

Klaus Schäfer, CEO
Christopher Delbrück, CFO

2016 First half results

22 August 2016

Agenda



**Klaus Schäfer,
CEO**

**H1 highlights &
Equity story at a glance**



**Christopher Delbrück,
CFO**

**Financial performance &
first half results**

Uniper listing to go ahead in September

Major Milestones



Roadshow destinations Europe



Roadshow destinations US



The Uniper share: Value play and base dividend with optionality

» Portfolio

Attractive assets across Europe/ Russia
with diversified earnings

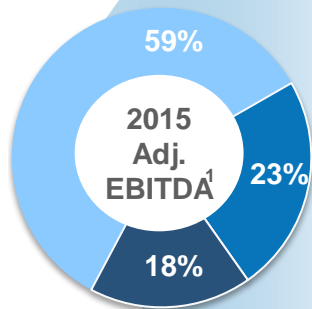
» Performance

Run for cash and commitment to
cost excellence

» Potential

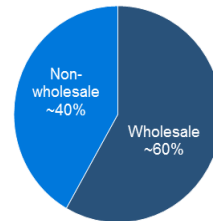
Gearing to commodity price recovery
and market transformation

Focused portfolio, attractive assets



European Generation

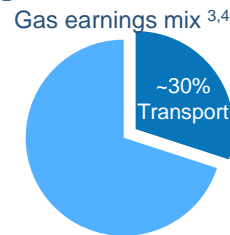
High share of non-wholesale earnings²



- One of the largest European generators with 31 GW of own, mostly dispatchable generation capacity
- Diversified base across technologies and main NWE markets

Global Commodities

Significant earnings from Gas Mid-Stream Business

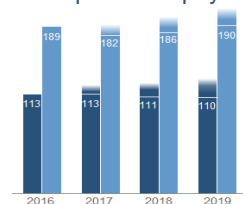


- Gas midstream driven by integrated steering and optimisation of assets along the midstream value chain
- 400 TWh gas LTC portfolio and own storage capacity of 8.8 bcm
- Stable infrastructure elements from participations

International Power

Predictability of earnings from regulated capacity mechanism

Example: KOM payments



- Number 3 privately-owned Russian generation company
- ~30% capacity increase since 2010
- 11 GW of generation assets in Russia

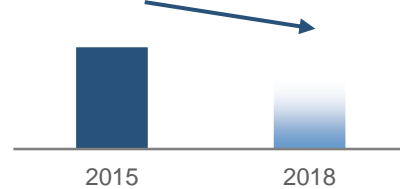
1. Based on adjusted EBITDA 2015 ; admin / consolidation not reflected 2. Non-wholesale adj. EBITDA: adj. EBITDA based on all revenues and associated costs which are subject to legal frameworks (e.g. capacity markets or green certificates) or individual contractual agreements (e.g. power and heat contracts for customers as well as contracts with transmission system operators (e.g. Tennet TSO GmbH)) with longer tenures (typically 2 years for transmission system operators and for others approx. 10-15 years) and a high degree of visibility and predictability. Certain overhead costs (central steering and support functions) not directly associated with specific power plants are allocated to the subunits based on MW; within the technology clusters individual allocation keys are applied (costs for hydro are allocated based on long-term average production volume; costs for CCGT/Steam are allocated based on various factors taking into account the complexity of the plants). The specific allocation keys were developed by Uniper and have been used consistently between 1 January 2013 and the date of this presentation. Wholesale adj. EBITDA: All adj. EBITDA of the segment which is not part of the non-wholesale adj. EBITDA definition (e.g. sold by Uniper Global Commodities via EEX). The wholesale adj. EBITDA is exposed to the volatility of its markets unless it is already hedged. 3. Adj. EBITDA split shown is based on average of 2013-2015 4. Including contribution of Nord Stream I; consists of the following legal entities: Uniper Ruhrgas BBL B.V., BBL Company V.O.F., Lubmin-Brandov Gastransport GmbH, OLT Offshore LNG Toscana S.p.A., PEG Infrastruktur, Transigas AG, ADRIA LNG d.o.o. za izradu studija u likvidaciji (not reflecting affiliated companies not consolidated for reasons of immateriality)

Analysis phase nearing completion

Action plan

Cash

Group investments (€ Bn)



- Remaining growth projects to be largely finalized by 2018
- Maintenance replacement capex to be reduced
- Working capital to be further optimized

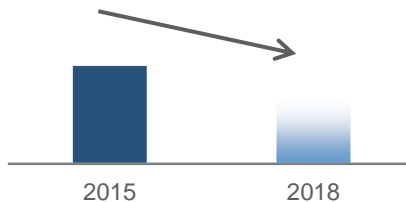
Portfolio

Disposal volume
>€2bn



- Process to be finalized by end 2017
- Proceeds to be used for deleveraging and finalization of legacy growth projects

Costs



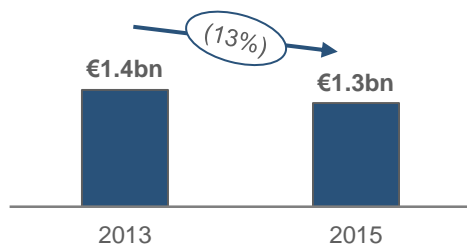
- Significant program of efficiency measures has been kicked off
- All cost saving initiatives to be completed by the end of 2017

Significant reduction of direct and indirect costs

Target

- Adapt the organization to its challenging business environment
- Mitigate loss of earnings due to commodity price collapse and Ruble weakness

