Investor and Analyst Conference Call Q1-Q3 2009

Essen, November 12, 2009

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Forward Looking Statement

This presentation contains certain forward-looking statements within the meaning of the US federal securities laws. Especially all of the following statements:

- Projections of revenues, income, earnings per share, capital expenditures, dividends, capital structure or other financial items;
- Statements of plans or objectives for future operations or of future competitive position;
- Expectations of future economic performance; and
- Statements of assumptions underlying several of the foregoing types of statements

are forward-looking statements. Also words such as “anticipate”, “believe”, “estimate”, “intend”, “may”, “will”, “expect”, “plan”, “project” “should” and similar expressions are intended to identify forward-looking statements. The forward-looking statements reflect the judgement of RWE’s management based on factors currently known to it. No assurances can be given that these forward-looking statements will prove accurate and correct, or that anticipated, projected future results will be achieved. All forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. Such risks and uncertainties include, but are not limited to, changes in general economic and social environment, business, political and legal conditions, fluctuating currency exchange rates and interest rates, price and sales risks associated with a market environment in the throes of deregulation and subject to intense competition, changes in the price and availability of raw materials, risks associated with energy trading (e.g. risks of loss in the case of unexpected, extreme market price fluctuations and credit risks resulting in the event that trading partners do not meet their contractual obligations), actions by competitors, application of new or changed accounting standards or other government agency regulations, changes in, or the failure to comply with, laws or regulations, particularly those affecting the environment and water quality (e.g. introduction of a price regulation system for the use of power grid, creating a regulation agency for electricity and gas or introduction of trading in greenhouse gas emissions), changing governmental policies and regulatory actions with respect to the acquisition, disposal, depreciation and amortization of assets and facilities, operation and construction of plant facilities, production disruption or interruption due to accidents or other unforeseen events, delays in the construction of facilities, the inability to obtain or to obtain on acceptable terms necessary regulatory approvals regarding future transactions, the inability to integrate successfully new companies within the RWE Group to realise synergies from such integration and finally potential liability for remedial actions under existing or future environmental regulations and potential liability resulting from pending or future litigation. Any forward-looking statement speaks only as of the date on which it is made. RWE neither intends to nor assumes any obligation to update these forward-looking statements. For additional information regarding risks, investors are referred to RWE’s latest annual report and to other most recent reports filed with the Frankfurt Stock Exchange or SIX Swiss Exchange and to information available on the Internet at www.rwe.com.

Key messages

Performance Q1-Q3 2009	> Operating result decreased by 4% > Recurrent net income down by 7%
Strategy	> Essent acquisition closed: EPZ carved out for the time being; sale of Essent's stake in Stadtwerke Bremen closed in October > Stake in American Water sold down to 23.5% > No binding bid for Polish utility Enea confirms our financial discipline > Pullout of Bulgarian nuclear new build project Belene
Financing / Rating	> Successful prolongation of syndicated loan facility > New Moody's rating at A2 (negative outlook), as expected
Efficiency Enhancement	> Target of €450 m for 2009 (compared to 2006) on track
Outlook	> Previous outlook 2009 confirmed > Dividend 2009: Payout ratio of 50% - 60% of recurrent net income

RWE Group key performance indicators

January – September € million		2009	2008	change in %
External revenue		33,769	34,454	-2.0
Cash flows from operating activities		4,126	4,349	-5.1
EBITDA		6,966	7,189	-3.1
Operating result		5,534	5,788	-4.4
Non-operating result		219	-506	-
Financial result		-1,438	-1,019	-41.1
Income from discontinued operations		20	-598	-
Net income		2,791	2,211	+26.2
Recurrent net income		2,871	3,077	-6.7
Average number of shares (thousand)		532,990	541,081	-1.5
Earnings per share (EPS)	(€)	5.24	4.09	+28.1
Recurrent EPS	(€)	5.39	5.69	-5.3

