Quarterly Statement Q1 2017

Financial Results

This document is a Quarterly Statement pursuant to Section 51a of the Exchange Rules (Börsenordnung) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) and does not represent an interim financial report as defined in IAS 34.

Only the German version of this Quarterly Statement is legally binding.

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Business Model of the Group

Uniper is an investor-owned international energy company with operations in more than 40 countries and some 13,000 employees. Its business is the secure provision of energy and related services. The Uniper Group is composed of three operating business segments: European Generation, Global Commodities and International Power Generation. Combined separately under Administration/Consolidation are administrative functions that are performed centrally across segments, as well as the consolidations required to be carried out at Group level. The ultimate lead company of the Group is Uniper SE; the corporate headquarters are in Düsseldorf, Germany.

Business Report

Industry Environment

The Uniper Group's business activities are subject to various statutory requirements, in particular those of European and national law. The corresponding regulatory environment has seen extensive change in the past in all of the countries where the Uniper Group operates, and it is expected to change significantly in the future as well. In particular, the energy policy and regulatory requirements in the markets in which the Uniper Group is active have had a considerable influence on its revenue and earnings in the past, and it is expected that they will continue to have an impact on revenues and earnings in the future.

Energy Policy and Regulatory Environment

Events at the level of the European Union ("EU") were dominated by the United Kingdom's formal departure notice of March 29, 2017, while elsewhere the debate on post-2020 reforms to the European emissions trading system ("ETS"), and the positioning of the European Parliament and the European Council in this regard, have reached a crucial phase with the initiation of informal tripartite discussions between the EU institutions. The implementing measures of the Markets in Financial Instruments Directive ("MiFID II") were finalized in mid-February 2017, which means that the provisions of MiFID II will take effect at the beginning of 2018.

Draft legislation for a Network Modernization Act in Germany to standardize transmission network charges nationwide and gradually abolish so-called "avoided grid charges" is expected to become law before the summer recess.

Following the elections in the Netherlands on March 15, 2017, the formation of a new government is expected to take longer than usual due to the large number of parties represented in parliament, so that further statements on the future of generating electricity from coal will not be expected until later in the year.

In Belgium, the government announced a new tender on January 15, 2017, for a strategic reserve of over 900 MW for the next three years, the result of which is expected in the summer.

The French capacity market started in January 2017.

In its preparations for the "Brexit" negotiations, the government in the United Kingdom is currently analyzing all options concerning the future relationship with the EU in energy matters, including the question of whether to remain in the single market and in the European ETS. The government has also published a comprehensive Industrial Strategy green paper covering topics such as innovation, affordable energy and "clean" growth. In addition, the British government completed a public consultation with all relevant stakeholders on the future of generating electricity from coal in February 2017. A response to the consultation is expected within the first half of 2017.

In Sweden, the 2016 framework agreement on the country's long-term energy policy is currently being implemented through legislation providing for, among other things, the abolition of the nuclear tax, while in February 2017, a tender was also issued by the network operator for the strategic reserve for 2017–2021, in which Uniper's Karlshamn power plant participated successfully. The strategic reserve is particularly intended to offset gaps in electricity supply during the winter months. In addition, the political negotiations on the nuclear waste management fund were concluded in April 2017. The detailed provisions for it must still be finalized by the Swedish Radiation Safety Authority.

Business Performance

Operational Developments

The following events had a significant impact on business in the first quarter of 2017:

The hydrological situation in Sweden has returned to normal compared with the particularly water-intensive first quarter of 2016. In addition, the electricity market in Northwestern Europe underwent a difficult phase in the first quarter 2017 brought about primarily by capacity constraints due to the unavailability of nuclear facilities in France. The cold weather in the beginning of 2017 enabled Uniper to make a significant contribution to the security of supply in continental Europe with its gas-storage and gas-optimization portfolio in the first quarter and generate additional short-term optimization income in the process.

At the beginning of the year, the transfer of Uniper-related services and assets of E.ON's integrated service provider, E.ON Business Services ("EBS"), into the Uniper Group was initiated. Related employees in IT Services, HR Services and Financial Services were successfully integrated into different Uniper units. Before the transfer, the corresponding services and tasks had been purchased from EBS on the basis of service level agreements.

