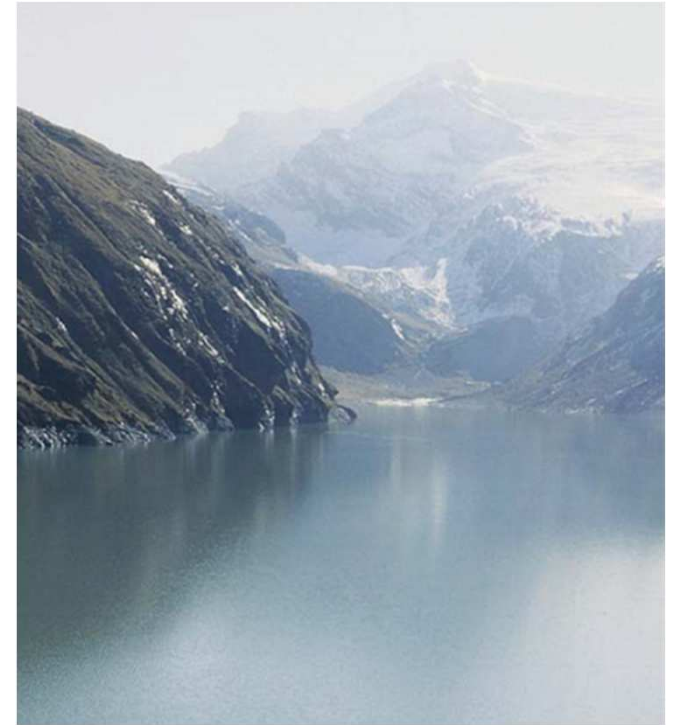
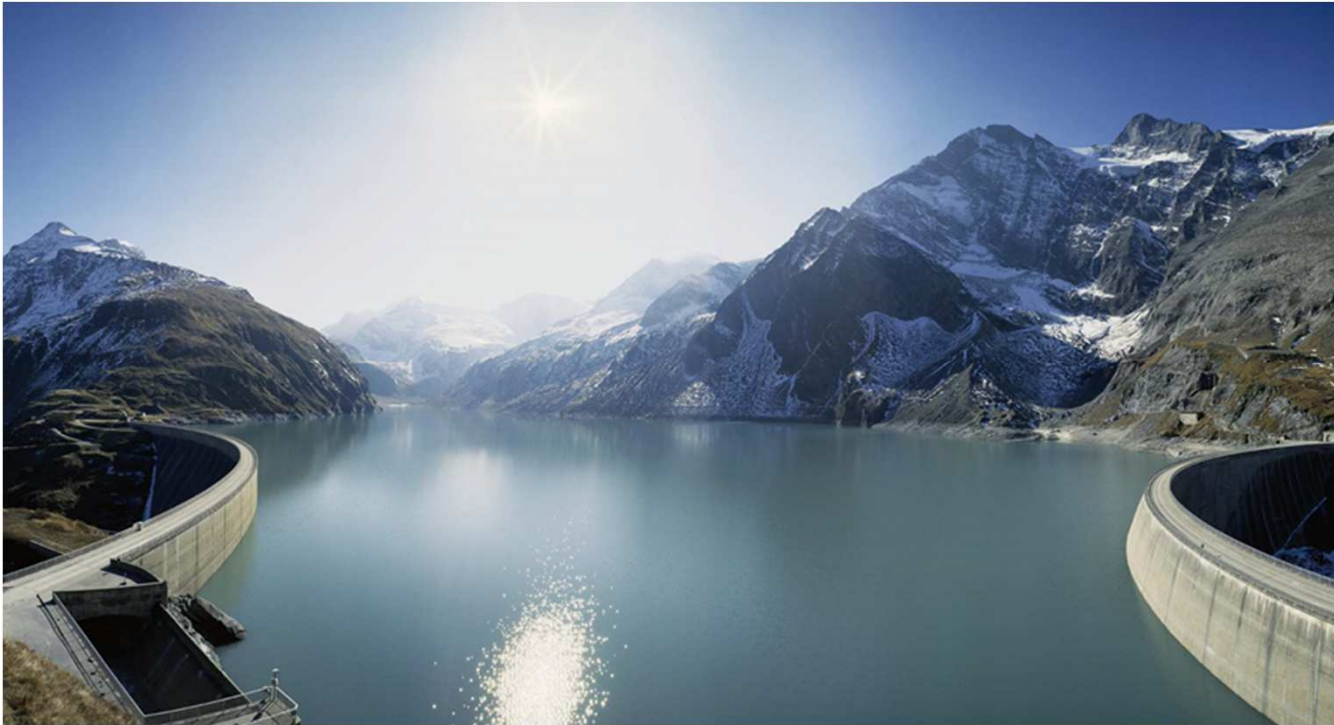


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Full year results 2020

Vienna, 17/3/2021



At a glance

Influencing factors

- Water supply 1 percentage point above long-term average and same as in FY 2019
- Higher average contract prices for own generation from hydropower
- Higher contributions from hydro segment and sales segment
- Lower contributions from grid segment, new renewables segment and All other segments
- Slightly higher contribution from flexibility products
- Strong cash flow reduced debt and improves financial result