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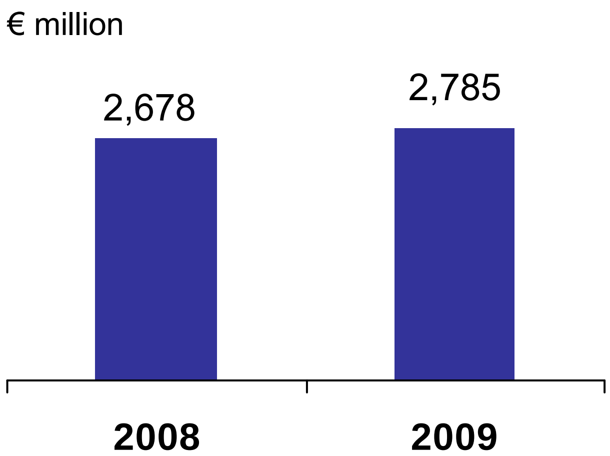
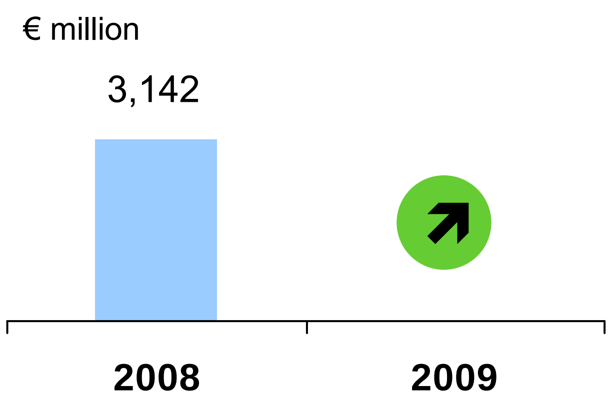
Performance of RWE Power

Q1-Q3 operating result: +4.0%



- (+) Higher realised electricity prices and lower volumes (+€320 million) including margin impact from Biblis outage (-€710 million)
- (-) Increased costs due to higher fuel prices (-€330 million)
- (+) Lower costs for CO_2 certificates (+€150 million)
- (-) Higher staff and fixed operating and maintenance costs, especially Biblis (-€110 million)

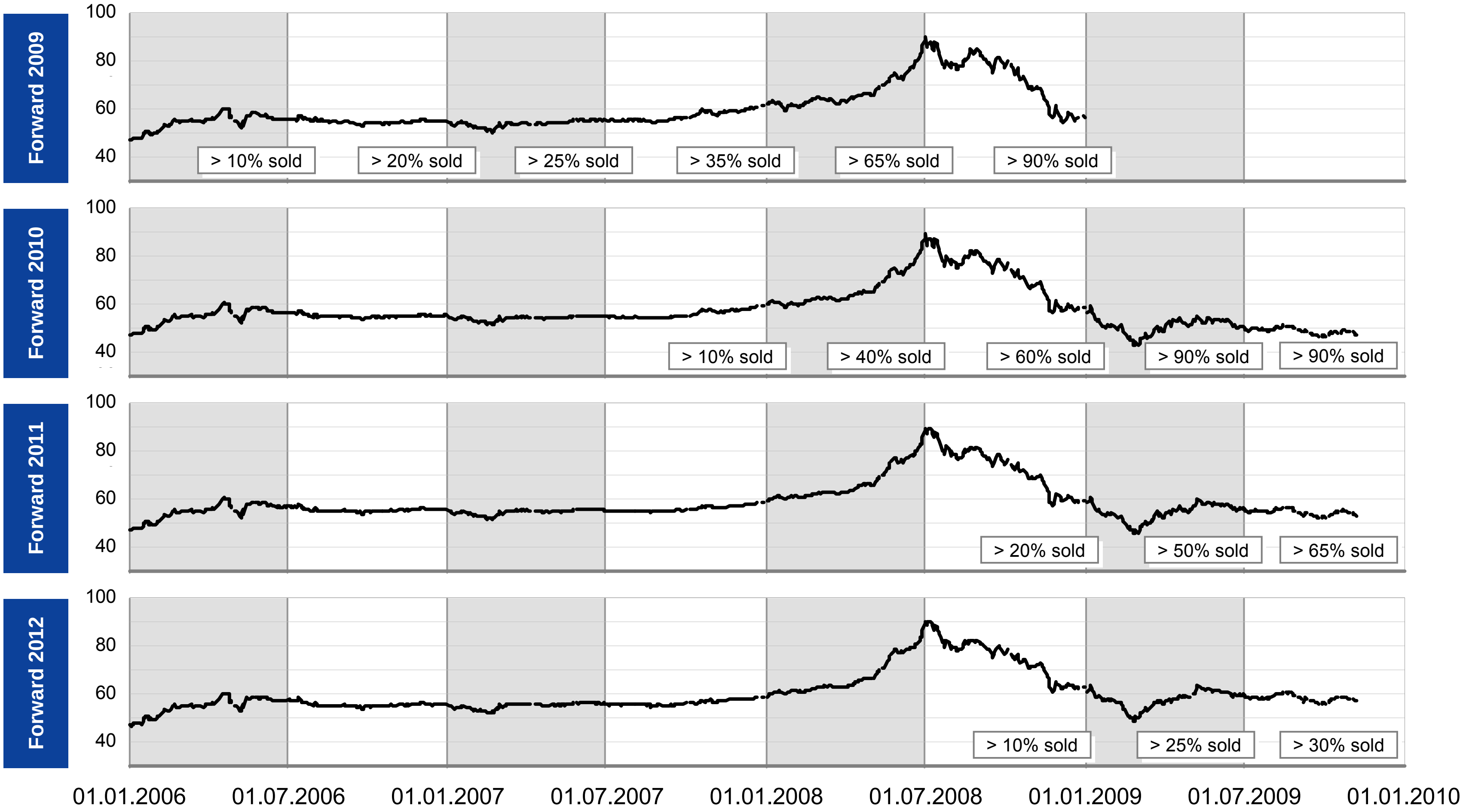
Full year 2009 guidance: Operating result above previous year