On March 5, 2017, Uniper Exploration & Production GmbH entered into an agreement with the Austrian oil and gas company OMV Exploration & Production GmbH on the sale of its interest in the Russian gas field Yuzhno-Russkoye. The purchase price for Uniper's interest is €1,749 million plus transferred liquid funds as of the December 31, 2016, balance sheet date. The closing of the transaction is subject to the required regulatory approvals of the competent Russian authorities and also requires co-shareholder consent.

In mid-February 2017, Uniper decided to seek judicial review of a partial aspect of the permit issued for the Datteln 4 power plant pursuant to immission-control laws in January 2017, and has filed a lawsuit to that end. The suit has no impact on the effectiveness of the permit and the upcoming schedule for the completion and commissioning of the power plant.

Given the lack of viable market prospects, Uniper and its co-owners of the Irsching 5 gas-fired power plant, and Uniper as the sole owner of the Irsching 4 gas-fired power plant, have once again announced the preliminary closure of the two units to the German Federal Network Agency and the network operator TenneT on March 29, 2017.

Earnings

Sales Performance

Sales

1st quarter € in millions	2017	2016	Changes (percentages)
European Generation	2,226	1,864	19.4
Global Commodities	21,996	19,179	14.7
International Power Generation	335	275	21.8
Administration/Consolidation	-2,304	-1,754	-31.4
Total	**22,253**	**19,564**	**13.7**

At €22,253 million, sales revenues in the first quarter of 2017 were roughly 14% above the prior-year figure (first quarter of 2016: €19,564 million).

The increase in sales is primarily attributable to increased trading activities in the electricity business and to higher sales in the gas business of the Global Commodities segment. The increase in the cost of materials is in line with this development on the whole.

European Generation

Sales in the European Generation segment rose by €362 million, from €1,864 million in the prior-year period to €2,226 million in the first quarter of 2017.

The increase in sales is primarily attributable to higher generation volumes from fossil-fuel power plants in France and Germany. In France, lower temperatures in the first quarter of 2017 led to an increase in electricity demand while, at the same time, downtimes at nuclear plants led to an increase in fossil-fuel-powered electricity generation. In Germany, reduced downtime at the Schkopau power plant had a positive effect on the volume of electricity generated in the first quarter of 2017. Higher electricity prices in the Netherlands contributed additionally to this positive development.

Global Commodities

Sales in the Global Commodities segment rose by €2,817 million, from €19,179 million in the prior-year period to €21,996 million in the first quarter of 2017.

The increase in sales is primarily attributable to increased trading activities in the electricity business. Sales additionally increased in the gas business due to higher prices and increased sales at gas trading points.

International Power Generation

Sales in the International Power Generation segment rose by €60 million, from €275 million in the prior-year period to €335 million in the first quarter of 2017.

The higher sales were attributable, in particular, to positive currency translation effects, which more than compensated for the absence of capacity payments for Unit 3 of the Berezovskaya power plant.

Administration/Consolidation

Sales revenues attributable to the Administration/Consolidation reconciliation item fell by €550 million, from -€1,754 million in the first quarter of 2016 to -€2,304 million in the first quarter of 2017.

Sales by product break down as follows:

Sales

1st quarter € in millions	2017	2016	Changes (percentages)
Electricity	8,705	6,981	24.7
Gas	12,345	11,966	3.2
Other	1,203	617	95.0
Total	**22,253**	**19,564**	**13.7**

Significant Earnings Trends

The cost of materials rose by €3,214 million in the first quarter of 2017 to €21,301 million (first quarter of 2016: €18,087 million), thus following the sales trend.

Personnel costs rose slightly to €271 million (first quarter of 2016: €266 million) as a consequence of the integration of service functions of EBS. In preceding periods, expenses relating to services provided by EBS had been included in other operating expenses. Furthermore, higher net expenses for occupational retirement benefits were offset only in part by reduced expenses for wages and salaries.

