already invested more than €1 billion in energy infrastructure in the first quarter of 2023. The Group further increased its investments in the second quarter resulting in a total of roughly €2.4 billion for the first half of the year. This represents an increase of 36 percent relative to the prior-year period. To be able to achieve its planned growth path for expanding network infrastructure, E.ON also hired about 2,000 new employees, roughly half of them at its network business in Germany. E.ON reaffirmed its planned investments of roughly €5.8 billion for full-year 2023. The Group intends to invest a total of €33 billion in energy infrastructure between 2023 and 2027.

The adjusted net income of more than €2.3 billion was significantly above the prior-year figure of €1.4 billion. As anticipated, economic net debt rose from €32.7 billion at year-end 2022 to €37 billion at the end of the first half-year 2023. The main reasons were seasonally negative operating cash flow, the dividend payment, and increased investments in the energy transition.

Outlook for financial year 2023 raised

Owing to its positive first-half earnings performance and better visibility of the market environment, E.ON has raised its forecast for the current 2023 financial year already end of July. CFO Marc Spieker said in this regard, "Our market

environment is recovering increasingly. This also reduces the risks for our business in the months ahead. These factors along with our strong first-half financial and operating performance have led us to raise our forecast for 2023. However, it's very important to emphasize that the positive development in power and gas sales won't continue in this way in the second half of 2023. As announced, we're going to pass on the declining wholesale power and gas prices of the recent months to millions of our customers by lowering prices. This will have an adverse financial impact on our earnings in the second half of 2023."

For full-year 2023 E.ON now anticipates an adjusted EBITDA for the Group between €8.6 and €8.8 billion (previous forecast: €7.8 to €8 billion) and an adjusted net income of €2.7 to €2.9 billion (previous forecast: €2.3 to €2.5 billion). This corresponds to adjusted earnings per share of €1.03 to €1.11 (previous forecast: €0.88 to €0.96). The adjusted forecast continues to factor in a possible deterioration of the market situation, particularly in the last quarter of 2023.

Financial Figures			
First half			
€ in millions	2023	2022	+/- %
External sales	52,360	52,845	-1
Adjusted EBITDA ¹	5,669	4,061	40
Adjusted EBIT ¹	4,279	2,677	60
Net income/net loss	1,212	2,536	-52
Net income/net loss attributable to shareholders of E.ON SE	1,088	2,258	-52
Adjusted net income ¹	2,307	1,413	63
E.ON Group investments	2,366	1,736	36
Cash provided by operating activities	-238	1,816	-113
Cash provided by operating activities before interest and taxes	794	2,574	-69
Economic net debt (June 30, 2023 and December 31, 2022)	36,965	32,742	13
Earnings per share (€) ^{2,3}	0.42	0.87	-52
Adjusted net income per share (€) ^{2,3}	0.88	0.54	63
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>

This press release may contain forward-looking statements based on current assumptions and forecasts made by E.ON Group Management and other information currently available to E.ON. Various known and unknown risks, uncertainties, and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. E.ON SE does not intend, and does not assume any liability whatsoever, to update these forward-looking statements or to align them to future events or developments.