Development of results, cash flows and debt

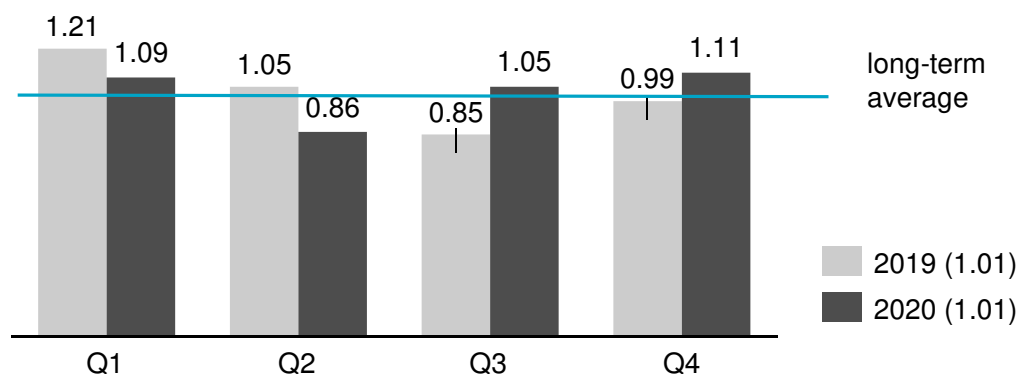
- Reported and Adjusted EBITDA €1,292.8m (+9.2%)
- Reported Group result €631,4m (+13.8%); Adjusted Group result €610.4m (+11.2%)
- Operating cash flow €1,191.0m (−1.1%); Free cash flow after dividend €299.5m (−53.1%)
- Net Debt €1,881.2m (−16.6%)

Dividend 2020

- Dividend proposal 2020: €0.75/share (+8.7%)
- Pay-out ratio of 41.3% (42.7% on adjusted Group result)

Slightly higher own generation; Higher average achieved contract price for hydro production

Hydro coefficient (run-of-river)

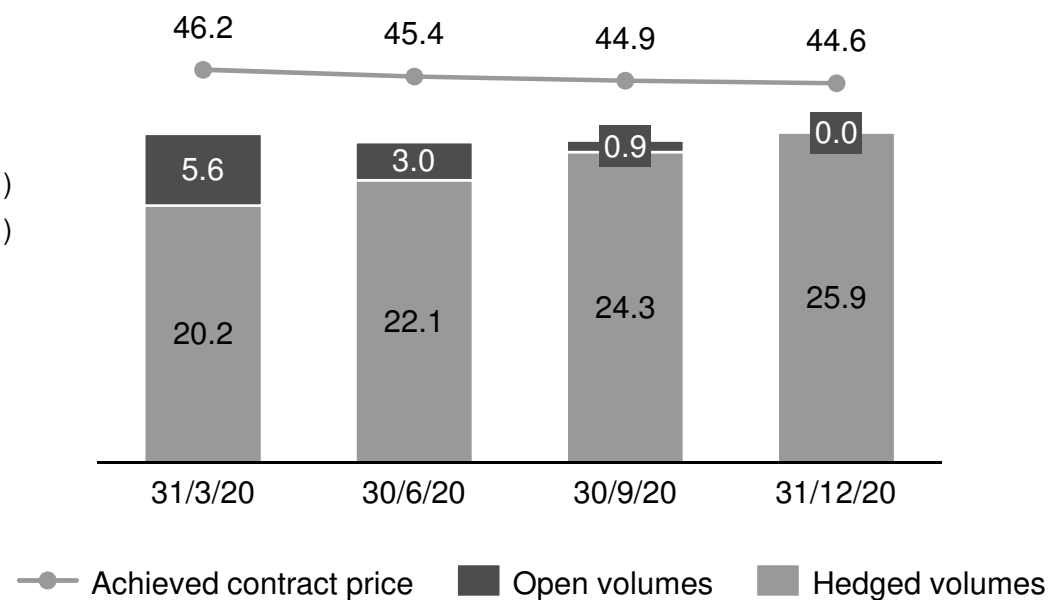


Electricity supply 66,989 GWh (+697 GWh, +1.1%)

- Hydropower: 31,525 GWh (+864 GWh, +2.8%)
 - Storage power: 5,273 GWh (+679 GWh)
- Thermal Power: 1,033 GWh (-536 GWh, -34.2%)
 - CCGT Mellach: 687 GWh (-201 GWh)
- Wind Power: 924 GWh (-5 GWh, -0.6%)
- PV: 1 GWh
- Purchase from third parties: 33,507 (+374 GWh)