Depreciation, amortization and impairment charges amounted to €212 million in the first quarter of 2017 (first quarter of 2016: €212 million). The minor impairments associated with the segments European Generation and Global Commodities were offset by a lower amount of depreciation and amortization. Depreciation and amortization were reduced primarily as a consequence of impairments recognized in the previous year.

Other operating income increased to €6,433 million in the first quarter of 2017 (first quarter of 2016: €4,315 million). This increase resulted especially from higher gains on derivative financial instruments, which rose by €2,662 million to €6,107 million (first quarter of 2016: €3,445 million), caused primarily by the marking to market of commodity derivatives. In addition, at €218 million, first-quarter income from exchange rate differences was higher than in the previous year (first quarter of 2016: €203 million). The increases were offset by the non-recurrence of gains recognized in the first quarter of 2016 (€528 million) on the disposal of the shares in PEG Infrastruktur AG ("PEGI"), including its equity interest in Nord Stream AG, to E.ON Beteiligungen GmbH.

Other operating expenses increased to €6,005 million in the first quarter of 2017 (first quarter of 2016: €4,514 million). This increase is primarily attributable to higher losses on derivative financial instruments, which rose by €1,609 million to €5,529 million (first quarter of 2016: €3,920 million), mainly due to the marking to market of commodity derivatives. It was added to by the loss from exchange rate differences, which rose to €250 million (first quarter of 2016: €173 million).

Net income from companies accounted for under the equity method declined to €12 million (first quarter of 2016: €36 million).

Income before financial results and taxes increased to €946 million (first quarter of 2016: €827 million). The first-quarter net income of the Group improved to €751 million (first quarter of 2016: €646 million).

Reconciliation of Income/Loss before Financial Results and Taxes

Unadjusted earnings before interest and taxes ("EBIT") represents the Uniper Group's income/loss before financial results and taxes in accordance with IFRS, taking into account the net income/loss from equity investments.

Unadjusted EBIT is adjusted for certain non-operating effects in order to increase its meaningfulness as an indicator of the operating performance of Uniper's business. Operating income also includes income from investment subsidies for which liabilities are recognized.

The non-operating effects on earnings for which EBIT is adjusted include, in particular, income and expenses from the fair value measurement of derivative financial instruments used in hedges and, where material, book gains/losses, expenses for restructuring/cost-management programs initiated prior to the spin-off and impairment charges/reversals on non-current assets, on companies accounted for under the equity method and other long-term financial assets and on goodwill in the context of impairment tests, as well as other contributions to non-operating earnings.

Reconciliation of Income/Loss before Financial Results and Taxes

1st quarter € in millions	2017	2016
Income/loss before financial results and taxes	**946**	**827**
Net income/loss from equity investments	-1	9
EBIT	**945**	**836**
Non-operating adjustments	-431	35
Net book gains/losses	*–*	*-522*
Marking to market of derivative financial instruments	*-524*	*459*
Restructuring/Cost-management expenses[1, 2]	*2*	*16*
Non-operating impairment charges (+)/reversals (-)[3]	*35*	*1*
Miscellaneous other non-operating earnings	*56*	*81*
Adjusted EBIT	**514**	**871**

[1]Expenses for restructuring / cost-management in the Global Commodities segment included depreciation and amortization of €4 million in the first three months 2017 (2016: €4 million).
[2]Expenses for restructuring / cost-management do not include expenses incurred for the current restructuring program and its related subprojects.
[3]Non-operating impairment charges/reversals consist of non-operating impairment charges and reversals triggered by regular impairment tests. The total of the non-operating impairment charges/reversals and economic depreciation and amortization/reversals differs from depreciation, amortization and impairment charges reported in the statement of income since the two items also include impairment charges on companies accounted for under the equity method and other financial assets; in addition, a small portion is included in restructuring / cost-management expenses and in miscellaneous other non-operating earnings.

Owing to the adjustments made, the earnings items shown here may differ from the figures determined in accordance with IFRS.

Net Book Gains/Losses

No book gains or losses on sales were realized in the reporting period. The net book gains/losses in the first quarter of 2016 amounting to €522 million resulted primarily from the disposals of PEGI, including its equity interest in Nord Stream AG, and of AS Latvijas Gāze.