Cost cutting track record: Example personnel cost¹



Voyager program kicked off

- Voyager program launched in April
- Thorough initial analysis suggests considerable savings



Reduction of external spend

- Ambitious cost-cutting initiatives started in IT and procurement

New set up of organization

- Enhanced functional steering and clearer delineation of responsibilities will eliminate overlaps
- Simplified top management structure

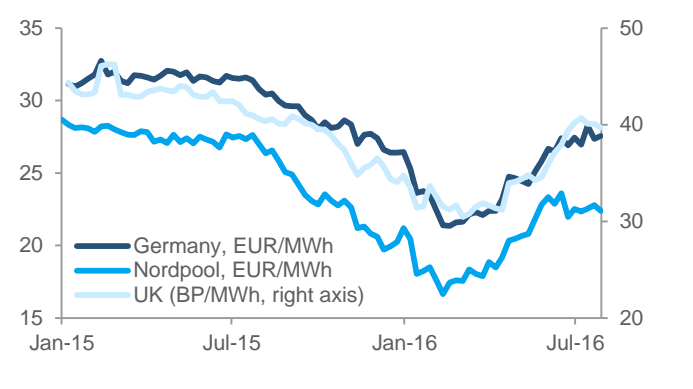
All initiatives planned to be implemented by the end of 2017

Commodity market sentiment starting to improve

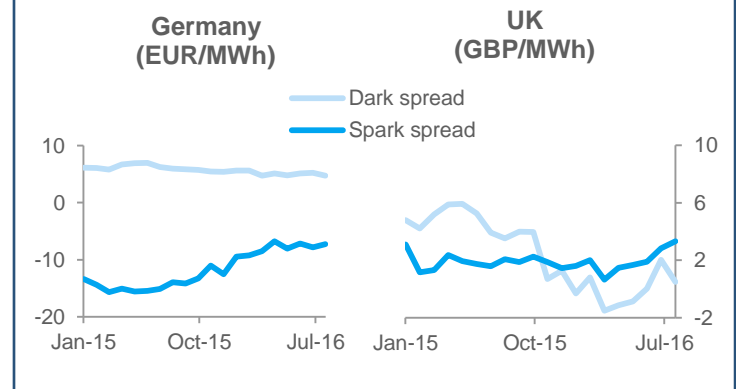
- » Portfolio
- » Performance
- » Potential

Commodity
Price
Rebound

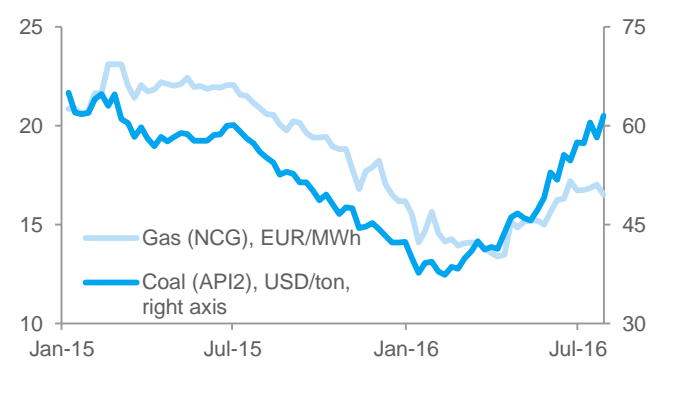
Outright power^{1,2}



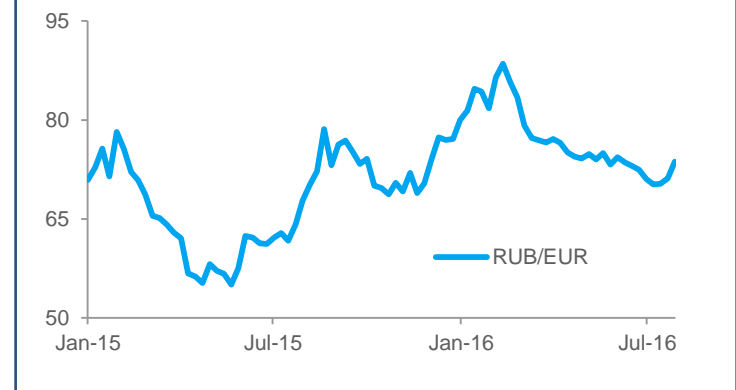
Spreads^{1,2}



Outright commodities^{1,2}



Russian Ruble¹



Mid-term upsides become more tangible

Swedish Nuclear and Hydro Tax

NEW



- Government announced to fully abolish the nuclear tax Jan 1st 2019
- Hydro property tax to be significantly reduced over four years, starting 2017

UK Capacity Market

NEW



- UK capacity market to start one year earlier (2017/2018) with capacity price upside
- DECC serious about ensuring security of supply

Modification of Russian CSA mechanism

NEW



- Decision by regulator to shift CSA payments from later into earlier years
- Expected payments will significantly increase for each capacity under CSA in the years 7 to 10 of operation

Growth projects

Datteln IV



- 1,055 MW state-of-the-art hard coal-fired power plant
- Expected to be fully operational by first half 2018
- Long-term offtake contracts in place

Berezovskaya 3



- Fire incident in Feb 2016; re-commissioning not before mid 2018
- Insurance coverage partly compensates economic damage
- Attractive capacity market payments once back in operation