Hedging volumes 2020¹/ TWh

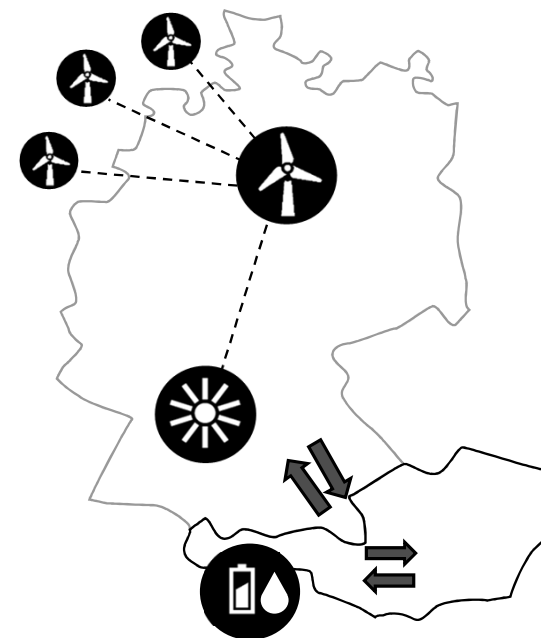
FY2019: €39.0/MWh



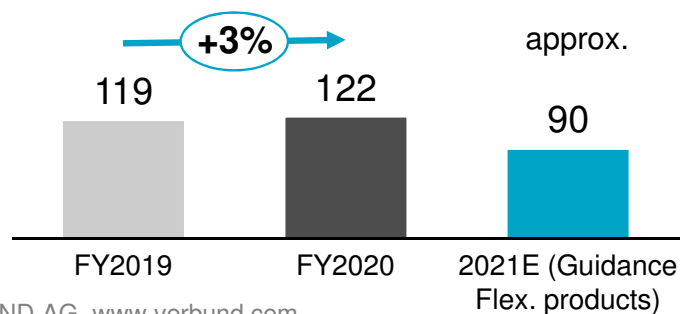
¹ Hydro production excluding volumes for holders of interests (at cost) and volumes resulting from pumping.

Flexibility products slightly higher than in 2019

- Increasing system volatility in the European grid system due to rapid development of new renewables
- Demand for flexibility products depending on the following influencing factors:
 - Temperatures/weather in winter/summer
 - Revision of nuclear power plants
 - Hydro production
 - Installation of phase shifters
 - Congestion management within Austria (in addition to DE/AT)
- Flexibility products include control energy, congestion management, grid system services, intraday trading, capacity/cold reserve and pumping/reverse operations



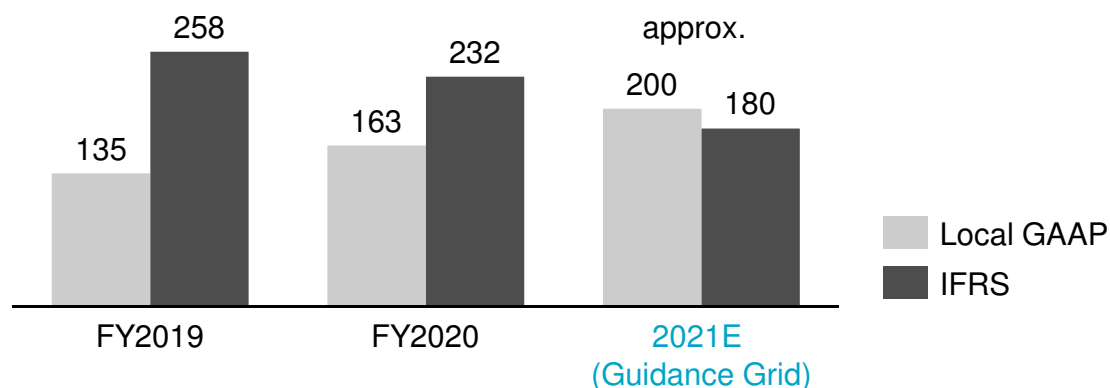
Flexibility products/ €m



Lower result contribution from high voltage grid

RAB 2019: €1,458m
 RAB 2020: €1,692m
 RAB 2021: €1,920m

Grid EBITDA/ €m



Grid FY 2020/ km

Voltage Level	Route length	System length
380-kV	1,156	2,583
220-kV	1,613	3,206
110-kV	656	1,170
110-kV (cable)	3	6
Total	3,428	6,965

Local GAAP: stable earnings and cash flows

- Differences between revenues and planned revenues compensated by a regulatory account

IFRS: volatile earnings

- Revenue surpluses or shortfalls are not utilised/compensated via the regulatory account

⇒ Volatility in IFRS from: control energy, auctioning off of cross-border grid capacities, congestion management services

Decrease in grid EBITDA 2020 (IFRS)

- Lower contribution margin from congestion management and cross-border capacity auctions

WACC for regulatory period (2018-2022)

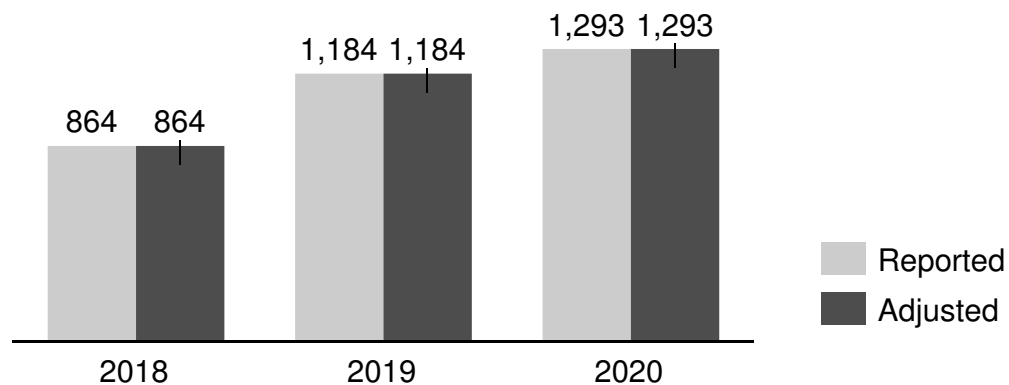
- Approximately 5% (4.88% pre tax for existing assets, 5.20% pre tax incl. investment-markup for new assets)

