Fortum’s takeover offer for Uniper

An overview of communication events from September 20, 2017, to February 7, 2018

On September 20, 2017, Fortum’s intentions to take over Uniper became public. Since then, the debate about the sale of E.ON’s 46.65% stake has been in full swing. Representatives of the involved companies Fortum, E.ON and Uniper, as well as politicians and analysts mainly from Germany and Finland, have expressed their opinions. New aspects and topics were put into the focus of the discussion all the time. In the following chronological overview, we have compiled key events and selected statements from press articles. Where possible, you will also find links to the original sources to follow the arguments.

20 Sep

Bloomberg leaks information about talks between E.ON and Fortum

“Fortum is nearing a bid for Uniper: Finnish utility Fortum Oyj is nearing a bid for EON SE’s legacy fossil fuel and trading business Uniper SE as consolidation in the European power sector accelerates, people familiar with the matter said. Fortum may announce plans as early as this week to make a voluntary takeover offer for Uniper, the people said, asking not to be identified because the talks are private.”

Leak later confirmed by both E.ON and Fortum

Fortum press release

“Fortum intends to become a major shareholder in Uniper – to launch public takeover offer if agreement reached with E.ON regarding its 46.65% share in Uniper” (Link)

Fortum International Media Conference Call

Transcript (Link), Audio file (Link)

Fortum Corporation Investor Call

Transcript (Link), Audio file (Link)

E.ON ad-hoc notice

“E.ON in advanced negotiations regarding an agreement according to which it would have the right to decide to tender its remaining Uniper stake in the course of a Public Takeover Offer by Fortum in early 2018” (Link)

Uniper reacts with press release

“We have not invited Fortum to make a takeover offer” (Link)

IG BCE trade union, Dow Jones

“We expect that the […] agreed package to safeguard the future agreed between Uniper and the unions […] will not be untied again.”
21 Sep  Börsen-Zeitung: “Uniper resists takeover”
Fortum plans a public takeover offer at a price of €22 in cash per Uniper share, as part of which E.ON might also sell its 46.65% stake. E.ON would thus obtain €3.76 billion and Uniper would be valued at a total of €8.05 billion. “This move is unsolicited and is not consistent with the strategy we’ve communicated publicly,” said Uniper’s Chief Executive Officer Klaus Schäfer. According to Uniper, there are at present no talks – either with Fortum or with E.ON – about the unsolicited and non-binding proposals for a transaction from the two companies.”

Handelsblatt: “Obligation toward own shareholders”
“A little more than a year ago, on September 12, 2016, E.ON’s CEO Johannes Teyssen granted Uniper SE its independence and wished it all the best. […] Now the 57-year-old is about to rob the newcomer of its independence again. […] But regardless of whether the Finnish company secures a majority or not, Uniper’s CEO Klaus Schäfer would in any case obtain a strategic investor he really does not want. […] In an interview with Handelsblatt, however, Schäfer appealed to Teyssen’s moral obligation toward Uniper. After all, he added, the clear line that had been communicated before the split was “to enable an independent future for two companies.” “Both Johannes Teyssen and I repeatedly stressed this before the flotation,” said Schäfer. “You can read the statements.” […] Teyssen might finally get off to a vigorous start in the new world of energy. In contrast, his old companion Schäfer, who was even touted as a future CEO of E.ON before his move, now has to bury his own plans. […] Uniper is also unjustly equated with coal-fired power plants alone. The company operates more gas-fired plants than coal ones, also has many hydropower plants and in Sweden even has nuclear power stations, which Fortum continues to set store by. Uniper also has a lucrative wholesale business, specifically with gas, and a long partnership with the Russian gas giant Gazprom. […] For Fortum, there is another tangible financial reason for the offer. The group, in which the Finnish government holds a majority stake, is rolling in money and is simply looking for good investment opportunities.”

Westdeutsche Allgemeine Zeitung: “Wrangle over the future of Uniper”
“E.ON intends to shed its 47 percent stake in Finland’s Fortum Corporation.” There is also criticism from Ver.di.

Rheinische Post: “Uniper appalled by the sale to the Finns”
“E.ON had always stated that it intended to part ways [from Uniper] completely. What is surprising now is the timing and the sale to a single investor. The big question now is how many other Uniper shareholders will accept the offer. The other big question is, whether or not Uniper will be in good hands. E.ON is not always successful at this.”

Frankfurter Allgemeine Zeitung: “E.ON: Finnish interest in the utility Uniper”
“Fortum’s President and CEO Pekka Lundmark stressed that the planned offer constituted a 36 percent premium on the price of Uniper’s share before market speculation on a takeover began at the end of May. However, the price of Uniper’s share on Wednesday afternoon was a little above that offered by Fortum. In order to nip in the bud possible fears among the 13,000 Uniper employees about the consequences of a takeover, Fortum explicitly emphasized that there were no plans for redundancies in connection with the takeover. There was also no intention of moving the company’s headquarters away from Düsseldorf.”

23 Sep  Interview with Marc Spieker, CFO of E.ON published in Börsen-Zeitung
“The objective of splitting up our group was from the outset to create two independent companies that can and also have to take their own decisions.” ([Link to introduction])

24 Sep  Pekka Lundmark, Fortum CEO, Frankfurter Allgemeine Sonntagszeitung
“It was unfortunate that for legal reasons we were obliged to communicate our acquisition plans to the public without having another conversation beforehand with the Uniper Board.”
### 25 Sep

**Capital: “The industry’s biggest loss maker”**

“Johannes Teyssen will remain at E.ON for another three years in the top job. […] In the case of Johannes Teyssen, a loss of €28 billion is not enough for him to lose his job. But there is a theory behind this: The CEO has failed substantially in recent years, but has set the right course lately. […] With this argument, Supervisory Board members such as [Karl-Ludwig] Kley break the principle of performance and reward.”