- (+) Higher realised electricity prices
- (-) Maintenance outage of Biblis A and B (-€1.0 bn)
- (-) Increased costs due to higher fuel prices (-€0.3 bn)
- (-) Higher staff and fixed operating and maintenance costs

Early hedging protects us from recession and allows flexible short-term optimisation

Forward selling of RWE Power in the German market (base load forwards in €/MWh)



[1] Forward selling as of October 31, 2009; price data as of November 10, 2009.

Impact of economic crisis in our core markets

Electricity demand	January – September 2009	Forecast 2009
Market data[1]		
> Germany	-7%	-5% to -7%
> UK	-6%	-5% to -6%
> CEE[2]	-5% to -6%[2]	-5% to -7%
RWE[3]		
> Germany	+2%	
> UK	-5%	
> CEE[4]	-3%[4]	

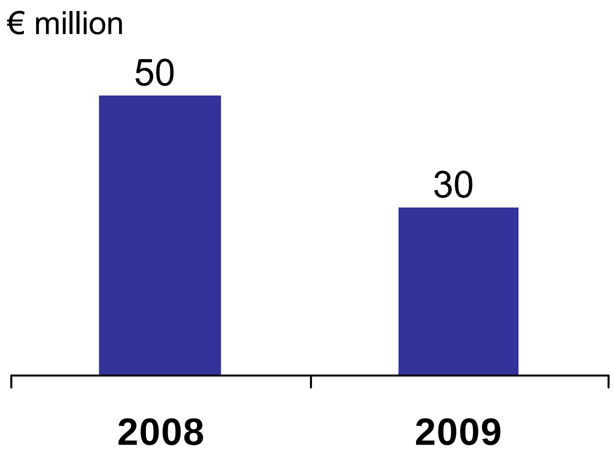
Gas demand	January – September 2009	Forecast 2009
Market data[1]		
> Germany	-7%	-1% to -3%
> UK	-11%	-10% to -12%
> Czech Republic	-7%	n.d.a.
RWE		
> Germany	-11%	
> UK	-10%	
> Czech Republic	-7%	

- BDEW statistic shows higher percentage levels of decline for the summer quarters (April to September) mainly due to a basis effect (overall lower demand in summer). August number (decline of 9% compared to 2008) unadjusted for higher number of public holidays
- Our forecast for 2009 is unchanged with a decline of -5% to -7%
- Forward sales and high portion of "take-or-pay" contracts with industrial clients and distributors protect us from short-term impact on our earnings
- Bad debt and insolvencies still with limited impact on RWE's P&L

[1] RWE estimates based on different sources.
[2] Hungary (-5%), Poland (-6%).
[3] Excluding electricity trading.
[4] Hungary (-7%), Poland (+9%).

