Press Release
November 5, 2021

Uniper's operating business delivers strong nine-month performance

- **Adjusted EBIT of €614 million and adjusted net income of €487 million markedly above prior-year figures**
- **Net loss due to IFRS-related inconsistency in the fair value measurement of hedging transactions and hedged items**
- **Economic net debt significantly lower, primarily because of high operating cash flow and lower pension obligations**
- **Earnings forecast for 2021 financial year raised**

Uniper recorded **adjusted EBIT** of €614 million in the first nine months of 2021. The prior-year figure was €405 million. The primary reason for the more than 50-percent earnings increase was a higher contribution of the international and gas mid-stream commodity business. Earnings were adversely affected by a price- and volume-driven increase in provisions for carbon allowances relative to the prior-year period. The provisions are mirrored by carbon hedging transactions that will be unwound in the fourth quarter of 2021. This effect therefore will not adversely impact adjusted EBIT for the year as a whole.

Earnings at the **European Generation** segment surpassed the prior-year figure. The segment benefited above all from the commissioning of Datteln 4 coal-fired power plant in late May 2020 and the return to commercial operations of Irsching 4 and 5 gas-fired generating units in the fourth quarter of 2020. Higher income from the UK capacity market also had a positive impact on earnings. These factors partially offset primarily by the unavailability of Maasvlakte 3, a hard-coal-fired power plant in the Netherlands, and the non-recurrence of positive earnings streams from the optimization of fossil-fueled power plants relative to the prior-year period.

The significant year-on-year earnings increase at the **Global Commodities** segment is principally attributable to higher earnings from the international portfolio, which benefited from unusual weather conditions in North America and from business activities in Asia. The gas business, which had already recorded good nine-month earnings in the prior year, was another positive factor, benefiting from volatile, rising prices in the current financial year.

Earnings at the **Russian Power Generation** segment were at the prior-year level. The principal positive drivers were the recommissioning of Berezovskaya's unit 3 in May 2021 and the accompanying income from Russia's capacity mechanism along with generally higher income resulting from price and volume increases on the day-ahead electricity market. Currency-translation effects and the expiration of long-term capacity payments for a total of four generating units at Shaturskaya and Yaivinskaya power stations in the current financial year and at Surgutskaya at the end of the prior financial year were the primary negative factors.

Adjusted net income, which largely tracks adjusted EBIT, totaled €487 million at the nine-month mark, thereby surpassing the prior-year figure of €308 million significantly.

The reported **IFRS net income** shows a loss of €-4,768 million in the first nine months. Main reason is a IFRS-related inconsistency in the fair value measurement of hedging transactions and hedged items. Whereas the derivatives are subject to "mark-to-market" (i.e., fair value) accounting, the corresponding appreciation of the hedged

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underlying assets is initially limited to their cost, and additional gains may not be recognized until they are realized. This measurement inconsistency is neutralized accordingly within the “adjusted EBIT” and “adjusted net income” measures, in order to better reflect Uniper’s operating performance.

Economic net debt fell significantly, from €3,050 million at year-end 2020 to €1,390 million. The main reason was an increase in operating cash flow due to changes in working capital at the gas business and from increased non-cash additions to provisions for emission rights and onerous contracts. In addition, lower provisions for pensions and similar obligations reduced the economic net debt further due to the increase in pension-discount rates compared with 2020.

Based on Uniper’s anticipated positive nine-month performance and its expectations for the remainder of the financial year, it raised its **outlook range** for adjusted EBIT for the 2021 financial year from formerly €800 to €1,050 million to €1,050 to €1,300 million. It also increased the range for adjusted net income from €650 to €850 million to €850 to €1,050 million.

Uniper CFO Tiina Tuomela said: “Global Commodities’ extraordinarily good performance and our assumptions for the remainder of the financial year enable us to again raise our forecast for adjusted EBIT and adjusted net income. In September, S&P Global Ratings reaffirmed Uniper’s BBB rating and stable outlook, another indication of the capital market’s trust in Uniper, even in phases of market volatility. Gas demand is currently resulting in global competition. Now and in the future, Europe needs to import gas from as many different regions as possible to avoid unilateral dependencies. Reliable partnerships, a diversified supply portfolio, and long-term supply contracts are in Europe’s interest. We must not forget that, despite the current price increase, gas is and will remain an indispensable element of the transition to a fully decarbonized energy world.”

About Uniper
Uniper is a leading international energy company, has around 12,000 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 35 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. Uniper sold more than 220 bcm of gas in 2020. 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 currently Germany’s third-largest publicly listed energy supply company. Together with its main shareholder Fortum, Uniper is also Europe’s third-largest producer of zero-carbon energy.