Nord Stream II

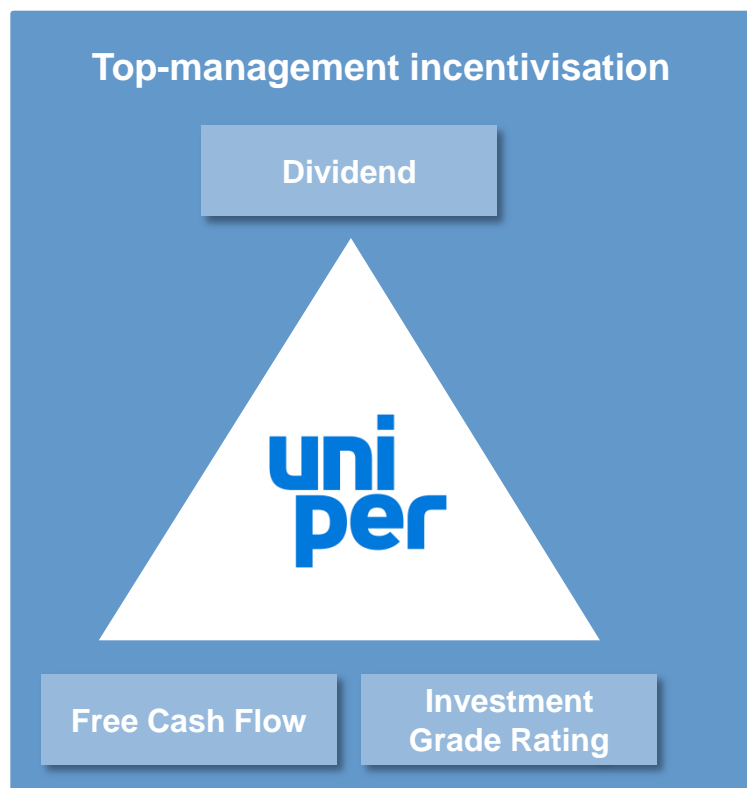


- Withdrawal of the merger control notification in Poland by Uniper and the other five companies incl. GP
- All six companies will contemplate alternative ways to contribute to NS2

NEW

Uniper's aspiration is to balance attractive cash returns and financial stability

Uniper approach



Key components

Free Cash Flow

- Investments focused on maintenance
- Remaining growth projects to be funded by disposal proceeds
- Rigorous cost and cash optimisation measures

Dividend

- Proposed dividend for 2016 of €200m¹
- Thereafter, pay-out based on free cash from operations
- Total free cash post-dividends to be neutral or positive

Top-management incentives

- Top-management incentives provide strong alignment with shareholder interests
- One year base salary in Uniper shares²
- Absolute TSR as key metric for LTI

Capital structure & rating

- Commitment to achieve comfortable investment grade rating
- Continuous management of capital structure

Agenda



**Klaus Schäfer,
CEO**

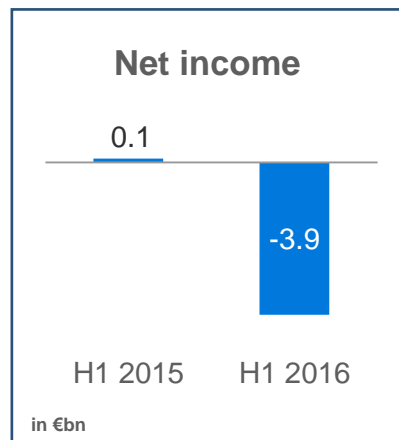
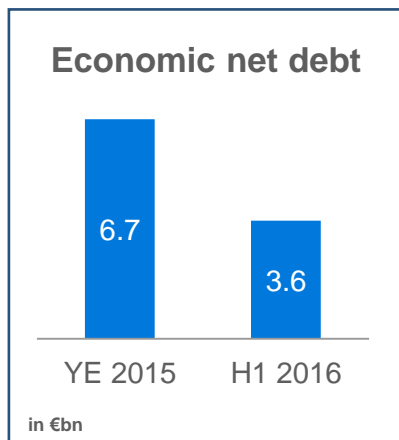
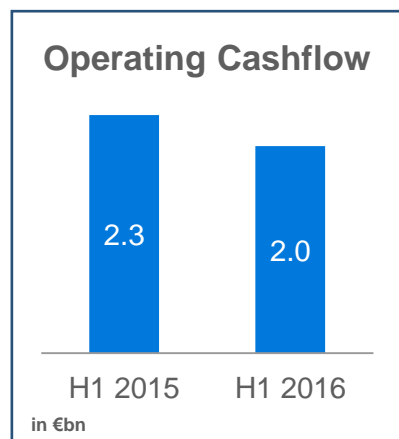
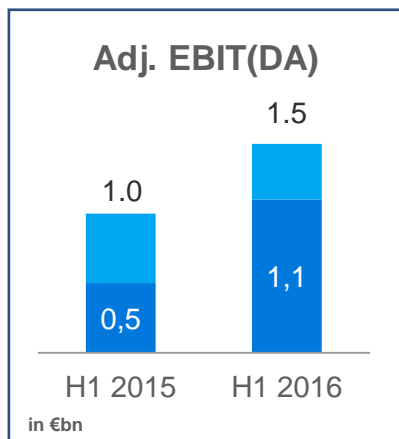
**Key highlights &
Equity story at a glance**



**Christopher Delbrück,
CFO**

**Financial performance &
first half results**

Operationally solid first half 2016



Highlights

Adj. EBIT(DA) strongly up

- Driven by provision release and gas and power optimization results...
- ...more than offsetting impact from lower power prices and volumes in European Generation and reduced Berezovskaya carrying amount