**Interview with Klaus Schäfer, Uniper CEO, published by Reuters**

Klaus Schäfer calls on Fortum to make binding commitments in writing.

“Uniper CEO resists takeover by Fortum. […] We had an offer in July and rejected it. […] Offer was worth €19 a share. […] The new move is hostile.”

### 26 Sep

**Fortum signs agreement with E.ON over acquisition of 46,65% stake in Uniper**

Fortum press release [Link]

E.ON ad-hoc notice [Link]

E.ON press release [Link]

**Interview with Harald Seegatz, Uniper Works Council Chairman, published in Rheinische Post: “Works Council: Thousands of jobs under threat at Uniper”**

“Works Council Chairman Harald Seegatz fears the Finnish Fortum Group will break up the power utility. That would also make headquarters in Düsseldorf superfluous. The workforce feels ‘betrayed and sold out’ by the parent company E.ON.” [Link]

**Immo Schlepper, Ver.di trade union, Westdeutsche Allgemeine Zeitung**

“There is a risk that Fortum could dispose of large parts of Uniper and jobs will be lost with this. […] We fear that Uniper will be broken up, because large parts of Uniper’s activities do not match Fortum’s strategy.” [Link]

### 27 Sep

**Pekka Lundmark, Fortum CEO, holds investor presentation [Link]**

Fortum Corporation Investor Call

Transcript [Link], Audio file [Link]

**Thomas Deser, Union Investment, Reuters**

“There is not much room to manoeuvre for the Uniper Board. It has to aim for the best of the shareholders. A tough line can be helpful in that respect.” [Link]

### 28 Sep

**Klaus Schäfer, Uniper CEO, dpa-AFX**

“I expect now that Fortum’s CEO Pekka Lundmark is putting his announcements into action and will present clear and binding statements. This is the only way to build a basis for further discussions.” [Link]

