



Press Release  
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## Uniper surpasses 2019 financial targets and aims for climate-neutral power generation in Europe by 2035

- **Future strategy focuses on decarbonization and reliable energy production**
- **Portfolio to be developed toward gas, hydrogen, and renewables**
- **Investments of roughly €1.2 billion in new growth projects planned**
- **2019 adjusted EBIT of €863 million in line with raised forecast and also at the prior-year level; net income of €644 million significantly above prior year**
- **Dividend proposal for 2019 of €421 million again above target trajectory**
- **2020 forecast: EBIT between €750 million and €1 billion expected; dividend payout of €500 million planned**

Uniper, Germany's third-largest publicly listed energy company and a pacesetter in the use of power-to-gas technology to produce green gas, today announced at its annual results press conference for the 2019 financial year that it intends to make its power generation portfolio in Europe climate-neutral by 2035. The announcement is part of a fundamental strategic reorientation focusing on a secure as well as climate-friendlier energy supply. Uniper will gradually reduce its own portfolio's carbon emissions. At the same time, the company plans to offer its customers products and services that are increasingly climate-friendly. Uniper operates flexible, technologically advanced generation assets, a large gas business, and related infrastructure. The company is in an ideal position to accelerate and shape the energy transition.

**Uniper CEO Andreas Schierenbeck says:** "Between now and 2040, global energy demand will increase significantly. At the same time, carbon emissions must be permanently reduced and the energy supply become climate-friendlier. Uniper's unique portfolio enables it to be part of the solution to this global challenge. Our transition to a climate-friendlier company is well under way. We've set our strategic course to substantially accelerate decarbonization. Uniper will play a leading role in a climate-friendly power and gas supply and help its customers decarbonize. And because the transition to a zero-emission future also requires the necessary financial resources, we'll invest more in new, attractive business areas."

Between now and 2022, Uniper will invest more than €1.2 billion in projects that accelerate the transition to a lower-carbon energy world. Moreover, new investment criteria stipulate that all future investment projects must not only make business sense but also contribute to the achievement of the company's decarbonization targets.

The plan Uniper published in late January 2020 to exit coal-fired power generation in Germany started the company's transformation into a climate-friendlier energy provider. Consequently, it is the next important milestone in propelling emission reductions at the European Generation segment from 22 million metric tons today to net zero in 2035. Uniper's hydro and nuclear power stations in Germany and Sweden already produce around 24 terawatt-hours of zero-carbon electricity. That is equal to about 40 percent of Uniper's total electricity production in Europe. In the years ahead, the company plans to significantly increase the percentage of its zero-carbon electricity output, for example by means of long-term power purchase agreements for wind and solar power.

Because gas plays a pivotal role in decarbonization as well as energy security, it will be a key focus of Uniper's future strategy. Uniper plans to further expand its broadly

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diversified gas business and progressively decarbonize it as well. The company is forging ahead with the conversion to gas-based systems both at its own facilities and its customers', for example in Gelsenkirchen-Scholven. With Europe's gas production declining while demand rises, the need for imports will increase. As one of Europe's largest gas importers and operators of gas storage facilities, going forward Uniper will continue to help secure Europe's energy supply with gas and LNG. Uniper is engaged in both pipeline gas (as with the Nord Stream 2 project) and the expansion of LNG infrastructure (as in Wilhelmshaven).

Uniper plans to gradually replace conventional gas with green gas or green hydrogen in both energy generation and energy trading. Uniper is a pacesetter in the use of power-to-gas technology to produce green hydrogen and initiated such projects early. The company installed its first power-to-gas unit in Falkenhagen back in 2013, followed by another in 2015 in Hamburg. The company supplemented Falkenhagen with methanization equipment in 2018.

In addition, Uniper partners with refineries and the automobile industry to conduct a variety of cross-sector, industrial-scale, real-world-laboratory projects that facilitate a swift introduction of hydrogen production under market conditions. "The technologies are out there; what has been lacking is profitability and the right regulatory environment. Technology neutrality and a holistic, pan-European approach will be necessary to foster the development of a hydrogen industry that can prosper and remain in Europe. Uniper wants to actively shape this industry and work together with representatives from industry, science, and politics to propel the development of hydrogen, which a key issue," Schierenbeck announced.

#### **Uniper surpasses 2019 financial targets**

Uniper posted adjusted EBIT of €863 million in the 2019 financial year, which was at the prior-year level (2018: €865 million). Adjusted EBIT benefited from the fact that higher power prices and output enabled the company's hydro and nuclear power stations to earn more. Another positive contribution came from the business in Russia and from the reinstatement of the U.K. capacity market. By contrast, earnings were adversely affected primarily by the non-recurrence of positive effects recorded in the prior year and by lower output at a small number of power plants. Uniper recorded IFRS net income of €644 million in the 2019 financial year (2018: -€442 million). The year-on-year increase is principally attributable to positive effects resulting from the marking to market of commodity derivatives at the balance-sheet date. Uniper uses derivatives to shield its power and gas business from price fluctuations.

Adjusted funds from operations totaled €923 million. At the Annual General Meeting on May 20, 2020, the Uniper Management Board and Supervisory Board will propose that the company pay out a dividend totaling €421 million (€1.15 per share). That will be a 28-percent increase relative to the prior year.

**Uniper CFO Sascha Bibert says:** "We're very satisfied with our business performance in 2019, especially with the fourth quarter. We achieved the targets of the forecast we adjusted back in November. Because of this positive performance, we increased the dividend proposal yet again. It also surpasses our target of increasing the dividend payout by an average of 25 percent per year for the period 2016 to 2020. Going forward, reliable dividend payments will remain a hallmark of Uniper. In addition, we anticipate a good earnings performance in the years ahead as well, which will give us more financial flexibility on our road to a climate-friendly energy world."

**About Uniper**

Uniper is a leading international energy company with operations in more than 40 countries and around 11,500 employees. Uniper's business is to provide a reliable supply of energy and related services. Its main operations include power generation in Europe and Russia and global energy trading. Its headquarters are in Düsseldorf, Germany.

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