Economic net debt down

- Cash flow and disposals overcompensate increase of pension obligations

Operating cash flow down by 15%

- Cash out relating to Gazprom agreement dominates half year cash flow

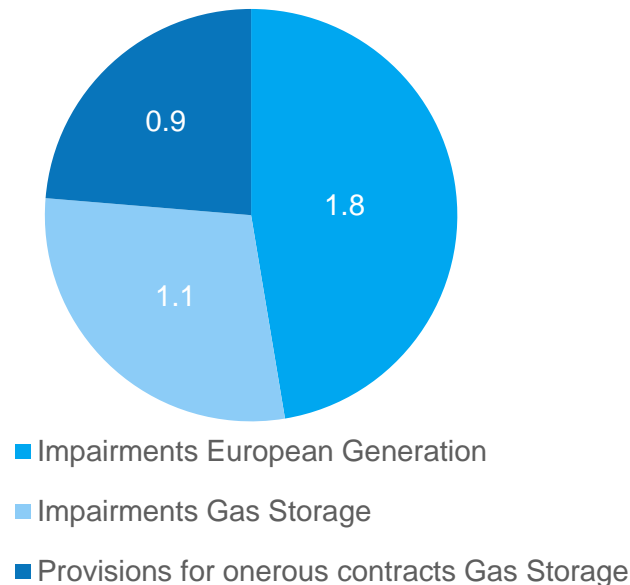
Net loss driven by one-offs

- Impairment on generation and storage assets
- Provisions for onerous contracts
- Mark-to-market of derivatives

Significant negative effects in European generation and gas storage impact bottom line

Overview of effects (€bn)

H1 2016: Total impairment / provisions for onerous contracts of €3.8bn



Background

European Generation

- Takes into account discussions in several European countries with respect to early shut downs for coal plants or the introduction of additional levies on carbon
- Scenario analysis with different lifetimes of the plants have been taken into account

Gas Storage

- Gas summer/ winter spreads have narrowed and security of supply is no more appropriately rewarded by the market
- Valuation reflects a changed assessment in terms of the sustainable market outlook for onerous contracts for gas storage in Europe

Global commodities drives positive H1 2016 group adj. EBIT(DA) performance

Adj. EBITDA (€m)

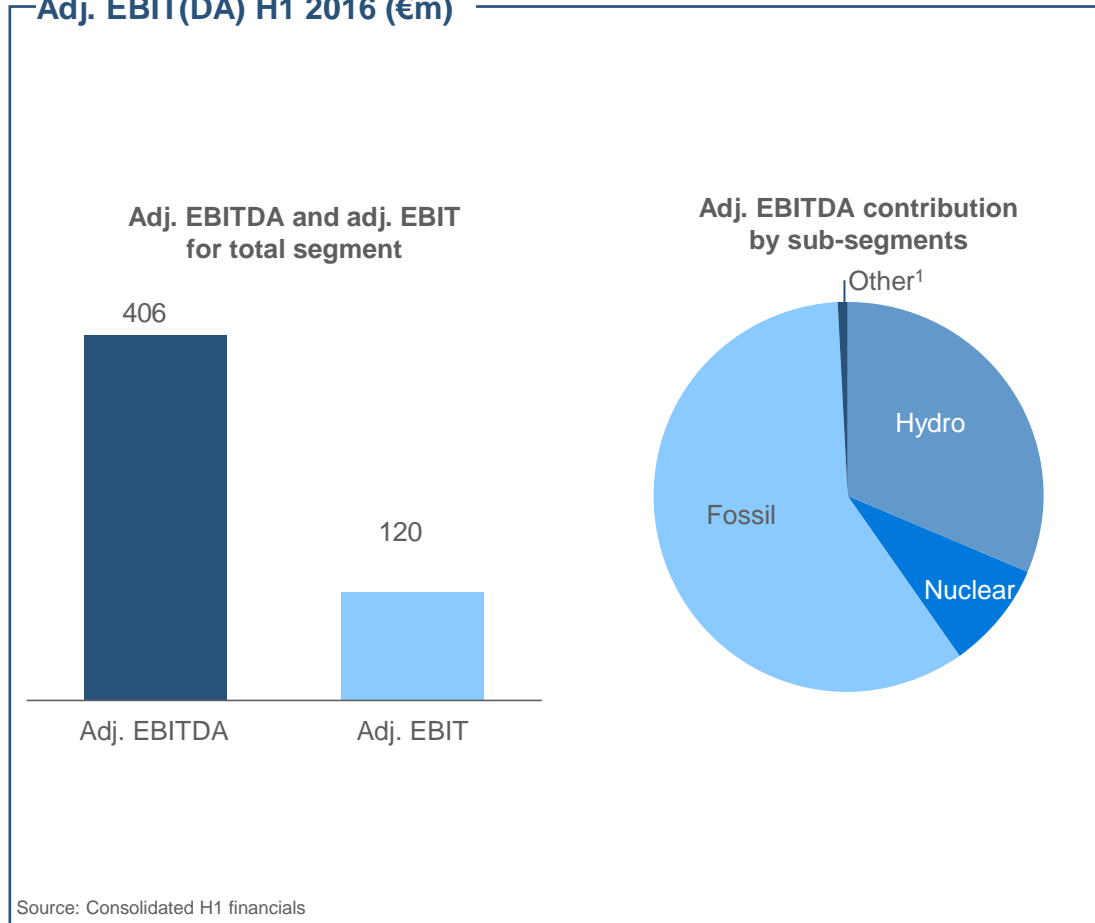
€m	H1 2015	H1 2016	+/- %
European Generation	515	406	-21
Global Commodities	420	1,165	>100
International Power	150	5	-97
Admin / Consolidation	-85	-36	-58
Total	1,000	1,540	+54