**Westdeutsche Allgemeine Zeitung: “E.ON CEO Teyssen causes disappointment at Uniper”**

ver.di advisor Immo Schlepper: “We continue to fear that Uniper will be broken up by Fortum.” According to ver.di, large parts of Uniper do not match Fortum’s strategy – in particular the gas and coal-fired plants and energy trading. There is therefore the risk that Fortum will sell Uniper business units.
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<tr>
<th>Date</th>
<th>Source</th>
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<tr>
<td>30 Sep</td>
<td>Interview with Christopher Delbrück, Uniper CFO, published in Börsen-Zeitung</td>
<td>Uniper warns about Fortum’s takeover plan: CFO of the German power plant operator fears the billion-euro offer will be refinanced at the costs of the company’s good creditworthiness (Link)</td>
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<td>01 Oct</td>
<td>Pekka Lundmark, Fortum CEO, Svenska Dagbladet</td>
<td>&quot;First, we’ll get a strong cash flow, then we’ll use this to invest in green energy and pay a competitive dividend to our owners. […] We are completely satisfied if we get E.ON’s shares. But we are willing and ready to take all shares.&quot;</td>
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<td>04 Oct</td>
<td>Georg Oehm, Mellinckrodt German Opportunities Fund, Handelsblatt.de</td>
<td>“I expect that the share price within one year exceed the 22 euro Fortum offers. My target price is 25-30 euro. […] Uniper Management is doing a perfect job. Gas trading will profit from increasing commodity prices, the contracts with Gazprom are profitable and the energy mix is excellent.”</td>
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<td>05 Oct</td>
<td>Interview with Klaus Schäfer, Uniper CEO, published in Talouselämä, (weekly Finnish business magazine)</td>
<td>“Fortum reached out to us in July. They wanted to buy 100 % and gain full control. We discussed the issue and the supervisory board decided unanimously, that the offer is not attractive. After a few weeks Fortum announced the negotiations with E.ON and was no longer interested in asking anything from the management. A friendly offer had turned hostile. […] If I were looking for a strategic partner, I’d talk to the management. If I’m taking over, I’ll talk to the owner.”</td>
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<td>05 Oct</td>
<td>Bild am Sonntag criticizes E.ON CEO Johannes Teyssen in an article on the morale of managers</td>
<td>Uniper Works Council Chairman Harald Seegatz is quoted: “E.ON claims to do business in an honest and sincere manner. But, once again, managers are not keeping the promises they made to us. It is really hard to believe that the hasty Fortum deal did not have anything to do with the contract extension for Johannes Teyssen. He is now getting three more years, even though he is putting thousands of jobs at risk and leaving us in the dark. Jobs done by people who put him where he is today.”</td>
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<td>09 Oct</td>
<td>Interview with Pekka Lundmark, Fortum CEO, published in Rheinische Post: “We don’t want to break up Uniper”</td>
<td>“E.ON’s intention to sell its 47 percent stake in the hived-off power generation subsidiary Uniper to the Finnish energy company is causing a stir. Uniper’s management is fighting the plans and employees are concerned. In an interview, Fortum’s President and CEO Pekka Lundmark tries to calm nerves.” (Link)</td>
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<td>16 Oct</td>
<td>Rheinische Post: “E.ON leaves Uniper to fend for itself against a hostile takeover”</td>
<td>E.ON’s Board of Management was willing to leave Uniper to fend for itself against a hostile takeover earlier than was previously known. That is revealed by a letter dated July 24, 2017, written by E.ON’s CEO Johannes Teyssen along with Chief Financial Officer Marc Spieker to Uniper’s CEO Klaus Schäfer and Bernhard Reutersberg, Chairman of its Supervisory Board. […] Two aspects alarmed the workforce and management: the woolly job pledges and degradation of Uniper to one of Fortum’s many divisions. According to Teyssen’s letter, “no staff cuts are intended as a direct consequence of the transaction.” And: “All employees who are affected by a loss of their job elsewhere are to be offered a suitable position within the Fortum Corporation, provided such a position is available and the employees are best-qualified for it.” (Link)</td>
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<td>17 Oct</td>
<td>Interview with Christopher Delbrück, Uniper CFO, in YLE (Finnish national broadcasting company)</td>
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<td>“We have completely different strategic development policies. Our growth is considerably stronger in</td>
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<td>the gas business - all the areas that are not included in Fortum's strategy. What we have heard of</td>
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<td>the deal so far is not economically interesting for other shareholders. We also believe that the deal</td>
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<td>would have negative effects on our employees.”</td>
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<td><strong>Comment by Ulf Meinke in Westdeutsche Allgemeine Zeitung: „Bitter for the employees“</strong></td>
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<td>“The fact that Uniper’s CEO Klaus Schäfer and the trade union ver.di see the move by the Finnish</td>
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<td>company as a hostile act is understandable and more than an alarm signal. […] Who bears</td>
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<td>responsibility if Uniper loses its independence? It’s clear that E.ON’s CEO Johannes Teyssen</td>
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<td>most certainly had the opportunity to seek – and also find – alternatives to the transaction with</td>
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<td>Fortum. Teyssen has decided in favor of a deal that will very likely fill E.ON’s coffers. That may</td>
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<td>well be good for E.ON and Teyssen, but it’s pretty bitter for Uniper’s employees, who still</td>
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<td>belonged to the Essen-based energy group just a few months ago.” (<a href="#">Link</a>)</td>
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<td>24 Oct</td>
<td>Börsen-Zeitung: “Fortum must show its true colors to the financial supervisory authority”</td>
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<td>“The deadline for the hostile takeover of Uniper is soon approaching – the Finns have failed in</td>
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<td>Germany once before. Meanwhile, there is growing speculation in Germany that Fortum would break up</td>
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<td>the German Group following a takeover of Uniper and, in particular, sell its power plants in Germany</td>
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<td>to rivals. RWE could potentially benefit from the takeover.” (<a href="#">Link</a>)</td>
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<td>25 Oct</td>
<td>Reuters: Russian competition authorities view the Fortum offer for Uniper with skepticism</td>
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<td>“The multi-billion-dollar offer by Finnish power utility Fortum for its Düsseldorf competitor Uniper</td>
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<td>has been met with reservations from the Russian antitrust authorities. An initial analysis has</td>
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<td>shown that the deal could affect competition in the Urals and Western Siberia, the supervisory</td>
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<td>authority said on Wednesday without mentioning any proposed solutions.” (<a href="#">Link</a>)</td>
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<td>Börsen-Zeitung: Fortum submits Uniper offer</td>
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<td>“In about two weeks, we will find out for the first time whether and to what degree the submitted</td>
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<td>acquisition offer contains specific and binding statements,” a Uniper spokesman said on Tuesday.</td>
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<td>“We expect the German Financial Supervisory Authority to carefully review the documents.” Uniper</td>
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<td>expects “that the frequently mentioned commitments and arrangements made between Fortum and E.ON,</td>
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<td>which haven’t been published up to now, will be considered as well.” […] Up to now, Uniper has only</td>
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<td>heard about Fortum’s intentions from the media, a Uniper spokesman said. “Those at Uniper in</td>
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<td>Düsseldorf have recently maintained that a break-up was being planned due to the first aggressive</td>
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<td>takeover attempt during the summer, which initially was not publicly announced, as well as due to</td>
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<td>the incompatible business strategies of Fortum and Uniper and, not least, the financial terms.” (<a href="#">Link</a>)</td>
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<td><strong>Focus Money: “Sold below value”</strong></td>
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<td>“DSW criticizes: E.ON is selling Uniper paper too cheaply, and a high break-up fee also hinders the</td>
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<td>opportunity for a better deal. A break-up fee is intended to cover the costs incurred by a potential</td>
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<td>buyer, even if the transaction is not concluded in the end. This includes fees for consultants and</td>
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<td>lawyers. Thomas Hechtfischer, DSW: ‘If you take a look at the share price performance, the proceeds</td>
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<td>would have been significantly higher for E.ON than the 3.8 billion. […] That is a very comfortable</td>
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<td>situation for the buyer. The buyer is purchasing at a cheaper price than on the stock market, and</td>
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<td>if it doesn’t work out, there’s still a decent financial consolation. In addition, E.ON is thus</td>
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<td>hindering the opportunity of accepting a possible better offer from another competitor.’” (<a href="#">Link</a>)</td>
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26 Oct  Interview with Pekka Lundmark, Fortum CEO, published by Bloomberg Europe
Pekka Lundmark expects the Russian authorities to give their approval and does not expect that power stations will have to be coal-fired for as long as possible. "Most European countries will publish schedules pushed by the government on how quickly they want to get out of coal, and we will of course be fully committed to what is specified in these schedules." (Link to the transcript)

Fortum Corporation Investor Call
Transcript (Link), Audio file (Link)

01 Nov  Finnish newspapers report on Uniper’s advertising campaign
The latest step in Uniper's anti-Fortum campaign is a full-page ad in several newspapers. In the advertisement, Uniper explains the consequences “for Uniper, Fortum and ultimately for you as a Fortum shareholder” and reminds the reader of the ecological and economic effects of the deal. (Link)