Non-recurring effects P&L in 2020

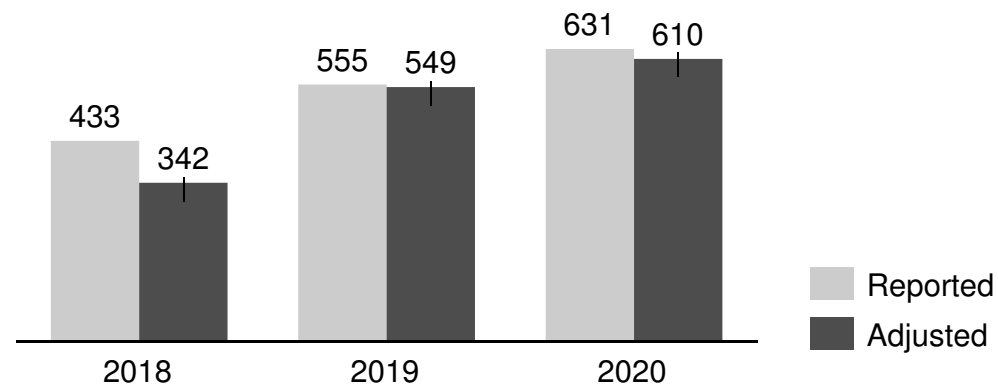
€m	Detail	2020	2019
EBITDA	Total	0	0
Impairments	CCGT Mellach, HPP Gries, HPP Graz, others	-25	-1
Reversal of impairments	WPP Romania	33	48
Operating result	Total	8	47
Results from interests (equity method)	Initial consolidation Smatrics Mobility+	2	0
Other result from equity interests	Retrospective revenue from sale of Sorgenia	4	0
Interest expenses		-1	0
Other financial result	Measurement of an obligation to return an interest (DKJ)	33	-56
Reversal of impairments	HPP Ashta	3	16
Financial result	Total	42	-39
Taxes	Change in tax qualification of an electricity purchase right, effects due to the non-recurring effects above	-29	4
Minorities	Effects due to the non-recurring effects above	1	-6
Group result	Total	21	6

Key figures (1)