Fair Value Measurement of Derivative Financial Instruments

The fair value measurement as of the reporting date of derivatives used to hedge the operating business against price fluctuations generated income of €524 million as of March 31, 2017 (first quarter of 2016: -€459 million).

Restructuring/Cost Management

In the first quarter of 2017, restructuring and cost-management expenses decreased by €14 million year over year. They amounted to €2 million in the first quarter of 2017 (first quarter of 2016: €16 million). The reduction resulted primarily from expenses for projects that were initiated prior to 2016 and are now expiring.

Non-operating Impairments

Non-operating impairment charges amounting to €35 million were recorded in the reporting period. They related to the European Generation and Global Commodities segments.

Miscellaneous Other Non-operating Earnings

Miscellaneous other non-operating earnings amounted to -€56 million in the first quarter of 2017 (first quarter of 2016: -€81 million). The improvement resulted primarily from lower depreciation of overall reduced gas inventories relative to the prior-year period.

Adjusted EBIT

Since January 1, 2017, adjusted EBIT, a measure of earnings before interest and taxes adjusted for non-operating effects, is the key measure in the Uniper Group for purposes of internal management control and as the most important indicator of the profitability of its operations.

Segments

The following table shows adjusted EBIT for the first quarter of 2017 and the first quarter of 2016 broken down by segment:

Adjusted EBIT

1st quarter € in millions	2017	2016	Changes (percentages)
European Generation	226	219	3.2
Global Commodities	230	746	-69.2
International Power Generation	92	-55	267.3
Administration/Consolidation	-34	-39	12.8
Total	**514**	**871**	**-41.0**

European Generation

Adjusted EBIT in the European Generation segment rose by €7 million, from €219 million in the prior-year period to €226 million in the first quarter of 2017.

This positive development is primarily attributable to the impairments recognized on fossil-fuel power plants in 2016, which had the effect of reducing depreciation in the quarter. Additional earnings were provided by cost-cutting and the return to service of the Swedish nuclear power plant Ringhals 2 at the end of 2016. On the other hand, lower generation volumes from the hydroelectric power plants in Germany and Sweden, as well as lower prices for nuclear power in Sweden, diminished earnings.

Global Commodities

Adjusted EBIT in the Global Commodities segment fell by €516 million, from €746 million in the prior-year period to €230 million in the first quarter of 2017.

Adjusted EBIT was substantially affected by the non-recurrence of the positive prior-year effect on income from the reversal of provisions for past delivery periods as a consequence of the successful conclusion of price negotiations in the context of long-term gas procurement contracts. The agreement reached related to the adjustment of price terms to reflect current market conditions. Additionally reflected was the non-recurrence of exceptionally positive results from optimization activities in the prior-year period. Increased electricity-trading income and portfolio compression also produced positive effects.

International Power Generation

Adjusted EBIT in the International Power Generation segment rose by €147 million, from -€55 million in the prior-year period to €92 million in the first quarter of 2017.

The elimination of the partial divestiture of property, plant and equipment for a damaged boiler, caused by the temporary shutdown of the 800 MW unit of the Berezovskaya power plant in February 2016 as the result of an accident, had a positive impact on adjusted EBIT.

Administration/Consolidation

Adjusted EBIT attributable to the Administration/Consolidation reconciliation item rose by €5 million, from -€39 million in the first quarter of 2016 to -€34 million in the first quarter of 2017.

Adjusted Funds from Operations

Beginning in 2017, adjusted funds from operations ("adjusted FFO") is a key performance indicator used by the Uniper Group for determining, among other things, the residual cash flow available for distribution to shareholders and the variable compensation of the Management Board.

Adjusted FFO for the first quarter of 2017 amounted to €442 million, a year-over-year decrease of €138 million (first quarter of 2016: €580 million). In the first quarter of 2016, adjusted FFO had reflected exceptionally high positive cash effects from gas optimization activities.

Financial Condition

The Uniper Group presents its financial condition using financial measures including economic net debt and operating cash flow before interest and taxes ("OCFBIT"), among others.

