

Media Release
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Results for the first quarter of 2011

Slow start to 2011 for Alpiq

For Alpiq Holding Ltd., the start to fiscal 2011 was less than satisfactory: In the first quarter of 2011, net revenue was 7 percent lower than the previous-year period at CHF 3.45 billion and EBITDA 21 percent lower at CHF 340 million. The quarterly results were additionally weighed down by an extraordinary write-down of CHF 35 million, which Alpiq made for accounting reasons following the Federal Council's suspension of the general licence applications.

Compared with the highly successful first quarter of 2010, the Alpiq Group recorded an unsatisfactory start to fiscal 2011. At CHF 3.45 billion, net revenue was 7 percent lower for the first three months of 2011 compared with the extraordinarily good prior-year period. Operating income (EBITDA) was also lower at CHF 340 million (-21 percent), while EBIT dropped 28 percent to CHF 217 million and Group profit by 34 percent to CHF 116 million.

Taking into account the extraordinary write-down of CHF 35 million on the project costs incurred for a new Niederramt nuclear power station, EBIT declined to CHF 182 million and Group profit to CHF 89 million. The measure was made necessary following the Federal Council's suspension of the submitted general licence applications. As a result, the value of the work performed in connection with these applications is no longer given under the provisions of IFRS accounting standards. The total costs of CHF 35 million incurred up to 31 March 2011 were therefore written off.

Positive contributions by Energy Services and generation capacities

With excellent availability and favourable cost performance, power generating capacities in Switzerland and Central Europe made a positive contribution to the first-quarter results for 2011. The Energy Services segment also made increased contributions to results, and continued to enjoy a high order backlog.

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The strong Swiss franc compounded by low energy market prices, particularly in the first two months of 2011, had a negative impact on the results. The results were further weighed down by the unfavourable positioning of the trading and sales business in Central Europe. In addition, Proprietary Trading earned significantly lower income than in the first quarter of 2010.

The trend took a positive turn in March as business began to pick up. The power generating capacities of Plana del Vent power station in Spain, acquired at the beginning of April, coupled with the imminent commissioning of Bayet power station in France, are expected to boost results. Nevertheless, as things stand at present, Alpiq expects to close the year with operating results below the prior-year level. Achieving the 2011 financial targets is proving highly challenging, says Alpiq CFO Kurt Baumgartner.

Further information: www.alpiq.com/reports

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Alpiq: Roots in Switzerland – active throughout Europe

Alpiq Holding Ltd. is the leading energy trader and largest service provider in Switzerland, with a pan-European reach. The Alpiq Group was created in early 2009 as a result of the merger between the two energy pioneers Atel Holding Ltd. and Energie Ouest Suisse SA (EOS). Active in 33 nations, it has subsidiaries in 28 countries, employs more than 11,000 staff, and in 2010 generated consolidated annual revenue of around CHF 14 billion. Alpiq specialises in electricity generation and transmission, sales and trading, as well as energy services, and is responsible for around one-third of Switzerland's electricity supplies.

More information on Alpiq: www.alpiq.com