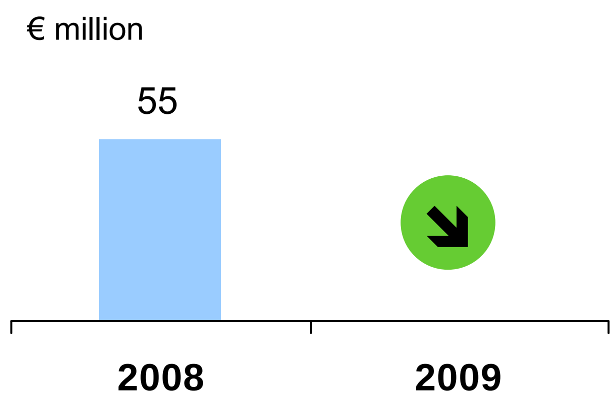
Performance of RWE Innogy

Q1-Q3 operating result: -40.0%



- (–) Upfront costs of large investment programme
- (–) Higher staff costs
- (+) First time consolidation of Urvasco Energía in June 2008

Full year 2009 guidance: Operating result below previous year

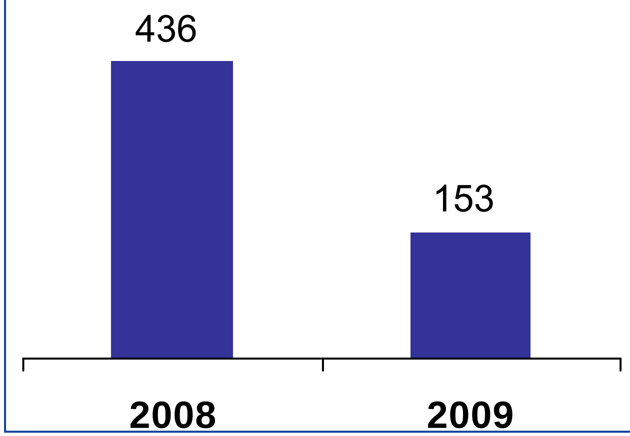


- (–) Upfront costs of large investment programme
- (–) Higher staff costs

Performance of RWE Dea

Q1-Q3 operating result: -64.9%

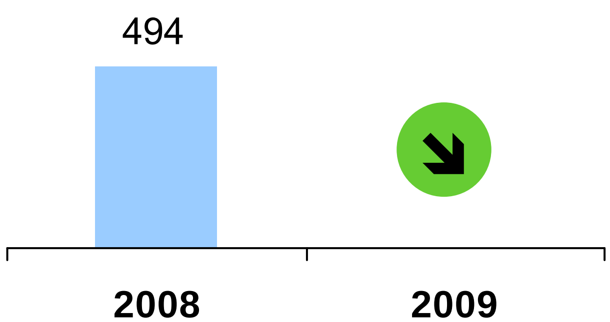
€ million



- Slump in oil prices leads to significant reduction of average realised oil price (incl. hedging)
- Slightly higher realised gas prices offset by negative volume effects in UK gas production

Full year 2009 guidance: Operating result significantly below previous year

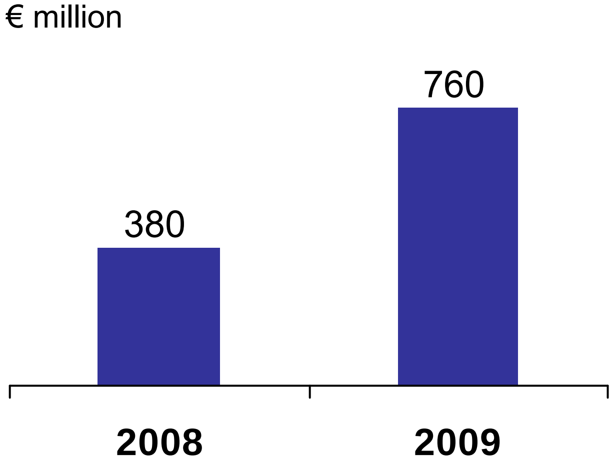
€ million



- Significant decline in achieved crude oil and gas prices
- Negative gas and oil volume effects

Performance of RWE Supply & Trading

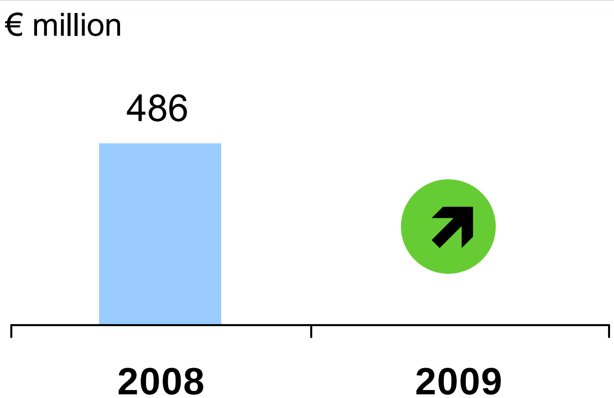
Q1-Q3 operating result: +100%



+ Trading
Good marked-to-market performance of trading although lower than the extraordinarily positive Q1-Q3 2008; Reported IFRS numbers significantly benefited from realisation of transactions concluded in earlier years