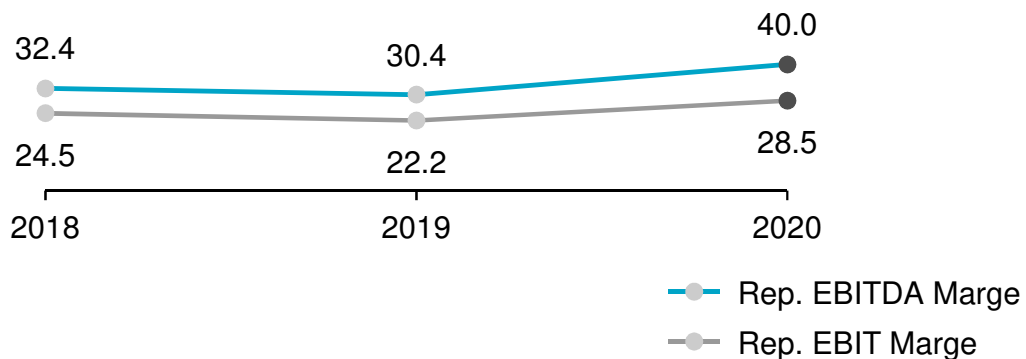
EBITDA/ €m



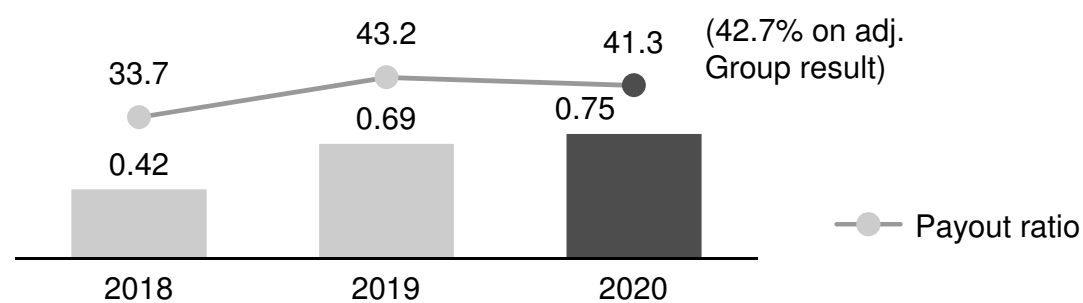
Group result/ €m



EBITDA margin, EBIT margin/ %

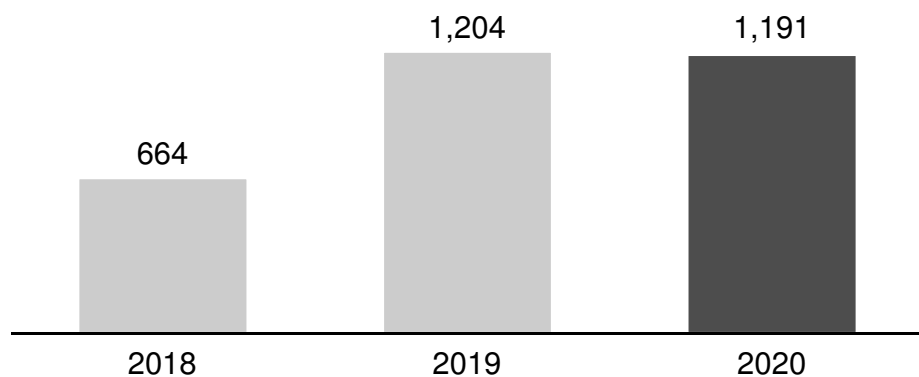


Dividend; Payout ratio from Group result/ €; %

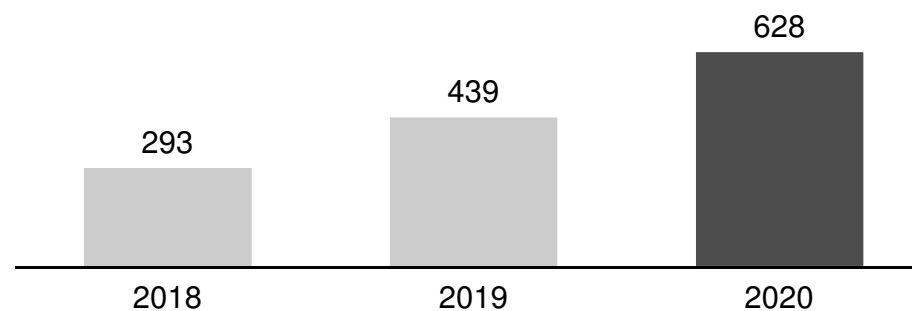


Key figures (2)

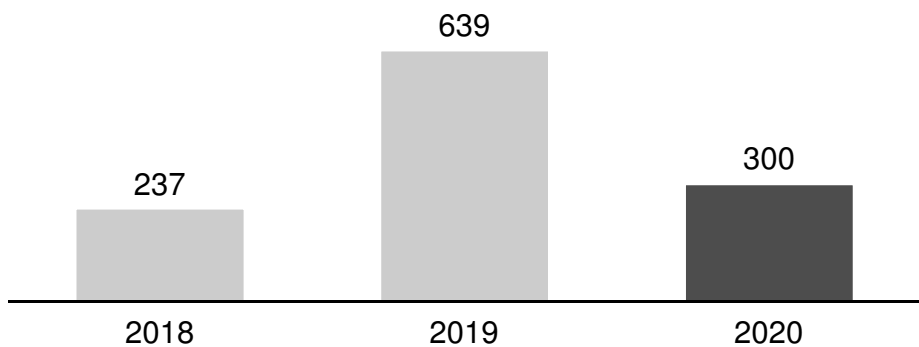
Operating cash flow/ €m



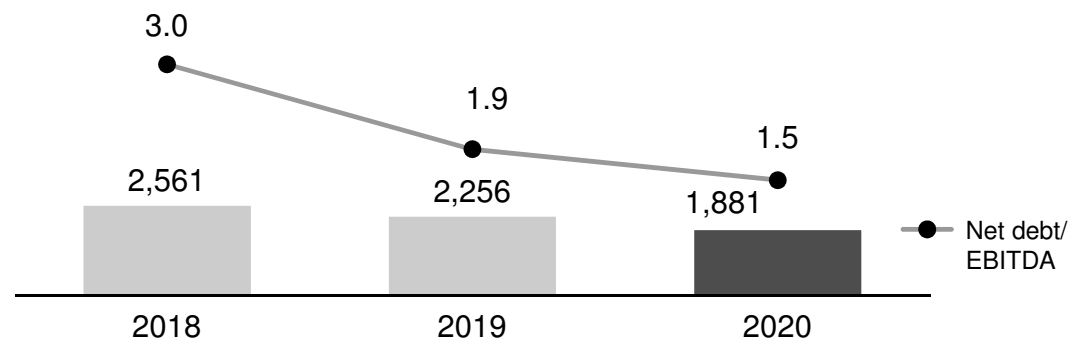
Additions/ €m
to tangible assets



Free cash flow after dividend/ €m

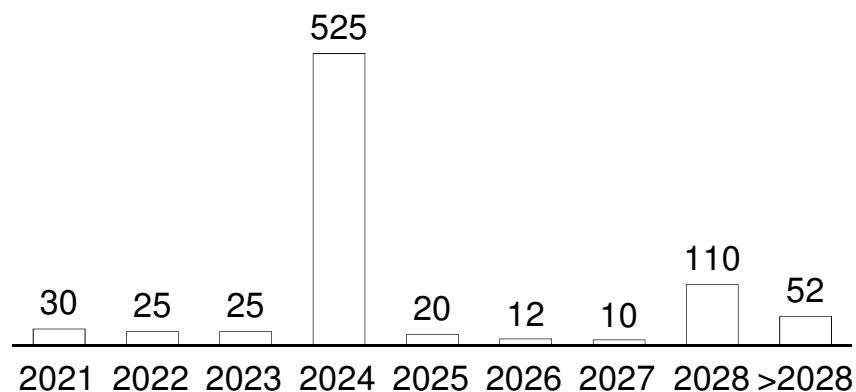


Net debt; Net debt/EBITDA/ €m; x

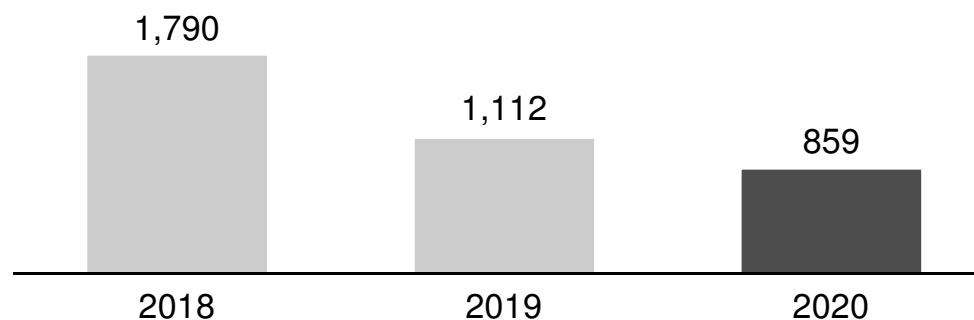


Financial liabilities

Debt maturity profile/ €m



Financial liabilities/ €mn



Financial liabilities

- Book value Financial liabilities: €859m

Financial ratios

- Duration: 4.3 years
- Effective interest rate: 2.31% p.a.
- Uncommitted lines of credit: approx. €600m*
- Syndicated loan: €500m

