



Press Release
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Reduced Russian gas deliveries have a significant adverse impact on Uniper's results in the first nine months of 2022

- **Adjusted EBIT of -€4,755 million and adjusted net income of -€3,220 million significantly under respective prior-year figures**
- **IFRS net loss also adversely affected by the recognition of anticipated likely losses resulting from future gas replacement procurement**
- **Economic net debt significantly higher, in particular because of negative operating cash flow**
- **Details of the stabilization package for Uniper being finalized**

Uniper recorded **adjusted EBIT** of -€4,755 million in the first nine months of the 2022 financial year (9M 2021: €614 million).

Adjusted earnings at the **Global Commodities** segment declined significantly relative to the prior-year period. Following very good earnings in the prior-year period, the decline is mainly attributable to the gas business, which is being adversely affected by high replacement costs due to curtailed gas deliveries from Russia between June 14 and September 30, 2022. This adverse impact was further exacerbated in the third quarter of 2022 by the complete cessation of any gas delivery. In order to fulfill its customer contracts, Uniper has been forced to buy gas on the spot market at high prices. Volatile and rising prices as well as hedging transactions for future gas deliveries had a positive impact on the gas business. The international portfolio was negatively affected by the shortfall in LNG deliveries from the Freeport LNG terminal in the U.S. due to fire damage to the infrastructure there. In addition, non-recurrence of extraordinary optimization income due to extremely cold weather in the prior-year period adversely affected the international portfolio negatively.

Adjusted earnings at the **European Generation** segment were likewise significantly below those of the prior-year period. This is particularly attributable to an increase in the measurement of provisions for carbon allowances, which are offset by hedges that will not be settled until the fourth quarter of 2022. Without this intra-year valuation effect, this segment's operating earnings almost reached the prior-year level. Positive earnings streams resulted from the trading margin in the fossil-fueled power generation business due to significantly higher spreads. The Nordic hydropower business recorded significantly lower earnings owing to price discrepancies between Sweden's so-called system prices and the delivery prices in the relevant Swedish price zones. Lower income from the U.K. capacity market, higher delivery and procurement costs for hard coal as part of Uniper's transitional strategy to diversify its coal procurement, and the disposal of Schkopau power station in the third quarter of 2021 likewise adversely affected adjusted EBIT.

Adjusted earnings at the **Russian Power Generation** segment were significantly above the prior-year level due to the recommissioning of unit 3 at Beryozovskaya power station (which has been receiving capacity payments since May 1, 2021), positive foreign-currency and regulatory effects, and higher sales volume and prices in the Siberian price zone. The expiration of long-term capacity payments for two generating units at Surgutskaya power station was an adverse factor.

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Adjusted net income, which largely tracks adjusted EBIT, stood at -€3,220 million after nine months, significantly below prior-year nine-month adjusted net income of €487 million.

The **IFRS-net loss** of around €40 billion contains roughly €10 billion of realized costs for replacement volumes, and roughly €31 billion of anticipated future losses from valuation effects on derivatives and provision built-ups related to the Russian gas curtailments as of September 30, 2022.

Economic net debt rose significantly from €324 million to €10,906 million. The main reason was a negative **operating cash flow** stemming from Russian gas curtailments in conjunction with increased gas inventories driven by higher gas prices. Operating cash flow was further adversely affected by liquidity optimization measures that were taken in the year 2021. Lower provisions for pensions due to higher interest rates had a positive effect on economic net debt.

Uniper expects a significantly negative full-year adjusted EBIT and adjusted net income for 2022, at levels significantly below those of the previous year. Given the high degree of uncertainty regarding gas volumes actually received in the future and the relevant price levels for purchases of replacement volumes, a more precise **earnings outlook** cannot be provided at present and for the foreseeable future for the full fiscal year 2022.

Uniper SE's earnings performance directly impacts its equity pursuant to the German Commercial Code. The Company recorded as per end of September a loss equal to more than half of its share capital. Pursuant to its obligations under **Section 92 of the German Stock Corporation Act ("AktG")**, the Uniper Management Board will therefore soon call an Extraordinary General Meeting to be held in the second half of December 2022 in order to report the loss and to explain resulting actions to its shareholders. The Company communicated this on October 25, 2022.

As Uniper communicated on September 21, 2022, the German Federal Government, Uniper, and Fortum agreed on an amended financial **stabilization package** for Uniper that comprehensively addresses the impact of gas supply restrictions. Under the stabilization package, Uniper's short-term liquidity will be ensured by credit facilities from state-owned KfW Bank. These facilities currently total €18 billion, of which Uniper had drawn €14 billion as of end of October 2022. The German Federal Government will take a 98,6% stake in Uniper by providing an €8 billion capital injection in the form of newly issued shares of stock at an issue price of €1.70 per share and by acquiring Uniper stock currently held by Fortum. Any additional support will be covered by supplementary measures from the Federal Government as part of the stabilization package. The Federal Government and Uniper are currently finalizing the details of these additional stabilization measures. Shareholders' approval for the capital increase will be obtained at an Extraordinary General Meeting that is likewise planned for the second half of December 2022.

Uniper CFO Tiina Tuomela said: "To ensure customers' supply security, Uniper has for some time been procuring gas at significantly higher prices and, as is well known, has thus recorded considerable losses because the replacement costs of procuring new gas aren't being passed through to consumers. Our half-year numbers already indicated that this has left massive scars in our financial results. Implementing the stabilization package therefore has the highest priority. We and the Federal Government are currently finalizing the details of the support measures relating to the suspension of the gas surcharge. We are also working intensively to restructure our gas portfolio in order to minimize risks and to end by 2024 the losses resulting from suspended Russian gas deliveries. Uniper will play a key role in ensuring Germany's



supply of power and gas for winter 2022/2023 and subsequent years. Our focus is therefore on making additional amounts of gas and LNG available to Germany and doing everything we can to move forward with the necessary infrastructure, such as the construction of the country's first LNG import terminal.”

About Uniper

Uniper is a leading international energy company, has around 11,000 employees, and operates in more than 40 countries. The company plans for its power generation business in Europe to be carbon-neutral by 2035. Uniper's roughly 33 GW of installed generation capacity make it one of the world's largest electricity producers. The company's core activities include power generation in Europe and Russia as well as global energy trading and a broad gas portfolio, which makes Uniper one of Europe's leading gas companies. In addition, Uniper is a reliable partner for communities, municipal utilities, and industrial enterprises for planning and implementing innovative, lower-carbon solutions on their decarbonization journey. Uniper is a hydrogen pioneer, is active worldwide along the entire hydrogen value chain, and is conducting projects to make hydrogen a mainstay of the energy supply. The company is based in Düsseldorf and is one of Germany's largest publicly listed energy supply companies. Together with its main shareholder Fortum, Uniper is also Europe's third-largest producer of zero-carbon energy.

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