Debt

Compared with December 31, 2016, Uniper's economic net debt fell by €1,207 million to -€2,960 million as of March 31, 2017, owing to seasonal factors (December 31, 2016: -€4,167 million). The high positive operating cash flow exceeded investment spending, resulting in a significant improvement in the net financial position.

Economic Net Debt

€ in millions	**Mar. 31, 2017**	**Dec. 31, 2016**
Liquid funds	626	341
Financial receivables from affiliated companies	–	–
Non-current securities	103	160
Financial liabilities (including financial liabilities to affiliated companies)	-1,934	-2,870
Net financial position	**-1,205**	**-2,369**
Provisions for pensions and similar obligations	-740	-785
Provisions for asset retirement obligations[1]	-1,015	-1,013
Economic net debt	**-2,960**	**-4,167**

[1]Reduced by receivables from the Swedish Nuclear Waste Fund.

Financial liabilities were lower in the first quarter of 2017 because a loan in the amount of €800 million as of December 31, 2016, which was part of the syndicated bank financing agreement (original amount: €2,000 million), was repaid in full.

Investments

Investments

1st quarter € in millions	2017	2016
Investments		
European Generation	*89*	*77*
Global Commodities	*10*	*21*
International Power Generation	*23*	*21*
Administration/Consolidation	*18*	*2*
Total	**140**	**121**
Growth	*98*	*55*
Maintenance & Replacement	*42*	*66*

In the first quarter of 2017, €89 million was invested in the European Generation segment, €12 million more than the amount of €77 million reported for the prior-year period. The change was mainly due to the investment in the Datteln 4 hard-coal power plant unit.

€10 million was invested in the Global Commodities segment in the first quarter of 2017, €11 million below the amount reported for the prior-year period. This reduction resulted from lower spending on growth investments relative to the first quarter of 2016.

In the first quarter of 2017, €23 million was invested in the International Power Generation segment, which was roughly at the level of the €21 million reported for the prior-year period.

Investment spending in the Administration/Consolidation reconciliation item totaled €18 million in the first quarter of 2017. The increase by €16 million relative to the first quarter of 2016 was attributable to the acquisition of licenses by Uniper IT and the ownership transfer from E.ON of Uniper HR Services Hannover GmbH.

Cash Flow

Cash Flow

1st quarter € in millions	2017	2016
Cash provided by (used for) operating activities (operating cash flow)	**902**	**2,312**
Cash provided by (used for) investing activities	**501**	**903**
Cash provided by (used for) financing activities	**-941**	**-3,048**

Cash Flow from Operating Activities, Operating Cash Flow before Interest and Taxes

Cash provided by operating activities (operating cash flow) declined by €1,410 million in the first quarter of 2017 to €902 million (first quarter of 2016: €2,312 million). The principal driver of this reduction in operating cash flow was a significantly lower outflow for gas procurement under long-term supply contracts in the first quarter of 2016 brought about, in particular, by changes in the timing of payments. In addition, there was a one-time payment in the first quarter of 2016 by the Finnish energy utility Fortum in relation to its pro-rata assumption of costs for the partial decommissioning of the Oskarshamn nuclear power plant in Sweden. The decrease in adjusted EBIT thus was not the only factor behind the decrease in operating cash flow, because the reduction of adjusted EBIT is determined in part by non-cash effects. One of these, for example, was the reversal of provisions due to the price renegotiations for long-term gas procurement contracts in the prior-year quarter.

The following table presents the reconciliation of cash flow from operating activities (operating cash flow) to operating cash flow before interest and taxes:

Operating Cash Flow before Interest and Taxes

1st quarter € in millions	2017	2016	Difference
Operating cash flow	**902**	**2,312**	**-1,410**
Interest payments	2	8	-6
Tax payments	15	15	0
Operating cash flow before interest and taxes	**919**	**2,335**	**-1,416**

Cash Flow from Investing Activities

Cash provided by investing activities fell from €903 million in the prior-year quarter by €402 million to €501 million in the first quarter of 2017. Increased spending of €140 million for investments (first quarter of 2016: €121 million) and the €8 million decrease in proceeds from disposals (first quarter of 2016: €1,144 million) had a negative effect. The inflows in the prior-year quarter resulted primarily from the sale of the shares in PEGI, including its equity interest in Nord Stream AG, to E.ON Beteiligungen GmbH in March 2016. A positive effect came from a reduction in collateral provided for hedging of trading activities.