Adj. EBIT (€m)

€m	H1 2015	H1 2016	+/- %
European Generation	195	120	-38
Global Commodities	334	1,095	>100
International Power	106	-39	<100
Admin / Consolidation	-90	-41	-54
Total	545	1,135	>100

European Generation H1 2016 mainly impacted by lower power prices

Adj. EBIT(DA) H1 2016 (€m)

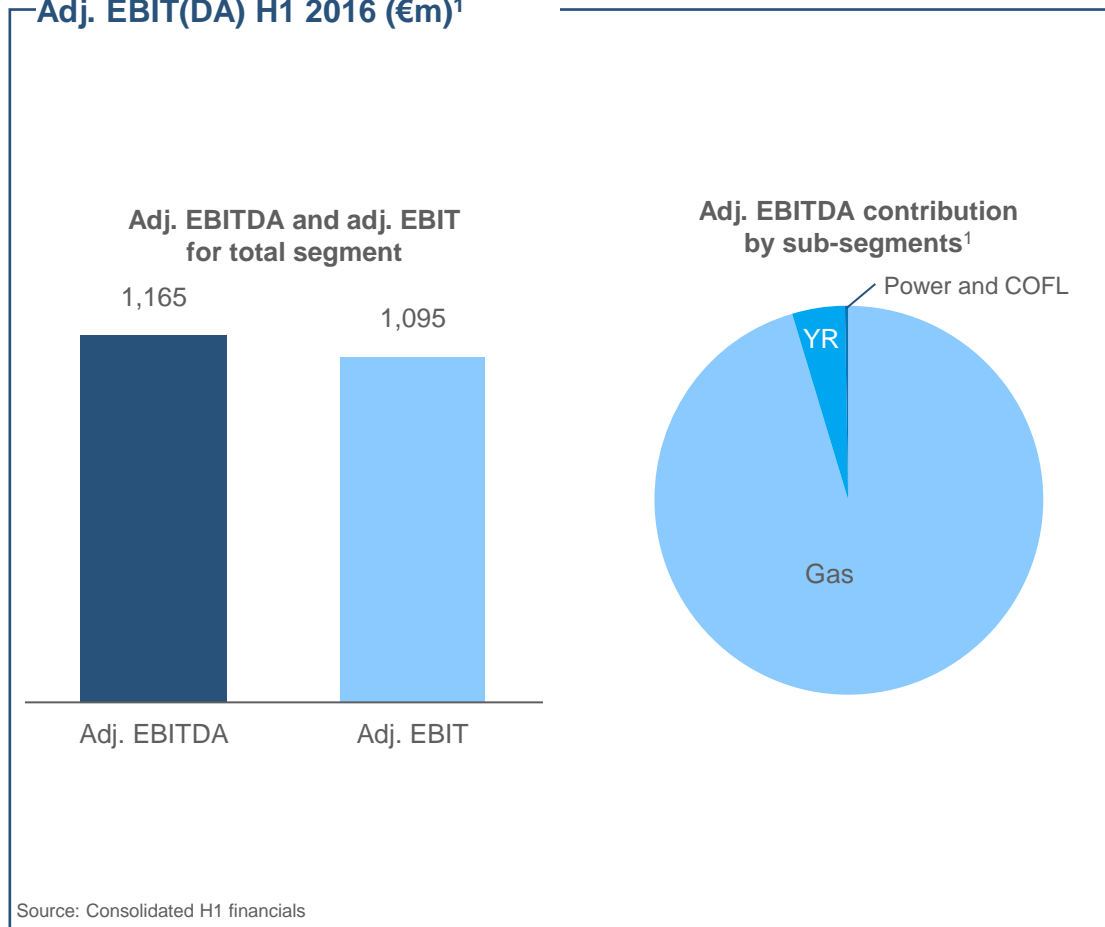


Background

- Lower achieved power prices are the key driver of the lower hydro and nuclear results
- Positive volume effect at nuclear partly offset by negative volume effect in hydro due to dry period in Sweden
- Newly commissioned Maasvlakte 3 power plant contributes positively