Interest mix

- 91% fixed interest rate
- 9% floating interest rate

Currency

- 100% EUR

Rating

S&P Global
Ratings

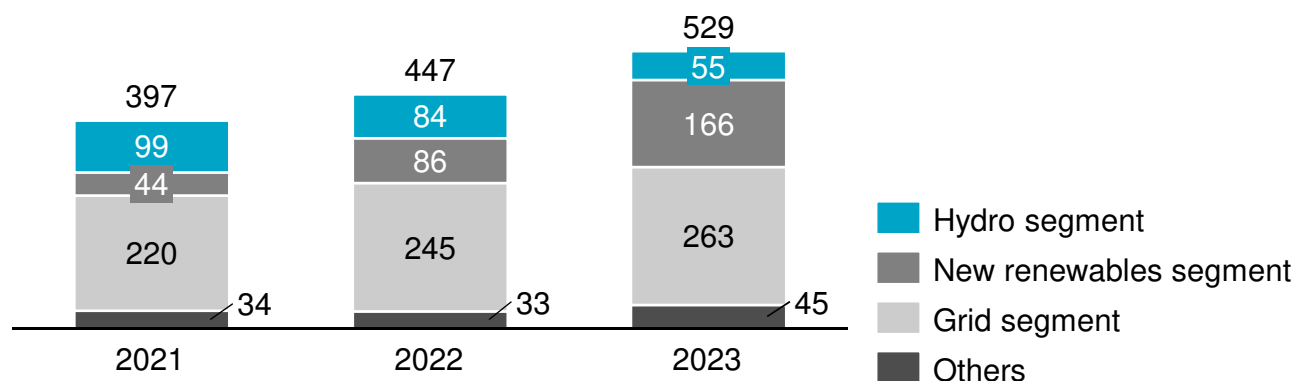
A/stable outlook

MOODY'S
INVESTORS SERVICE

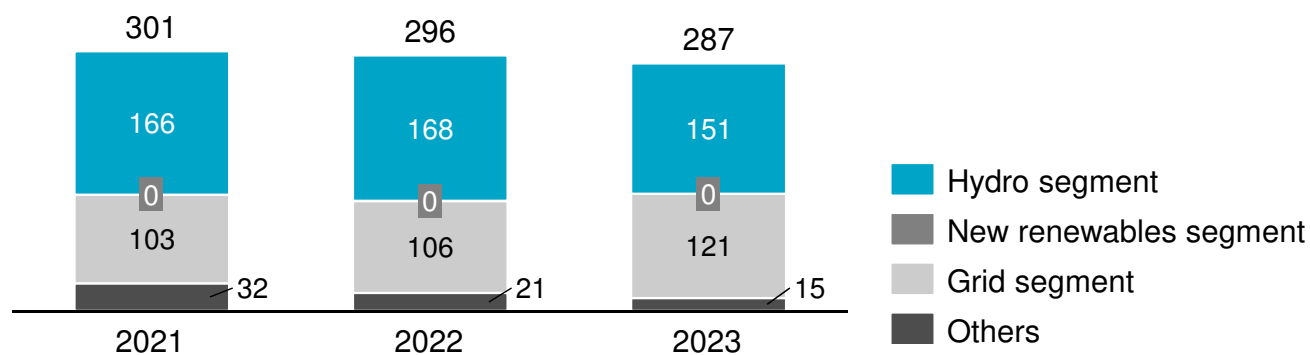
A3/stable outlook

CAPEX plan 2021-2023 (total of €2,257m)

Growth CAPEX/ €m (total of €1,373m)



Maintenance CAPEX/ €m (total of €884m)



Acquisition of GCA

Timeline

- Signing: 23 September 2020 ✓
- Closing expected in the first half of 2021

Gas transmission system



Strategic rationale

- Improvement in the business profile
- Operator of critical infrastructure
- Optimum positioning of sector coupling
- Optionality for the hydrogen economy
- Encouraging trend in KPIs

Overview

- Gas TSO/DSO of Austria
- Ownership: 51% VERBUND (after closing), 49% AS Gas Infrastruktur GmbH (60 % Allianz Capital Group, 40% Snam Rete Gas S.p.A)
- RAB-based cost-plus system, regulatory period from 2021–2024
- 546 km pipelines (transmission), 322 km pipelines (distribution)

Acquisition of GCA – expected financial implications

Transaction overview	€/x
Purchase price (for 51% of shares in GCA)	271m
Assumed liabilities (Shareholder loan & cash pooling liability)	166m
Cash out	~ 437m
KPI change @VERBUND in 2021	
Increase of EBITDA @VERBUND	~ +65m
Increase of Group result @VERBUND	~ +13m
Increase of net debt @VERBUND	~ +600m
Decrease of FCF after dividend @VERBUND	~ -305m
Increase in net debt/EBITDA @VERBUND	~ +0.5
KPI change @VERBUND 2022-2023 p.a.	
Change in EBITDA @VERBUND	~ +100m p.a.
Change in Group result @VERBUND	~ +20m p.a.
Change in FCF after dividend @VERBUND	~ +23m / +55m p.a.