Fortum reacts to Uniper’s advert
Fortum denies a hostile takeover and reacts to Uniper’s advert with a video ((Link to video on YouTube))

02 Nov  Handelsblatt reports on a letter from E.ON’s Supervisory Board chairman Kley to Uniper’s Supervisory Board chairman Reutersberg
E.ON’s Supervisory Board chairman Karl-Ludwig Kley wrote a letter to his Uniper counterpart Bernhard Reutersberg and copied the entire presidium of the Uniper Supervisory Board, including Works Council chairman Harald Seegatz. In this letter, Kley proposed that Uniper not to wait until the official submission of the offer to start talks. Meanwhile, the “Uniper management is making serious accusations of major shareholder E.ON and its CEO Teyssen Works Council chairman Harald Seegatz openly accused Teyssen of breaking his promise. […] When requested, neither Kley nor E.ON wished to comment on the letter.” (Link)

Reuters: “The tone between Uniper and Fortum is becoming harsher”
Fortum CEO Pekka Lundmark criticizes Uniper’s advertisement campaign in Finland.

03 Nov  Wirtschaftswoche: “The CEO goes full defense”
According to financial circles, as soon as the offer from the Finns is published most likely on November 7 by the German Financial Supervisory Authority, the Management Board advised by Rothschild will therefore recommend Uniper and its shareholders not to accept the takeover bid.
**07 Nov**  
**Fortum publishes the takeover bid, which runs until January 16, 2018**

**Fortum press release**
Pekka Lundmark, President and CEO of Fortum: “I can clearly and unequivocally say that although we welcome all the shares offered, we are concentrating on acquiring E.ON’s 46.65 percent stake. We have no plans, nor do we see any reason to raise the offer price.” ([Link](#))

**Fortum Corporation Media Call**
Transcript ([Link](#)), Audio file ([Link](#))

**Videos from Pekka Lundmark, Fortum CEO, on the proposition and the offer price**
Transcript regarding the proposition ([Link](#)), Transcript regarding the offer price ([Link](#))

**Börsen-Zeitung: “The hostile takeover of Uniper has begun”**
Fortum has submitted its takeover bid for Uniper. As is already known, the Group intends to pay 22 euros per share. That was the indication provided in a communication on Tuesday. In that communication, Fortum also reaffirmed its intention not to increase the offer. Uniper shareholders can tender their shares with immediate effect until January 16, 2018. However, Fortum intends to concentrate primarily on the remaining E.ON shares. ([Link](#))

**dpa-AFX: “Fortum's takeover plans for Uniper gain momentum”**
The article refers to commentary by Uniper CFO Christopher Delbrück during the conference call on Uniper's Q3 figures: “He would have liked Fortum to have talked to Uniper first, rather than leaving the company in the dark. He called E.ON's penalty payment, should the takeover fall through, “unusually high.” He assumes that this should prevent further offers, which would disadvantage investors. He said Uniper would examine suitable measures. He did not want to explicitly confirm whether a legal route was also being considered.”

**08 Nov**  
**Handelsblatt: Comment by Jürgen Flauger**
In light of the extraordinarily high compensation with which E.ON has committed itself to the agreement with Fortum, Jürgen Flauger presumes in his commentary that the deal between E.ON and Fortum can “hardly be stopped.” Consequently, Schäfer should “finally begin talks with Fortum management” to secure the rights of employees through constructive cooperation. The Börsen-Zeitung also presumes that the “deal is done.” However, the tone between the companies has become much more objective. Schäfer apparently wants to achieve the best for the company and its employees. ([Link](#))

**09 Nov**  
**Westdeutsche Allgemeine Zeitung: “Energy companies have merger fever”**
According to experts such as Manuel Frondel from the RWI Leibniz Institute in Essen, Germany’s energy companies have become vulnerable. Formerly powerful electricity suppliers have become “weaklings” with high debt and capital requirements. There are, however, many companies beyond the country’s borders that have an abundance of financial strength, because unlike Germany, the energy suppliers in other European countries are often “pampered and spoiled.” ([Link](#))

**16 Nov**  
**WirtschaftsWoche: “Uniper: First meeting with future investor Fortum”**
Fortum CEO Pekka Lundmark and Uniper CEO Klaus Schäfer have met face-to-face for the first time since Fortum’s takeover offer became public. “It was a constructive meeting,” said Lundmark. “We can now enter into a dialogue with Uniper about how we will work together in the future.” ([Link](#))