Cash Flow from Financing Activities

In the first quarter of 2017, cash used for financing activities amounted to -€941 million (first quarter of 2016: -€3,048 million). It consists primarily of the repayment of the €800 million loan from the syndicated bank financing agreement. The increase compared with the previous year is attributable to the non-recurrence in 2017 of special effects, especially the repayments of financial liabilities due to the E.ON Group in the first quarter of 2016.

Assets

Consolidated Assets, Liabilities and Equity

€ in millions	Mar. 31, 2017	Dec. 31, 2016
Non-current assets	23,221	27,199
Current assets	19,193	21,672
Total assets	**42,414**	**48,871**
Equity	13,904	12,803
Non-current liabilities	12,058	15,272
Current liabilities	16,452	20,796
Total equity and liabilities	**42,414**	**48,871**

Non-current assets as of March 31, 2017, decreased relative to December 31, 2016, from €27,199 million to €23,221 million. This was caused by the reclassification to assets held for sale of the company associated with the disposal of the Yuzhno-Russkoye gas field, AO Gazprom YRGM Development, and of the stake in the company OAO Severneftegazprom, in the amount of approximately €2,120 million. In addition, there were decreases of approximately €1,174 million in receivables from derivative financial instruments and of €1,005 million in deferred tax assets resulting primarily from netting with deferred tax liabilities.

Current assets fell from €21,672 million as of December 31, 2016, to €19,193 million. One major reason for the decline was the reduction in receivables from derivative financial instruments by €4,236 million. This was partly offset by the aforementioned reclassification of the Yuzhno-Russkoye gas field in the amount of approximately €2,120 million.

Equity increased from €12,803 million to €13,904 million as of March 31, 2017. The net income of the Group in the amount of €751million and the effect of foreign exchange rates on assets and liabilities in the amount of €264 million were the main reasons for the increase. The equity ratio as of March 31, 2017, at 33%, was higher than the 26% reported as of December 31, 2016.

Non-current liabilities decreased from €15,272 million at the end of the previous year to €12,058 million as of March 31, 2017, caused especially by the reduction in liabilities from derivative financial instruments in the amount of €1,106 million and the repayment of loans in the amount of €800 million. In addition, deferred tax liabilities were reduced by €1,071 million, primarily as a result of netting with deferred tax assets.

Current liabilities fell significantly from €20,796 million at the end of the previous year to €16,452 million. This development is primarily attributable to the reduction of liabilities from derivative financial instruments in the amount of €4,854 million. That reduction was offset primarily by the presentation of €311 million in non-current liabilities allocated to the Yuzhno-Russkoye gas field as liabilities associated with assets held for sale.

Risk Report

The risks relevant to the Uniper Group, as well as the risk management system and litigation involving the Group, are described in detail in the 2016 Annual Report of Uniper SE, which is published and has been available online at www.uniper.energy since March 9, 2017. No material changes to the Uniper Group's overall risk situation have occurred since March 9, 2017.

Opportunity Report

Both risks and opportunities are reported, provided the underlying issues can be adequately specified and appear significant. Significant opportunities are characterized by facts and circumstances that may have a significant positive impact on financial or earnings performance by the segments over and above previous planning assumptions and are reported separately through Group Controlling.

The key opportunities for Uniper's business are described in the combined management report within the 2016 Annual Report. The opportunities described therein have not changed materially as of the end of the first quarter of 2017.

Forecast Report

The forecast for the 2017 fiscal year continues to reflect the difficult conditions in the energy industry and will additionally be characterized by the non-recurrence of the positive one-time earnings effect from the renegotiation of long-term gas-procurement contracts.

On the whole, the projections for 2017 published in the 2016 Annual Report are reaffirmed.