Estimates based on expected closing date 30 April 2021; for simplification reasons linear results development in 2021 used as basis; data based on GCA business plan.

Outlook

Sensitivities 2021

A change of 1% (generation from hydropower/ windpower) or €1/MWh (wholesale price) either way would be reflected as follows in the group result for 2021, other things being equal:

- Greater or less generation from hydropower: +/- €7.9m
- Greater or less generation from windpower: +/- €0.5m
- Wholesale prices (renewable generation): +/- €5.8m

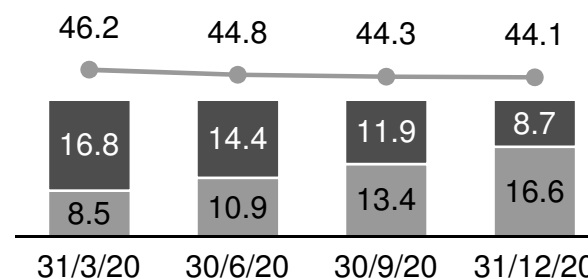
Earnings outlook 2021 (excl. GCA)

EBITDA between approx. €1,080m and €1,300m and Group result between approx. €450m and €590m based on an average generation from hydropower and windpower as well as the opportunities and risk situation of the Group.

For financial year 2021, VERBUND plans to pay out between 45 and 55% of the Group result after adjustment for non-recurring amounting to between approx. €450m and €590m.

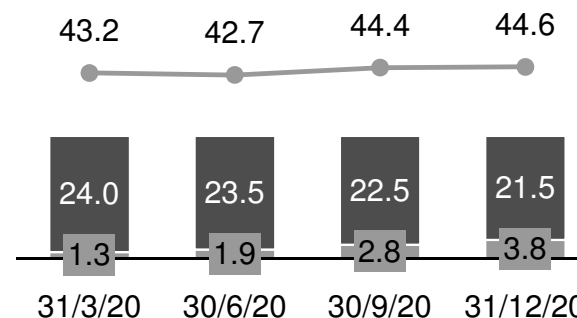
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Hedging volumes 2021¹/ TWh



MtM (24/2/21):
€46.2

Hedging volumes 2022¹ / TWh



MtM (24/2/21):
€53.0

—●— Achieved contract price ■ Open volumes ■ Hedged volumes

¹ Hydro production excluding volumes for holders of interests (at cost) and volumes resulting from pumping. Page 14

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Appendix



VERBUND 2030 strategy

Efficient hydropower generation

Maintaining the value of the Group's existing hydropower generation, optimising the flexible generation portfolio and seizing available opportunities to expand hydropower

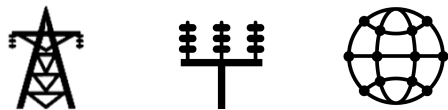


New renewables generation

Long-term, profitable development of approx. 20–25% of VERBUND's total electricity generated from onshore wind power plants and solar power as a contribution to decarbonisation



Driver of sector coupling, flexibility and customer solutions for system integration and as a catalyst for the future of energy in Austria



Sustainable expansion of the transmission grid as the basis for safe operation and a liquid electricity market in Austria and Europe

Safe grid operation



Use of existing flexible natural gas power plants as bridge technology

Security of supply














Innovative partner to energy sector customers, developing sustainable solutions with alternative energy sources and new storage facilities