**17 Nov**  
**Manager Magazin: “Everyone fights for themselves”**
A detailed double portrait of E.ON CEO Johannes Teyssen’s and Uniper CEO Klaus Schäfer's joint career path and their disagreement over the planned sale of E.ON's stake in Uniper to the Finnish energy company Fortum.
<table>
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<th>21 Nov</th>
<th><strong>Publication of Uniper’s Substantiated Statement:</strong> The Management Board and Supervisory Board advise shareholders not to accept Fortum’s takeover offer.</th>
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| | **Excerpts from the Uniper press release**  
Both Boards [Management Board and Supervisory Board] are of the opinion that Fortum’s offer is not in Uniper’s best interest, nor in the interest of its shareholders, employees, and further stakeholders. The Management Board and Supervisory Board therefore recommend Uniper shareholders not to accept Fortum’s offer. The Group Works Council fully supports the joint statement from the Management Board and Supervisory Board and has thus decided not to submit an own statement. ([Link](#))  
| | **Complete Substantiated Statement**  
PDF document ([Link](#))  
| | **Statement from Pekka Lundmark on the publication of the Substantiated Statement**  
“We are convinced that our offer represents attractive value to Uniper’s shareholders offering 36% premium to the price prior to intensified bid speculation […].” ([Link](#))  
| | **dpa-AFX:** “Uniper CEO continues to press for independence with Fortum offer”  
Uniper continues to reject a possible takeover by Fortum. “But the recent fierce resistance of the Düsseldorf firm is melting. Uniper CEO Klaus Schäfer stated his willingness to talk at a press conference on Tuesday. In doing so, he announced his intention to ensure Uniper’s independence ‘as much as possible.’ […] After an initial ‘constructive’ meeting with Fortum CEO Pekka Lundmark last week, further talks should follow ‘soon’, said Schäfer. At the same time, he once again called on Fortum to make binding commitments in the event of a takeover.” ([Link](#))  
| 22 Nov | **Frankfurter Allgemeine Zeitung:** Commentary by Helmut Bünder  
A break up of Uniper has not yet been ruled out. “Essen-based competitor RWE has already announced its interest in certain power plants. It is fitting that RWE has sounded out a sale of shares of its green power company, Innogy.”  
Now Schäfer will be getting involved with the Finnish utility Fortum: “Its offer of almost two euros less than the current share price is indeed a joke in the view of independent shareholders. But because Teyssen came in early and too cheap, that train has left. […] It is time for Schäfer to explore the options and save what can still be saved. To do that, he will have to convince Fortum CEO Pekka Lundmark that an independently operating Uniper is also the most profitable solution for the new major investor.”  
**Handelsblatt:** Commentary by Jürgen Flauger  
Klaus Schäfer has good reason to reject the takeover offer by Fortum: “The offer is now substantially below the energy producer’s share price. The logic is difficult to follow from a strategic perspective as well: What does a Finnish energy company who takes pride in its low-CO₂ energy production want with a German coal-based energy producer?”  
**Süddeutsche Zeitung:** “Last gasp”  
“At first glance, it looks like another round of heavy ordnance aimed at Uniper. For months, the Essen-based energy group has struggled against the takeover by Finnish Fortum, now also officially. […] Among the aggressive tones, more conciliatory ones can be heard too.” ([Link](#))  
| 24 Nov | **WirtschaftsWoche:** “The friendly Finn”  
Fortum CEO Pekka Lundmark doesn’t see a great future for coal. But that hasn’t changed its interest in Uniper: “Of the some 300 Uniper power plants, only approx. 30 percent are coal-fired. The rest of Uniper’s business is mainly gas and water power. Because coal continues to be under pressure and more and more renewables are being added, the significance of gas as a secure energy supply is growing. And the energy provider will increasingly profit from that in the future.” ([Link](#)) |
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<td>27 Nov</td>
<td><strong>Handelsblatt: “We are talking about the country’s future”</strong>&lt;br&gt; In an interview with the German business daily Handelsblatt, Karl-Ludwig Kley, the chairman of the Supervisory Board of E.ON, discussed the takeover battle being waged between Fortum and Uniper. Kley argues that the complete sale of E.ON’s remaining stake would be the best solution. By contrast, he said, a successive equity placement would create “significant uncertainty” in terms of the time horizon and the amount of funds that would be generated. Kley said he understood the reasons why Uniper would prefer to remain independent. The management team led by Klaus Schäfer has done a good job. Everything has been “done correctly.” But he added that the communication activities of all parties involved could have been better. Kley said that he and his Uniper colleague Bernhard Reutersberg had agreed that they would no longer send letters to or discuss topics covered in meetings with the media. (Link)</td>
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<td>02 Dec</td>
<td><strong>DER SPIEGEL: “The system doesn’t work”</strong>&lt;br&gt; In an interview with the German weekly news magazine Der SPIEGEL, Johannes Teyssen, the chairman of E.ON’s Board of Management, defended himself against criticism that he had “twice gone behind the backs” of Uniper’s management team, had “dumped” his own stake in Uniper, was willing to accept a “breakup” of Uniper and had “passively” watched “thousands of jobs be put at risk by the takeover.” (Link)</td>
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<td>04 Dec</td>
<td><strong>FINANCE-Magazin: „Hardest debt relief phase behind us“</strong>&lt;br&gt; In an interview with FINANCE-Magazin, Uniper CFO Christopher Delbrück reaffirms Uniper’s opposition to the Fortum takeover bid, characterizing it financially unattractive and not reflecting the long-term potential of the Uniper share. In addition, Fortum's strategy for the scenario of a dominant influence is still unclear. This currently hinders a possible rating upgrade of Uniper by S&amp;P, which had been hoped for after the sale of the interest in the Yuzhno Russkoye gas field had now been completed. (Link)</td>
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<td>06 Dec</td>
<td><strong>Focus Money: „Controversy over Uniper continues“</strong>&lt;br&gt; “The Fortum offer is not particularly attractive at present, as it is below the current share price. As long as the offer is in progress, Uniper shareholders are on the safe side and have, so to speak, a price hedge downwards. At the end of the deadline, however, it is possible that the price may fall back to the original level of less than EUR 20,” says DSW Managing Director Thomas Hechtfischer. He also criticizes the fact that Fortum “has not yet said anything concrete about his goals and strategy”.&lt;br&gt;&lt;br&gt;<strong>Handelsblatt: „Hedge fund gets involved in takeover bid“</strong>&lt;br&gt; The activist investor Paul Singer interferes in the takeover battle for Uniper. As can be seen from a voting rights announcement, Singer secured access to 5.32% of the shares with his hedge fund Elliott at the end of November. The share then climbed to a new record high of EUR 25.68. The US hedge fund is known to intervene in takeover bouts to drive the price up. Fortum boss Pekka Lundmark, however, has repeatedly stressed that he has no intention of increasing the bid. (Link)</td>
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**07 Dec**  
**Uniper presents a new strategic and financial update**

**Uniper press release**  
CEO Klaus Schäfer: "We are delivering on our promises. In its first two years, Uniper has reorganized its portfolio and the company as a whole. We've made the company more robust by lowering annual costs and by divesting ourselves of activities that aren’t part of our core business. We’ve improved our cash flows. And recently we concluded the sale to OMV of our stake in the Siberian gas field Yuzhno Russkoye. Uniper is ready for its next phase, during which we’ll be directing our attention to specific growth segments."