Other

Uniper and four other European energy companies signed a financing agreement in April with Nord Stream 2 AG, the company responsible for the planning, construction and future operation of the Nord Stream 2 gas pipeline. As part of the agreement, Uniper has pledged financing of up to 10% of the currently expected total cost of the project. Uniper will provide a long-term funding facility for about 30% of this financing, which Nord Stream 2 AG is expected to draw down in 2017. The remainder is to be covered by shared project financing. In addition, Uniper is examining currently possible structures for involving a partner in Uniper's share of the funding for the project.

On April 18, 2017, Standard & Poor's raised the outlook for Uniper's BBB- rating from "stable" to "positive." In the most recent Standard & Poor's report, the rating agency came to this decision against the backdrop of various positive market developments for Uniper in 2016 and of the announced disposal of the interest in Yuzhno-Russkoye. The positive outlook reflects the potential of a rating change from currently BBB- to BBB upon successful completion of the Yuzhno-Russkoye sale, which the rating agency expects to bring about a further significant improvement in Uniper's economic net debt and, accordingly, in the relevant rating parameters.

Uniper SE and Subsidiaries Consolidated Statements of Income

1st quarter € in millions	2017	2016
Sales including electricity and energy taxes	22,383	19,695
Electricity and energy taxes	-130	-131
Sales	**22,253**	**19,564**
Changes in inventories (finished goods and work in progress)	23	-13
Own work capitalized	14	4
Other operating income	6,433	4,315
Cost of materials	-21,301	-18,087
Personnel costs	-271	-266
Depreciation, amortization and impairment charges	-212	-212
Other operating expenses	-6,005	-4,514
Income from companies accounted for under the equity method	12	36
Income/loss before financial results and taxes	**946**	**827**
Financial results	40	-137
Net income/loss from equity investments	*-1*	*9*
Income from other securities, interest and similar income	*64*	*39*
Interest and similar expenses	*-23*	*-185*
Income taxes	-235	-44
Net income/loss	**751**	**646**
Attributable to shareholders of Uniper SE	*733*	*652*
Attributable to non-controlling interests	*18*	*-6*
in €		
Earnings per share (attributable to shareholders of Uniper SE)—basic and diluted		
from continuing operations	2.00	1.80
from net income	**2.00**	**1.80**

Uniper SE and Subsidiaries Consolidated Statements of Recognized Income and Expenses

1st quarter **€ in millions**	**2017**	**2016**
Net income/loss	**751**	**646**
Remeasurements of defined benefit plans	81	-412
Income taxes	-27	13
Items that will not be reclassified subsequently to the income statement	**54**	**-399**
Cash flow hedges	-8	-11
Unrealized changes	*-2*	*-4*
Reclassification adjustments recognized in income	*-6*	*-7*
Available-for-sale securities	21	-1
Unrealized changes	*21*	*-1*
Reclassification adjustments recognized in income	–	–
Currency translation adjustments	263	74
Unrealized changes	*263*	*74*
Reclassification adjustments recognized in income	–	–
Companies accounted for under the equity method	17	108
Unrealized changes	*17*	*15*
Reclassification adjustments recognized in income	–	*93*
Income taxes	3	2
Items that might be reclassified subsequently to the income statement	**296**	**172**
Total income and expenses recognized directly in equity	**350**	**-227**
Total recognized income and expenses (total comprehensive income)	**1,101**	**419**
Attributable to shareholders of Uniper SE	*1,051*	*538*
Attributable to non-controlling interests	*50*	*-119*