Global Commodities benefits from significant gas earnings in H1 2016

Adj. EBIT(DA) H1 2016 (€m)¹

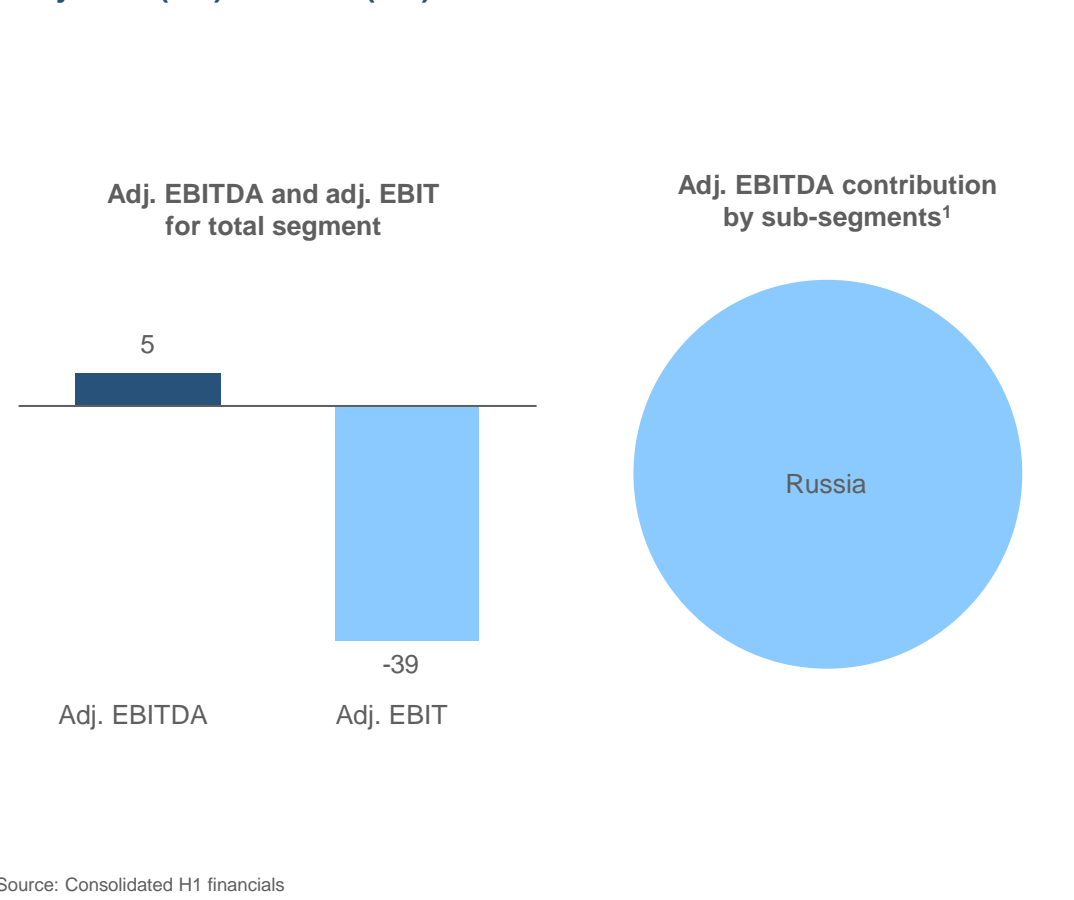


Background

- Gazprom LTC agreement triggered release of provisions built up in prior years - portfolio significantly de-risked
- Gas optimization gains
- Contractual make-up year and lower gas prices impact earnings from Yushno Russkoje
- Power business more reflective of its true earnings contribution

International Power H1 2016 impacted by Berezovskaya

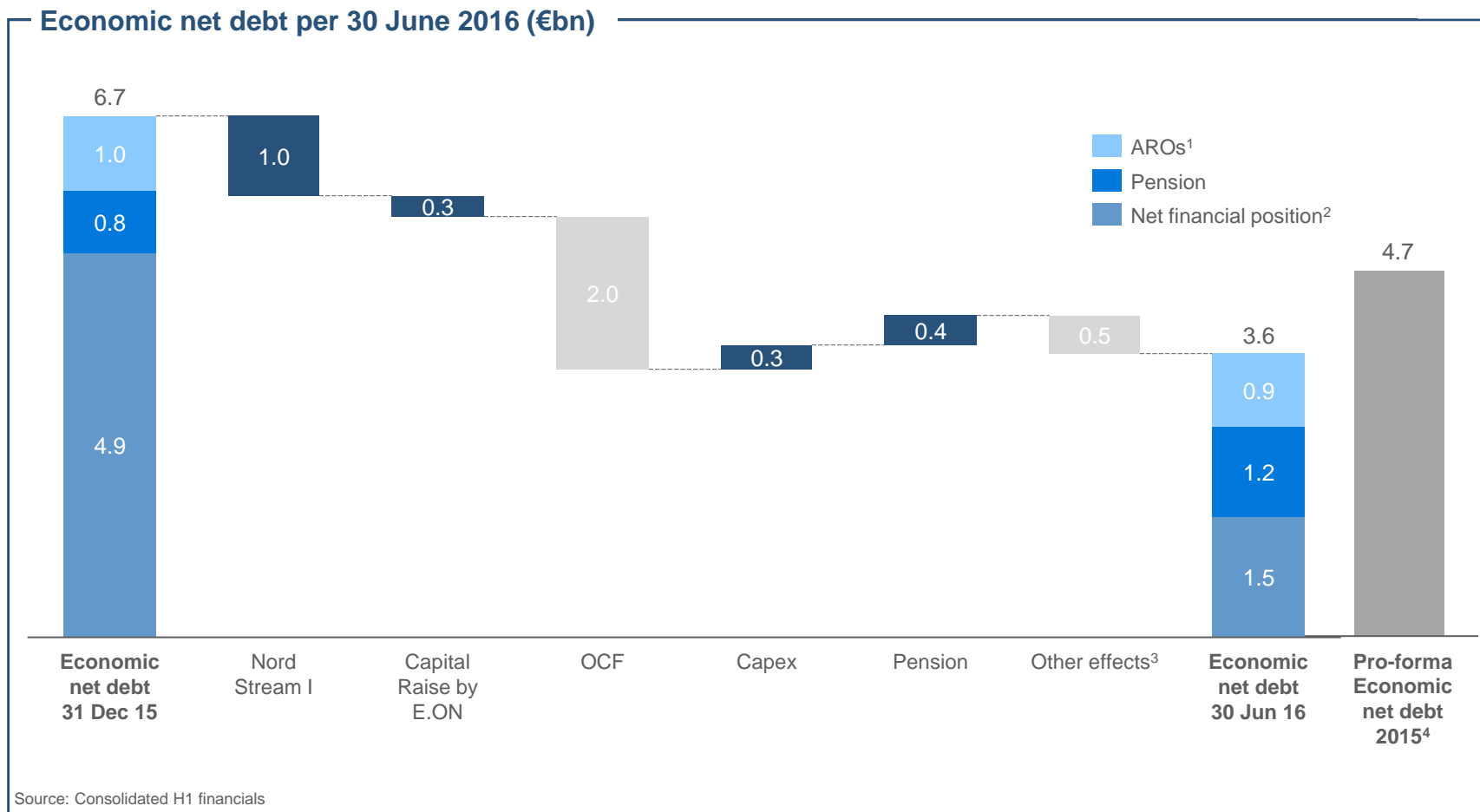
Adj. EBIT(DA) H1 2016 (€m)