CFO Christopher Delbrück: “We have done everything we announced with respect to earnings performance and dividends and will continue to do so going forward. Uniper has demonstrated outstanding performance on the stock market and presents a great opportunity for investors. Our shareholders will be able to share in this positive trend by continuing to earn significant dividends. These should not only be paid out on a sustainable basis; they shall also increase on average by 25 percent per year through 2020. We will take advantage of any financial scope for new investments in a disciplined manner. We are still clearly aiming at a rating goal of BBB (flat).” ([Link](#))

**Uniper Analyst & Investor Call**  
Presentation ([Link](#)), Webcast recording ([Link](#))

**Handelsblatt: Commentary by Jürgen Flauger**  
In the takeover battle with Fortum, Uniper boss Klaus Schäfer wants and has to achieve the maximum for his employees and his shareholders. The chances are not bad. The promises made by Fortum to employees must be negotiated by Schäfer in a legally binding manner. To have initiated talks with Fortum CEO Pekka Lundmark is a good step. In addition, Schäfer has to secure the independence also promised, also in the interests of the shareholders. He rightly considers the bid to be completely below Uniper's value. It is in Schäfer’s best interest, but also in that of employees and shareholders, if he tries to prevent Fortum from taking control at a bargain price.

**Börsen-Zeitung: „Poker around Uniper sharpens up“**  
More and more major investors are speculating that Fortum will conclude the hostile takeover of Uniper with a domination agreement and pay compensation in return. Now that Elliott has increased its stake in Uniper to 5.3%, BlackRock is also reporting an increase in its stake from 1.4 to 3.8%. In addition to E.ON, a number of funds with larger positions have now bought into the company. The shareholders include J. P. Morgan Chase (2%), Dimensional Fund Advisors (1.8%) and Vanguard (1.3%). ([Link](#))

**13 Dec**  
**focus.de: „Uniper shares well above Fortum bid“**  
Uniper shares continued to show a strong course at midweek. The previous day’s increase of a good 4 percent was boosted by another 1.2 percent to a price of just under 26 euros. According to stock market analysts, the share price is hedged downwards from the takeover offer of Finnish Fortum and is driven upwards by the entry of new investors. These could bet on a higher purchase price for the Finns and also on higher dividends. ([Link](#))

**14 Dec**  
**WirtschaftsWoche: “The energy transitions is taking place mainly on the grid“**  
In an interview with WirtschaftsWoche, E.ON CEO Johannes Teyssen talks about the future of his company. Regarding the sale of the remaining Uniper shares, he justifies the purchase price agreed with Fortum in view of the current Uniper share price of over 25 euros: "When we were able to make a suitable deal with Fortum, the Uniper share was at an all-time high, but below 22 euros. If we accept Fortum's offer, I consider the 22 euros to be a very good price. That would be more than 100 percent above the opening price. I think the current share price contains a speculative premium. But we will decide on the acceptance of the offer in January.”

[Link](#)
19 Dec  dpa-AFX: “Singer's hedge fund Elliott increases influence on Uniper – share price picks up”

The activist investor Paul Singer is getting more and more involved in the takeover battle for Uniper. With its hedge fund Elliott, Singer has now secured access to 7.38% of Uniper shares. The Uniper share responded positively to the news. At the peak, the shares reached a record high of EUR 26.64.

20 Dec  dpa-AFX: “Shareholder Knight Vinke won’t tender Uniper shares to Fortum”

Knight Vinke wants to hold on to his Uniper stock. The financial investor explained in a letter that it’s not planned to offer Fortum the securities. Knight Vinke sees his investment as a “long-term investment”, it was said. Knight Vinke holds a total of 5.02% of Uniper’s share capital and has supported Uniper as a shareholder since its IPO in September 2016.

30 Dec  Rheinische Post: “We need new power plants”

In the fight against a takeover by Fortum, Klaus Schäfer, CEO of Uniper, accused the Finnish energy group of playing a game with hidden cards. “The discussions are not progressing as quickly as we would like,” he said in an interview with Rheinische Post. He would like to be able to tell his employees as soon as possible that Fortum remains committed to everything they have indicated publicly. “But Fortum apparently isn’t yet ready to commit itself.” Schäfer spoke to Fortum boss Pekka Lundmark on the phone a few times. There had also been two meetings. The discussions were held at factual level and the contents were confidential. “But this much I can say: Fortum still hasn’t clarified what their intentions are. My goal is to assure the employees at Uniper about a secure future of the company – as soon as possible.” (Link)

8 Jan  E.ON tenders its 46.65% Uniper share under Fortum’s takeover offer

E.ON press release

E.ON CEO Johannes Teyssen: “This transaction enables us to sell our entire Uniper stake at an attractive price for E.ON. E.ON will now focus fully on its customers and core businesses in the new energy world. The course has been set for profitable growth.” The members of the E.ON Board of Management who hold Uniper stock privately will also tender all of their shares to Fortum under the voluntary public takeover offer. (Link)