Customer-centric solutions

VERBUND's 2030 strategy - important contribution to SDGs



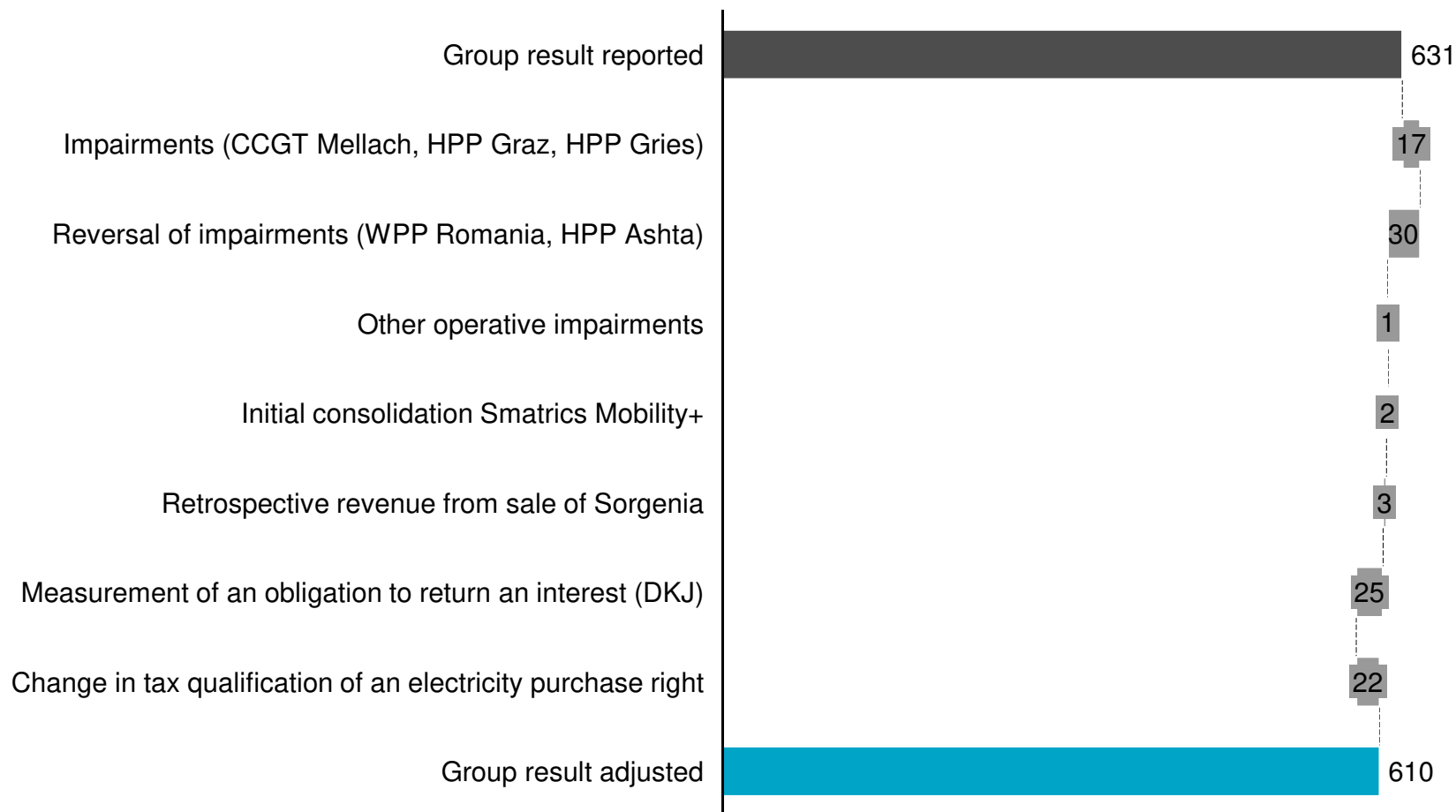
Strategy's contribution to SDGs	Strategic pillar	Key implementation points
     	 Efficient hydropower  New renewables  Security of supply  Safe grid operation  Customer-centric solutions	<ul style="list-style-type: none"> • Climate- and eco-friendly generation of electricity primarily from hydro, wind and solar power • Capital expenditure of €280m by 2027 on fish passes, biodiversity measures and projects to restore river ecosystems. • Provider of flexibility products for the energy transition • Phase-out of coal-based electricity generation in 2020 • R&D projects for green hydrogen produced from renewable energy sources. • System security in the Austrian transmission grid • Implementation of sustainable route management for the transmission grid. • Establishment of new, sustainable products and business models • Pan-European e-mobility projects for promoting the electrification of the transportation sector • Innovative energy solutions for our responsible B2C and B2B customers.

Income statement

€m	2019	2020
	Total	Total
Revenue	3,895.0	3,234.6
Electricity revenue	3,190.8	2,599.3
Grid revenue	566.6	497.3
Other revenue	137.6	137.9
Other operating income	74.1	77.5
Expenses for electricity purchases & use of fuels	-2,203.2	-1,395.4
Other operating & personnel expenses	-582.4	-623.9
EBITDA	1,183.5	1,292.8
Depreciation & amortisation	-364.2	-378.8
Effects from impairment tests	46.6	7.9
EBIT	865.9	921.9
Result from equity interests & oth. interests	46.9	53.6
Interest income/expense	-77.6	-48.9
Other financial result	-39.1	32.8
Effects from impairment tests	16.4	3.4
Financial result	-53.4	40.9
Taxes	-171.8	-238.9
Group result	554.8	631.4
Minorities	85.9	92.5
Earnings per share (€)	1.60	1.82
(Proposed) dividend per share (€)	0.69	0,75

For detailed information on the calculation of key figures and adjustments, please refer to the explanations in the foot notes of the 2020 Integrated Annual Report / Five-year comparison.

Non-recurring effects influence Group result in €m












Balance sheet (short version)

€m	2019	2020	Change
Non-current assets	11.062	11.352	3%
Current assets	777	702	-10%
Total assets	11.839	12.054	2%
Equity	6.568	6.874	5%
Non-current liabilities	4.107	4.045	-2%
Current liabilities	1.163	1.135	-2%
Total liabilities	11.839	12.054	2%

Cash flow statement (short version)

€m	2019	2020	Change
Cash flow from operating activities	1.204	1.191	-1%
Cash flow from investing activities	-322	-597	–
Cash flow from financing activities	-877	-590	–
Change in cash and cash equivalents	5	5	–
Cash and cash equivalents at the end of the period	45	49	10%

Capital market calendar 2021

	17/3/2021	Annual result and publication of annual report 2020
	10/4/2021	Record date for Annual General Meeting
	20/4/2021	Annual General Meeting
	27/4/2021	Ex-dividend date
	28/4/2021	Record date for dividends
	10/5/2021	Dividend payment date
	12/5/2021	Result and interim report quarter 1/2021
	29/7/2021	Result and interim report quarters 1–2/2021
	4/11/2021	Result and interim report quarters 1–3/2021

Management



Michael Strugl
Chairman of the
Executive Board



Peter Kollmann
CFO, Member of the
Executive Board



Achim Kaspar
Member of the
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