

Press Release
24 April 2014

Alpiq presents quarterly results in line with expectations

The Alpiq Group closed the first quarter of 2014 with net revenue of CHF 2,114 million and EBITDA of CHF 156 million. Sustained low wholesale prices put pressure on conventional power plant production. In addition, the mild winter in Europe resulted in reduced utilisation of the flexible power plant park. The trading business and energy services developed steadily. Alpiq is moving forward with the transformation of the Group.

In the first three months of 2014, Alpiq generated consolidated net revenue of CHF 2,114 million (previous year: CHF 2,429 million) and EBITDA of CHF 156 million (previous year: CHF 229 million). EBIT amounted to CHF 94 million (previous year: CHF 163 million); net profit totalled CHF 7 million (previous year: CHF 65 million). Lower wholesale prices and reduced utilisation of the flexible power plant park diminished the quarterly result as compared to the previous year, and confirmed the need for the initiated transformation. Cost reduction measures and their effects are on target.

Flexible power plant park under pressure

Sustained low wholesale prices put pressure on conventional power plant production. In comparison to the same period in the previous year, Alpiq had fewer opportunities to commercialise its own flexible power plant capacities due to the mild winter in Europe. This resulted in reduced utilisation of the Swiss hydropower plants and the gas-fired combined-cycle power plants abroad. Due to the successful commissioning of the new K7 block at the Czech power plant Kladno and the resulting capacity increase, electricity production from coal was above the previous year's period. The wholesale business in Central and Eastern Europe developed steadily and in line with expectations.

Energy services continue on the growth track

Alpiq held its ground in the area of energy services in Switzerland in the first quarter. Under the new corporate strategy, Alpiq continued to develop its innovative, full-service solutions in the area of energy efficiency. In this context, Alpiq was awarded numerous new contracts, among others, a major project for the new Coop distribution centre, where a full-service solution to increase energy efficiency will be implemented in the building technology system.

In the plant engineering and service business, Alpiq successfully completed construction of the new power plant block K7 at the Czech power plant Kladno on budget and on time through its subsidiary Kraftanlagen München.

Outlook 2014

Due to low wholesale prices, Alpiq expects 30 to 40 percent less EBITDA in 2014 as compared to the previous year. Alpiq management has initiated the necessary operative measures to further reduce costs. The transformation of the Group from a capital intensive power producer to an energy service provider with innovative, full-service solutions continues to move forward. In April, Alpiq made two new acquisitions: one in the area of demand response services, and one in the area of electrical installation and communications services. Alpiq focuses on environmentally friendly, flexible hydropower in its power plant park. In order for this precious, clean Swiss hydropower to operate profitably also in the medium-term, Alpiq is in dialogue with policymakers.

Key figures for the Alpiq Group	1Q 2014	1Q 2013
Energy sales (GWh)	25,897	25,877
Own production* (GWh)	5,152	5,826
Net revenue (CHF million)	2,114	2,429
EBITDA (CHF million)	156	229
EBIT (CHF million)	94	163
as % of net sales	4.4	6.7
Net profit (CHF million)	7	65
as % of net sales	0.3	2.7

Number of employees (FTE; on 31 March)	7,814	7,952
Net debt	1,926	3,446

**including long-term contracts*

Additional information: www.alpiq.com

Media contact: Richard Rogers
T +41 62 286 71 10
media@alpiq.com

Investor contact: Tamara Andenmatten
T +41 62 286 72 17
investors@alpiq.com