Handelsblatt: “E.ON sells Uniper below value“

As expected, the E.ON Supervisory Board decided to sell the Uniper share package of just under 47% to Fortum at a price of EUR 22 per share. The proceeds thus amounted to EUR 3.76 billion. On Monday, the package was worth a good EUR 4.4 billion in the market at a share price of EUR 26. According to “Handelsblatt”, individual shareholders are now even considering lawsuits. At E.ON, however, this is viewed calmly because the German Federal Financial Supervisory Authority (Bafin) has approved the construction. Meanwhile, the hedge funds involved are speculating that Fortum is still striving for control and are hoping for a higher offer. (Link)

10 Jan  Handelsblatt: „E.ON and Uniper: Unfortunate timing“

Although E.ON sold its 47% Uniper share package to Fortum below the current market price, the deal was not a bad one, said Jürgen Flauger in a commentary. E.ON CEO Johannes Teyssen had achieved much more than was to be expected a year ago. The comparison with the current quotation is not fair. The price had been pushed up by hedge funds after the announcement of the deal. Perhaps with a little patience, Teyssen could have achieved even more, because there are indeed fundamental reasons why the Uniper share has become much more attractive. But none of this can be proven any more. (Link)
11 Jan  Börse Online: “Attractive takeover scenario at Uniper”
Uniper’s share price remains stable at EUR 26. Fortum’s offer period will expire shortly. However, the Finnish utility is unlikely to receive more than E.ON’s 47% stake. Therefore, an attractive takeover scenario could develop. Various hedge funds have already positioned themselves accordingly. A current UBS study sees upside potential of up to EUR 30.

17 Jan  The regular acceptance period for Fortum’s takeover bid ended at midnight

19 Jan  Fortum announces that 46.93 percent of the Uniper shares were tendered during the regular acceptance period. The extension period begins on 20 January and ends on 2 February.

Statement by Klaus Schäfer, Uniper CEO
“We are pleased that the vast majority of our shareholders followed our guidance and did not accept Fortum’s offer. Only 0.28% of the free-floating shares were tendered to Fortum. That was to be expected: The unchanged offer price of 21.31 euros continues to be unattractive and does not reflect Uniper’s value. However, the additional acceptance period still runs until February 2, 2018. Only then will we see how many shares will ultimately change owners.”

dpa-AFX: „Fortum holds just under 47 percent of Uniper after the takeover deadline”
Fortum, the Finnish energy group, has been able to convince only a few shareholders of its offer to Uniper, the Düsseldorf-based power plant operator. At the end of the offer period Fortum collected 46.93 percent of the shares. These include the 46.65 percent that major shareholder Eon had offered to the Finns. Eon will receive just under 3.8 billion euros for this.

Handelsblatt: „Fortum clearly misses majority at Uniper”
The result after the first acceptance period is sobering for Fortum at first glance: The energy company has received almost no Uniper shares apart from Eon’s package. The Finns can still be satisfied. The package already gives them a significant influence, says takeover expert Dirk-Oliver Löffler of Raymond James European Advisory. At the Annual General Meeting, they would achieve a majority of the voting capital and could thus already achieve a great deal. “I think that Fortum will wait after the completion of the offer and let things come to a rest, because they are not really under time pressure”, believes Löffler. “It remains to be seen whether the hedge funds and activists will also have such a long breath.”

Dow Jones: „S&P confirms Uniper at BBB-, outlook remains positive“
S&P has confirmed the credit rating for Uniper. The long-term rating remains at BBB-. The outlook remains positive. It is currently difficult to assess the intentions and influence of Fortum and other shareholders at Uniper. In the baseline scenario, the credit analysts assume that Uniper will remain independent.

dpa-AFX: „RBC Capital raises target for Uniper to 26.50 euros“
The analyst firm RBC Capital raised the price target for Uniper from 21.50 to 26.50 euros, but left the rating at “Sector Perform” unchanged. The clear increase in targets assumes that Fortum, a Finnish utility, could achieve full control over the German power plant operator in the medium term. Uniper alone would only be worth 23.50 euros.
21 Jan  
Welt am Sonntag: “The exit from coal will happen all by itself”
In an interview with “Welt am Sonntag”, Uniper CEO Klaus Schäfer also comments on Fortum’s takeover offer. Uniper’s contribution to the energy transition were about ensuring the stability and affordability of the power supply. That’s why it was so hard for Fortum to convince Uniper shareholders to sell their shares. “In any case, hardly any shareholders seem to be accepting the takeover offer apart from the major investor E.on. The offer is also highly unattractive, partly because our share price remains well above the price offered. Finally, the stock market price is a good indication that our shareholders have been very satisfied with our portfolio and our business performance since our spin-off from E.on.” [Link]

24 Jan  
Handelsblatt: “Don’t be afraid of the Finns”
Fortum CEO Pekka Lundmark appeared for the first time as a new major shareholder of Uniper at the “Handelsblatt” Energy Conference. Lundmark says that their aim is “a partnership”. The energy turnaround can only be achieved with combined forces. He left it open, however, whether he was pursuing a majority of Uniper. The focus is now on a good cooperation with Uniper, he said, for which no more Uniper shares are needed than before. Meanwhile, several major investors speculate that Fortum will ultimately seek to acquire a 75% stake in Uniper. Johannes Teyssen, Chairman of E.ON's Board of Management, also said at the Energy Conference that activist investors who have bought into Uniper now expect that talks will be held after the end of the extended offer deadline at the beginning of February. [Link]

30 Jan  
FINANCE-Magazin: „In defense mode“
Fortum is about to become a major shareholder of Uniper. Uniper CFO Christopher Delbrück is trying to answer the question of what happens if Fortum should gain a controlling influence in the energy company. “We need clarity here”, Delbrück told FINANCE-Magazin. According to Delbrück, based on the previous attendance rate at the Annual General Meeting, a controlling influence would be conceivable from as little as 55 % of the share capital. However, Fortum will probably not reach its goal with the first takeover bid. A second attempt would be conceivable. The Uniper management describes this as speculative and does not comment on it any further. At the same time, an attempt is being made to make shareholders insensitive to further offers by referring to their own plans. These include rising dividends and the prospect of smaller acquisitions. “Fortum offers no convincing strategic added value for Uniper and no better alternative to the planned independent development”, says Delbrück. “From our point of view, the individual elements of our portfolio play together optimally. We are therefore convinced that the best way to create sustainable value is to continue implementing our strategy in this way.”

