

# Press Release

## BKW delivers strong results in challenging times

BKW AG half-year results 2020

Bern, 1 September 2020

BKW AG  
Media Relations  
Viktoriaplatz 2  
3013 Bern

Tel. +41 58 477 51 07  
media@bkw.ch  
www.bkw.ch

**BKW delivered a strong result in the first half of 2020. Due to the continued significant growth of the Services business, revenue increased by 12 percent to around CHF 1.5 billion. Operating profit (EBIT) totalled CHF 219 million, thus exceeding the previous year's already high figure by 5 percent. Operating cash flow increased by 97 percent to reach a record level of CHF 260 million. BKW's integrated business model has proven its worth during this challenging period of the coronavirus pandemic. The company is robust and is continuing its growth trajectory.**



© ingenhoven architects/HG&E

While the coronavirus pandemic has left its mark on all areas of business, BKW delivered a strong result in the first half of 2020, improving both revenue and its operating profit (EBIT). The continued significant growth of the Services business in particular, along with the positive effect of electricity prices, have led to an increase in revenue of 12 percent to CHF 1.5 billion. Due to higher hedged power prices and another excellent result from the trading business, operating profit (EBIT) has increased by 5 percent to CHF 219 million. Net profit of CHF 112 million was negatively impacted solely by the negative performance of the

Decommissioning and Waste Disposal Funds due to the coronavirus pandemic. Excluding the performance of the Decommissioning and Waste Disposal Funds, net profit was 22 percent higher than the previous year.

In the first half of 2020, BKW invested about CHF 90 million, the majority of which was directed to the replacement and maintenance of its distribution grid.

BKW Group has proved resilient despite the coronavirus pandemic. Operation of its production and grid infrastructure was assured at all times and BKW stood by its customers. Decommissioning of the Mühleberg Nuclear Power Plant also progressed without any delays.

	CHF millions	HY 2019	HY 2020	
Revenue		1,370	1,530	+12%
Operating profit (EBIT)		207	219	+5%
Net profit*		201	112	-44%
Operating cash flow		132	260	+97%

\*Net profit excluding the significantly negative performance of the Decommissioning and Waste Disposal Funds exceeds the total achieved last year.

### Further development of the Services business from a leading position

BKW's Services business has once again grown strongly. Revenue in this business area increased by 43 percent to CHF 677 million. Although the Services business was impacted by the coronavirus pandemic, it successfully maintained its EBIT at the previous year's level.

BKW is a leading service provider in the three markets of its competence areas – BKW Building Solutions, BKW Engineering and BKW Infra Services. Following an intense expansion phase BKW will continue to foster growth in these areas and strengthen its position through selective acquisitions. In all areas the focus is on technology, innovation and sustainability.

For example, BKW Engineering company ingenhoven architects will complete the [Kö-Bogen II](#), a commercial and office building in Düsseldorf in September 2020. This project has been developed based on the supergreen® sustainability concept and features eight kilometres of hornbeam hedging that forms Europe's largest green façade. In the BKW Building Solutions competence area, subsidiary Werner Electro AG has carried out the electrical installation of an [ultra-modern laboratory for Lonza Ltd](#) in Visp. Supporting 100 jobs, the laboratory is located in the Lonza biopark where start-ups are conducting research that includes the search for a vaccine against the coronavirus. In the competence area of BKW

Infra Services, LTB Leitungsbau GmbH has already secured [multiple major orders](#) for the expansion of the north-south corridor on Germany's power grid, thus making a crucial contribution to the successful completion of Germany's energy transition.

### **Successful further development of BKW's Energy business**

The realignment of BKW's Energy business is proving effective. With the return of positive electricity price impacts, increased production from hydro and wind power and another very successful year from the trading result, the Energy business has increased its EBIT by 12 percent to CHF 128 million. The successful trading business reflects BKW's in-depth knowledge of the energy market based on its broad range of activities. Through the increased use of technology and digitization the trading business is continuously developed.

The further progress of the Energy business includes its consistent realignment to the needs of its customers. With its [entry into the gas market](#), the BKW can now provide end customers with a comprehensive energy offering from a single-source supplier. BKW's [Home Energy](#) system is an end-to-end solution which is also generating considerable interest in the market. In addition, BKW is opening up new distribution channels with electricity supply companies and installation partners to meet the growing demand. Since the beginning of the year already, many new contracts have been signed through these channels. Increasing levels of digitization are enabling the business to continue improving customer service.

### **Efficient grid operation and digitization**

At CHF 270 million, revenue from the Grid business was 2 percent higher than the previous year's figure. Operating profit (EBIT) was stable. Digitization is playing an increasingly important role as BKW is investing in digital technologies, continuing to develop its grids and equipping them for the new world of energy with its focus on increasing levels of decentralisation and the demands of e-mobility. At the same time, BKW ensures the efficient operation of its plants in challenging times.

### **Outlook**

On the basis of its outstanding half-year results, BKW raises its previously communicated financial outlook for the current financial year. It now expects an operating profit (EBIT) in the range of CHF 400 to 420 million (previously:

CHF 380 to 400 million). Uncertainties regarding future economic growth due to the coronavirus continue to persist and could have a significant impact on future forecasts.

---

Click [here](#) to view a video of BKW CEO Suzanne Thoma commenting on the half-year results 2020. Visual materials are available without restriction.

BKW has successfully created networks between leading companies and groups of companies. With a regional base and an international reach, it offers sustainable solutions for energy, buildings and infrastructure to commercial and private customers and the public sector. BKW works in partnership with its customers to find the best solutions – entrepreneurial, collaborative, trailblazing. [www.bkw.ch/solutions](http://www.bkw.ch/solutions)

You can find further information on the first half of 2020 at [www.bkw.ch/hr20](http://www.bkw.ch/hr20) and in the [download centre](#).

---

#### Disclaimer

*The expectations and forward-looking statements expressed in this document are based on assumptions and are subject to risks and uncertainties. This means that the actual results may differ materially from those expressed or implied by the expectations and statements. This press release is issued in German, French, English and Italian. The German text is the authoritative version.*

#### **BKW**

The BKW Group is a Bern-based international energy and infrastructure company. It employs some 10,000 people. Its company network and extensive expertise allow it to offer its customers a full range of overall solutions. The Group plans, builds and operates infrastructure to produce and supply energy to businesses, households and the public sector, and offers digital business models for renewable energies. Today, the BKW Group portfolio ranges from engineering consultancy and planning for energy, infrastructure and environmental projects to integrated offers in the field of building technology and the construction, servicing and maintenance of energy, telecommunications, transport and water networks.

BKW AG registered shares are listed on the SIX Swiss Exchange.