+ Supply
Optimisation of international gas procurement portfolio and successful conclusion of price revisions as one-off

Full year 2009 guidance: Operating result significantly above previous year

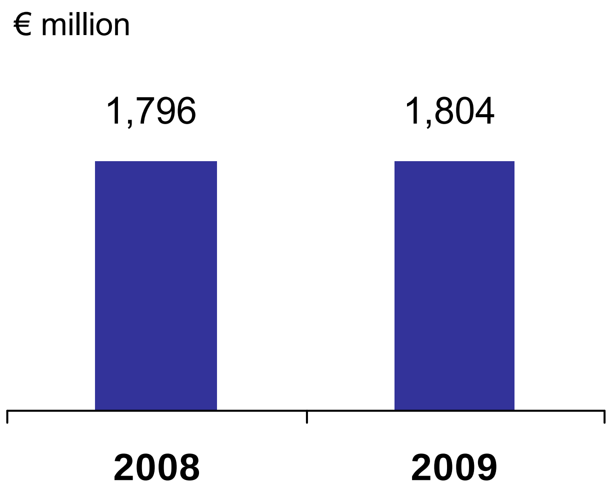


+ Trading
Benefit from successful trading transactions concluded in earlier years and which will be accounted for in the IFRS numbers this year

+ Supply
Optimisation of international gas procurement portfolio and successful conclusion of price revisions as one-off

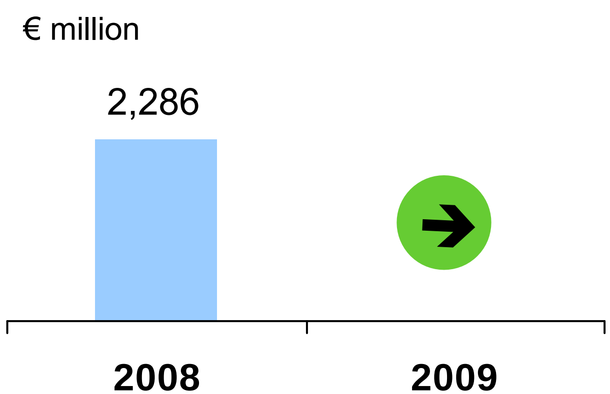
Performance of RWE Energy

Q1-Q3 operating result: +0.4%



- German regions;
  Benefits from efficiency enhancements and improved gas sales business. Lower electricity margins
- International regions: Negative earnings impact in Dutch business, lower electricity sales in Hungary and gas sales in the Czech Republic. Burdens from f/x effects; efficiency enhancements
+ Supra-regional operations: Higher revenues in the Czech gas transport business partly offset by negative f/x effects and increased costs at eprimo. Efficiency enhancements.

Full year 2009 guidance: Operating result matching previous year's level

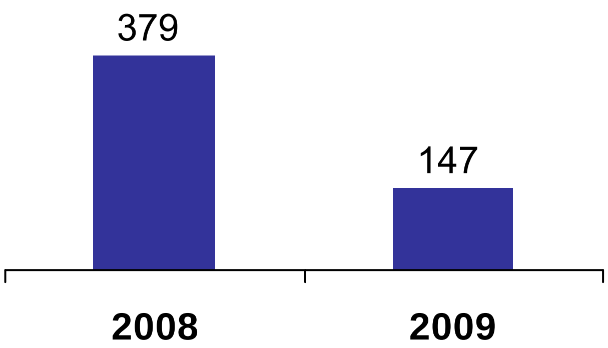


+ Efficiency enhancement measures to compensate for pressure from incentive-based regulation
+ Improved earnings in electricity and gas supply business
- Increase in staff costs
- f/x effects

Performance of RWE npower

Q1-Q3 operating result: -61.2%

€ million



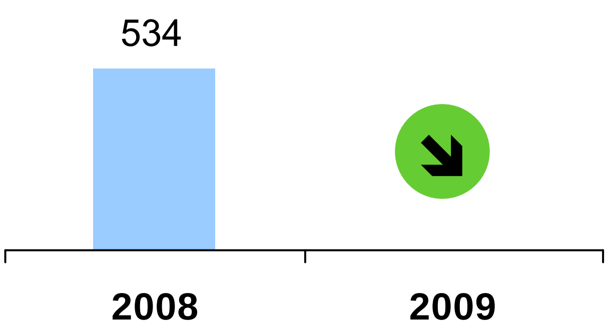
- Negative f/x effects of -€20 million

Power generation:
- Reduced generation spreads and less opportunity to generate income on the short-term market