31 Jan  
Börsen-Zeitung: “The run for Uniper is going to be tight”
The extended acceptance period for the Fortum offer to the Uniper shareholders ends on February 2. Uniper’s share price has meanwhile suffered from the sustained rise in yields on the bond market. On Tuesday, it fell by 1.6 % to EUR 24.06. Perhaps this will persuade some more Uniper shareholders to sell their shares, so that Fortum would cross the 50% threshold. On February 2, the Finns will also present their annual results. Analysts think that details of Fortum’s next steps may then be revealed. Meanwhile, S&P has lowered its credit rating for Fortum to “BBB” with a negative outlook. The negative outlook is based on the uncertainties about Fortum’s plans to increase its financial strength, the further course of action at Uniper, and the strategic uncertainties arising from the Uniper deal. [Link]
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<td>1 Feb</td>
<td>dpa-AFX: “Deutsche Bank leaves Uniper on ‘Buy’ – Target 26.50 Euro”</td>
<td>Deutsche Bank has left the rating for Uniper at “Buy” with a target price of EUR 26.50. The company is expected to confirm the targets set in December in conjunction with the new information on the strategy, according to analyst James Brand in an industry study, published on Wednesday before the start of the reporting season of European utilities.</td>
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<td>1 Feb</td>
<td>dpa-AFX: “Credit Suisse Raises Target for Uniper to 26 Euros – Neutral”</td>
<td>Credit Suisse has raised the price target for Uniper from EUR 23 to EUR 26 and left the injection at “neutral”. According to analyst Vincent Gilles in a study published on Thursday, he has adjusted the estimates for the electricity producer and identified upward rather than downward potential for the share price. The company is also expected to significantly increase dividends – one of the main defensive measures against the takeover by Fortum.</td>
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<td>2 Feb</td>
<td>Börsen-Zeitung: “Fortum goes stronger in the fight for Uniper”</td>
<td>Shortly before the offer to Uniper shareholders expired, Fortum again advertised the deal. CEO Pekka Lundmark wrote in the 2017 Annual Report that there are numerous opportunities for cooperation, and that all shareholders should benefit from this. The companies are in discussions. According to the latest information, Fortum was able to secure just under 47% of Uniper's shares. The final acceptance rate is expected to be announced on 7 February. In the past financial year, Fortum increased its comparable operating profit by 26% to EUR 811 million. As in the previous year, shareholders will receive a dividend of EUR 1.10 per share. The Fortum share price therefore rose by 2.4% at times. By contrast, Uniper's share price fell by 3% to EUR 23.32 and was therefore no longer too far above the offer. [Link]</td>
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<td>3 Feb</td>
<td>The extended acceptance period for Fortum's takeover bid ended at midnight</td>
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<td>5 Feb</td>
<td>dpa-AFX: “Deutsche Bank leaves Fortum at ‘Sell’ – Target 15.50 euros”</td>
<td>Deutsche Bank has left Fortum's rating at “Sell” with a target price of 15.50 euros. Analyst James Brand wrote in a study available on Monday that the Finnish utility company had fared better than expected. However, because of the forthcoming takeover of the German power plant operator Uniper, Fortum's shares appear to be expensive.</td>
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<td>5 Feb</td>
<td>dpa-AFX: “Kepler Cheuvreux lowers target for Uniper to 17 Euro – ‘Reduce’”</td>
<td>The analysis house Kepler Cheuvreux has lowered the price target for Uniper from 22 to 17 euros and left the rating at “Reduce”. Fortum did not increase the takeover bid and is not likely to buy anything on the market either – the shareholders of the power plant operator are on their own, so to speak, writes analyst Ingo Becker in a study available on Monday. Kepler Cheuvreux adjusted Uniper’s price target to the fair value after expiry of the takeover bid.</td>
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<td>7 Feb</td>
<td><strong>Fortum announces that a total of 47.12 percent of the Uniper shares were tendered under the takeover bid</strong></td>
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|       | **Official notice**  
PDF document [Link](#)  
**Statement by Pekka Lundmark, Fortum CEO**  
“We are satisfied with the shareholding we have received, which will, when the transaction is finalised, make Fortum the largest shareholder in Uniper. Furthermore, we are confident that cooperation between Fortum and Uniper can create significant value for shareholders and stakeholders of both companies. Our priority now is to establish the foundation for such cooperation through talks with Uniper.” [Link](#)  
**Statement by Klaus Schäfer, Uniper CEO**  
“We are strengthened by the trust placed in us by our shareholders, who overwhelmingly followed our recommendation and did not accept the takeover offer. This shows us that the capital market continues to believe in our strategy and our long-term competitiveness as an independent company. Now it’s important to reach an agreement with Fortum as prospective major shareholder, in order to stand up for our employees’ legitimate interests, as well as to secure our strategic and financial independence. We have already taken the first small steps in this direction. But there is still a long way to go.” [Link](#) |