Uniper SE and Subsidiaries Consolidated Balance Sheets

€ in millions	Mar. 31, 2017	Dec. 31, 2016
Assets		
Goodwill	2,305	2,701
Intangible assets	905	2,121
Property, plant and equipment	11,803	11,700
Companies accounted for under the equity method	591	827
Other financial assets	697	728
Equity investments	*594*	*568*
Non-current securities	*103*	*160*
Financial receivables and other financial assets	3,044	3,054
Operating receivables and other operating assets	2,670	3,857
Income tax assets	6	6
Deferred tax assets	1,200	2,205
Non-current assets	**23,221**	**27,199**
Inventories	1,221	1,746
Financial receivables and other financial assets	783	1,268
Trade receivables and other operating assets	14,308	18,250
Income tax assets	120	64
Liquid funds	626	341
Securities and fixed-term deposits	*73*	*162*
Restricted cash and cash equivalents	*2*	*10*
Cash and cash equivalents	*551*	*169*
Assets held for sale	2,135	3
Current assets	**19,193**	**21,672**
Total assets	**42,414**	**48,871**
Equity and Liabilities		
Capital stock	622	622
Additional paid-in capital	10,825	10,825
Retained earnings	4,943	4,156
Accumulated other comprehensive income[1]	-3,118	-3,382
Equity attributable to shareholders of Uniper SE	**13,272**	**12,221**
Attributable to non-controlling interests	632	582
Equity	**13,904**	**12,803**
Financial liabilities	1,549	2,376
Operating liabilities	2,878	3,993
Income taxes	–	–
Provisions for pensions and similar obligations	740	785
Miscellaneous provisions	6,361	6,517
Deferred tax liabilities	530	1,601
Non-current liabilities	**12,058**	**15,272**
Financial liabilities	385	494
Trade payables and other operating liabilities	13,668	18,348
Income taxes	256	188
Miscellaneous provisions	1,817	1,766
Liabilities associated with assets held for sale	326	–
Current liabilities	**16,452**	**20,796**
Total equity and liabilities	**42,414**	**48,871**

[1]The accumulated other comprehensive income also includes currency translation differences of -€710 million attributable to the Russian gas field Yuzhno-Russkoye, which is held for sale.

Uniper SE and Subsidiaries Consolidated Statements of Cash Flows

1st quarter € in millions	2017	2016
Net income/loss	**751**	**646**
Depreciation, amortization and impairment of intangible assets and of property, plant and equipment	212	212
Changes in provisions	-46	-137
Changes in deferred taxes	126	-4
Other non-cash income and expenses	-27	80
Gain/loss on disposal of intangible assets and property, plant and equipment, equity investments and securities (>3 months)	-8	-393
Changes in operating assets and liabilities and in income taxes	-106	1,908
Cash provided by operating activities	**902**	**2,312**
Proceeds from disposal of	8	1,144
Intangible assets and property, plant and equipment	*5*	*3*
Equity investments	*3*	*1,141*
Purchases of investments in	-140	-121
Intangible assets and property, plant and equipment	*-130*	*-109*
Equity investments	*-10*	*-12*
Proceeds from disposal of securities (> 3 months) and of financial receivables and fixed-term deposits	740	165
Purchases of securities (> 3 months) and of financial receivables and fixed-term deposits	-116	-285
Changes in restricted cash and cash equivalents	9	–
Cash provided by investing activities	**501**	**903**
Payments received/made from changes in capital[1]	–	127
Transactions with the E.ON Group[2]	–	-2,990
Cash dividends paid to other shareholders	–	–
Changes in financial liabilities[3]	-941	-185
Cash used for financing activities	**-941**	**-3,048**
Net increase in cash and cash equivalents	**462**	**167**
Effect of foreign exchange rates on cash and cash equivalents	7	13
Cash and cash equivalents at the beginning of the year[4]	169	299
Cash and cash equivalents of discontinued operations	-87	–
Cash and cash equivalents at the end of the quarter	**551**	**479**
Supplementary Information on Cash Flows from Operating Activities		
Income taxes paid (less refunds)	-15	-15
Interest paid	-14	-28
Interest received	12	20
Dividends received	8	6

[1]No material netting has taken place in either of the years presented here.
[2]The transactions with the E.ON Group mostly relate to payments arising from dividends and from profit-and-loss-pooling agreements and to financing with the E.ON Group in 2016.
[3]Proceeds from financial liabilities in the first three months of 2017 amounted to €46 million (2016: €582 million), while repayments of financial liabilities for the first three months of 2017 amounted to -€987 million (2016: -€767 million).
[4]Cash and cash equivalents of discontinued operations at the beginning of the year also include an amount of €21 million from the Yuzhno-Russkoye disposal group.

Financial Calendar

June 8, 2017

2017 Annual Shareholders Meeting – Grugahalle, Essen

August 8, 2017

Interim Report: January – June 2017

November 7, 2017

Quarterly Statement: January – September 2017

Further Information

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