Background

- Earnings decline in Russia exclusively due to reduction of the carrying amount of Berezovskaya 3 caused by accident in February 2016
- Power generation volume increased by 7% YoY due to higher production volume of Surgutskaya 2 power plant
- Positive impact from higher tariff payments for new capacities

Economic net debt in H1 2016 benefits from strong OCF and disposal of Nord Stream I



H1 2016 Uniper Financing

✓ Investment grade rating obtained

- Standard & Poor's rated Uniper at BBB- / stable outlook
- From the start we are committed to achieving a comfortable investment grade rating
- Measures have been initiated to further support that overarching target

✓ Bank financing secured

- €4.5bn bank financing (€2bn term loan and €2.5bn revolving credit facility) has been successfully syndicated with 12 banks, next to the 3 underwriting banks
- Comfortable financing conditions and good access to international capital markets post spin-off

✓ Financing need reduced

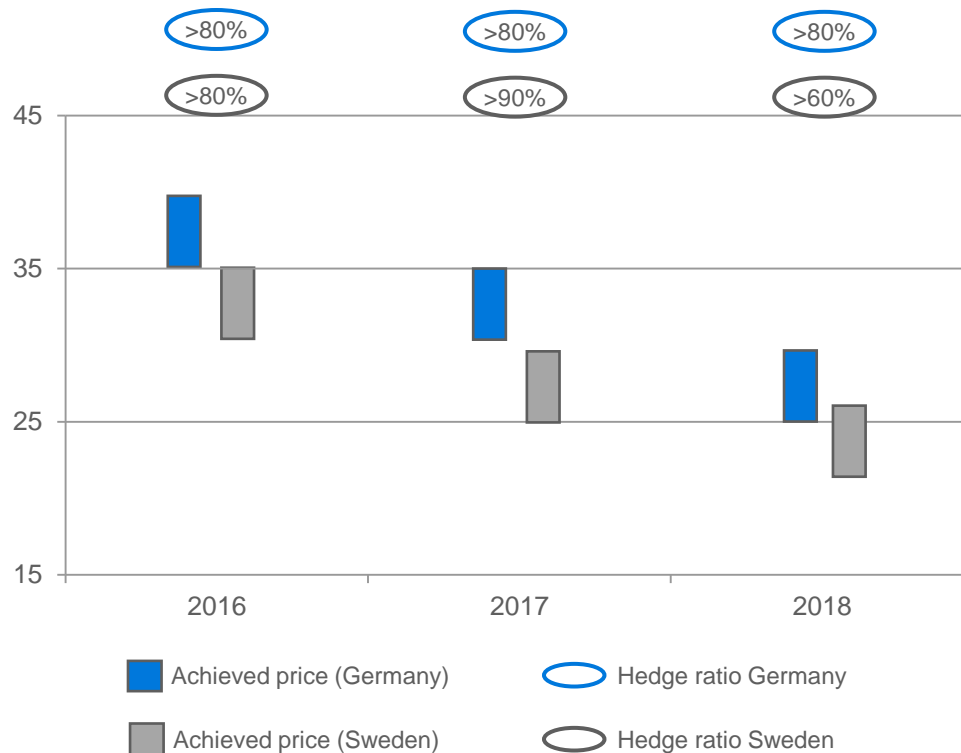
- Uniper has now been able to reduce the initially planned financing volume of €5bn by €500m to €4.5bn

Appendix

Hedging outright power – Germany and Nordic

Outright position

Baseload power price (€/MWh)



Key observations

- Outright power exposure hedged at prices above forward for 2016 and 2017
- Outright power for 2018 hedged at recent forward prices
- For 2018 hedge ratios clearly increased compared to the beginning of the year

Berezovskaya 3 update

<p>Business impact</p>	<ul style="list-style-type: none"> • Damage of equipment and lost margin due to unscheduled repairs • Level of boiler damage impacts amount of repair works and recommissioning time 	<p style="text-align: center;">Current estimation</p> <ul style="list-style-type: none"> • Latest examination: 50% of boiler damaged • Reconstruction costs at least RUB 25bn • Recommissioning not before mid 2018 • CSA capacity payments will be available after recommissioning up to 2024 									
<p>Insurance coverage</p>	<table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th></th> <th>Property damage</th> <th>Business interruption</th> </tr> </thead> <tbody> <tr> <td>Contract for operational risks ("all risk policy")</td> <td>✓</td> <td>✓</td> </tr> <tr> <td>Contract for construction risks</td> <td>✓</td> <td>—</td> </tr> </tbody> </table>		Property damage	Business interruption	Contract for operational risks ("all risk policy")	✓	✓	Contract for construction risks	✓	—	<ul style="list-style-type: none"> • Negotiations with the insurers' panel are ongoing, management believes that a not immaterial amount of the potential damage will be covered • Business interruption insurance covers a period of 12 months after accident including a waiting period of 90 days • Coverage payments expected for Q4 2016 and 2017
	Property damage	Business interruption									
Contract for operational risks ("all risk policy")	✓	✓									
Contract for construction risks	✓	—									
<p>Next steps</p>		<ul style="list-style-type: none"> • Finalization of damage examination • Continuation of reinforcement and dismantling • Start of reconstruction • Agreement on insurance payout 									

Detailed breakdown of CAPEX H1 2016

Investments (€m)			
	H1 2016	H1 2015	+/- %
European Generation	177	275	-35
Global Commodities	66	58	+14
International Power	44	85	-48
Admin/Consolidation	5	-	
Total Uniper Group	292	418	-30
thereof growth	144	155	-7
thereof maintenance/ replacement	148	263	-44

Source: Consolidated financial statements

Uniper Group: Key P&L items at a glance

Key P&L items

€m	H1 2016	H1 2015
Sales	33,327	44,911
Adjusted EBITDA	1,540	1,000
Economic depreciation and amortization / reversals ¹	-405	-455
Adjusted EBIT	1,135	545
Non-operating adjustments	-4,595	-376
EBIT	-3,460	169
Net interest income / expense	-375	-48
Income taxes	-50	-24
Net income / loss after income taxes	-3,885	97
<i>Attributable to the Shareholders of Uniper SE</i>	<i>-3,871</i>	<i>98</i>
<i>Attributable to non-controlling interests</i>	<i>-14</i>	<i>-1</i>

Source: Consolidated financial statements

Uniper Group: Details on non-operating adjustments

Non-operating adjustments

€m	H1 2016	H1 2015
Net book gains / losses	522	-
Fair value measurement of derivative financial instruments	-1,034	-118
Restructuring / cost management expenses ¹	-223	-42
Non-operating impairment charges (+)/ reversals (-) ²	-2,863	-144
Miscellaneous other non-operating earnings	-997	-72
Non-operating adjustments	-4,595	-376

Source: Consolidated financial statements

Uniper Group: Consolidated balance sheet (1/2)

Balance Sheet of the Uniper Group - Assets

€m	30 Jun 2016	31 Dec 2015
Goodwill	2,628	2,555
Intangible assets	1,966	2,159
Property, plant and equipment	11,274	14,297
Companies accounted for under the equity method	840	1,136
Other financial assets	530	558
<i>Equity investments</i>	381	369
<i>Non-current securities</i>	149	189
Financial receivables and other financial assets	2,983	3,029
Operating receivables and other operating assets	4,315	4,687
Income tax assets	9	9
Deferred tax assets	1,031	1,031
Non-current assets	25,576	29,461
Inventories	1,451	1,734
Financial receivables and other financial assets	950	8,359
Trade receivables and other operating assets	14,141	23,085
Income tax assets	299	296
Liquid funds	536	360
Assets held for sale	32	228
Current assets	17,409	34,062
Total assets	42,985	63,523

Source: Consolidated financial statements

Uniper Group: Consolidated balance sheet (2/2)

Balance Sheet of the Uniper Group – Equity and Liabilities		
€m	30 Jun 2016	31 Dec 2015
Subscribed Capital	290	-
Capital Reserves	4,188	-
Equity attributable to the shareholder of Uniper SE/ Retained earnings	185	18,684
Accumulated other comprehensive income	-1,818	-4,223
Total equity attributable to the shareholders of Uniper SE	2,845	14,461
Non-controlling interests	541	540
Non-Controlling interest attributable to UBG ¹	7,681	
Equity (net assets)	11,067	15,001
Financial liabilities	1,080	2,296
Operating liabilities	4,578	3,781
Provisions for pensions and similar obligations	1,175	796
Miscellaneous provisions	6,562	5,809
Deferred tax liabilities	1,705	1,622
Non-current liabilities	15,100	14,304
Financial liabilities	1,310	10,551
Trade payables and other operating liabilities	13,681	20,642
Income taxes	300	338
Miscellaneous provisions	1,527	2,569
Liabilities associated with assets held for sale	-	118
Current liabilities	16,818	34,218
Total equity and liabilities	42,985	63,523

Source: Consolidated financial statements

... 1. Once the spin-off becomes effective, the non-controlling interest attributable to UBG will be reclassified into equity attributable to the shareholders of Uniper SE

Uniper Group: Net debt

Net financial position and debt factor

€m	30 Jun 2016	31 Dec 2015
Liquid funds	536	360
Non-current securities	149	189
Financial receivables from consolidated group companies (< 3 months)	4	6,971
Financial receivables from consolidated group companies (> 3 months)	170	397
Financial liabilities	-2,390	-12,847
Net financial position	-1,531	-4,930
Provisions for pensions and similar obligations	-1,175	-796
Asset Retirement Obligations ¹	-925	-964
Net debt	-3,631	-6,690

Uniper Investor Relations

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