Retail:
- Impact of electricity price reduction and lower volume
- Higher costs for governmental programmes to improve energy efficiency / support vulnerable customers

Full year 2009 guidance: Operating result significantly below previous year

€ million



+ Cost & efficiency improvements (€120 million)

Power generation:
- Reduced market volatility means less opportunities to generate income on the short-term market
- Lower generation spreads 2009 compared to 2008

Retail:
- Impact of electricity price reduction; but competitive market position retained as a result
- Burden from governmental programmes

Non-operating result

January – September € million	2009	2008	Change (absolute)
Capital gains	29	47	-18
Impairment losses	-	-	-
Restructuring / other	190	-553	743
Total	**219**	**-506**	**725**

- Capital gains: No major capital gains in 2009. In 2008 mainly income from sale of 8% stake in rhenag to RheinEnergie AG
- Restructuring / other:
  - Positive impact from result of commodity derivatives (+€578 million; 2008: -€362 million)
  - Write-down of Excelerate LNG joint venture (-€182 million)
  - Amortisation of npower's customer accounts (-€189 million; 2008: -€214 million)
  - Income from change of nuclear and mining provisions (+€136 million; 2008: +€93 million)

Financial result

January – September € million	2009	2008	Change (absolute)
Net interest	-429	-36	-393
Interest accretion to non-current provisions	-676	-561	-115
Other financial result	-333	-422	89
Total	**-1,438**	**-1,019**	**-419**

- Net interest: declined because of higher debt mainly used to refinance the Essent acquisition; we have adjusted for the upfront costs of the Essent acquisition in the recurrent net income
- Costs for interest accretion to non-current provisions: rose because of lower expected income from assets in our CTA and pension fund
- Other financial result: mainly impacted by realised losses from the sale of securities and write downs of securities

Cash flow statement

January – September € million	2009	2008	Change (absolute)
Funds from operations (FFO)	3,919	5,525	-1,606
Changes in working capital	207	-1,176	+1,383
Cash flows from operating activities	**4,126**	**4,349**	**-223**
Capex on fixed assets	-3,701	-2,525	-1,176
Free cash flow	**425**	**1,824**	**-1,399**

- FFO
  - Cash out for certificates to cover 2008 CO_2 emissions (€1.0bn)
- Change in working capital
  - Positive impact from variation margins (+€0.4 bn; 2008: -€0.6bn)
- Capex on fixed assets
  - increased mainly due to power plant projects at RWE Power and RWE npower

Outlook

	2008 € million	2009 forecast (excl. Essent)	Essent contribution in Q4
External revenue	48,950	Below last year	+ c€1.5 bn
EBITDA	8,773	In the order of last year's level	+ c€150 m
Operating result	6,826	In the order of last year's level	+ c€100 m
Recurrent net income	3,367	In the order of last year's level	slightly accretive
Dividend €	4.50	Payout ratio 50% - 60%[1]	
Capex on fixed assets	4,454	In the order of €6.0 bn	+ c€0.3 – 0.4 bn

[1] Based on recurrent net income.

Back-up Charts

RWE Group electricity production

January – September in TWh	Germany	UK	Other Internat.	Total 2009	Total 2008
Lignite	48.3		4.2	52.5	55.1
Nuclear	25.1			25.1	37.1
Hard coal	21.9	7.2	0.3	29.4	45.7
thereof contracts	10.5			10.5	22.1
Gas	8,2	11.0	0.1	19.3	24.5
Renewable energies	2.8	0.7	0.6	4.1	4.0
thereof contracts	0.6	0.5		1.1	0.9
Pumped storage, oil, other	1.3	0.2		1.5	1.8
thereof contracts	1.0			1.0	1.1
Subtotal	**107.6**	**19.1**	**5.2**	**131.9**	**168.2**
Electricity purchases[1]	52.9	19.5	15.4	87.8	80.0
Total	**160.5**	**38.6**	**20.6**	**219.7**	**248.2**

[1] Net, excluding trading. Purchases for physical deliveries to customers only.

RWE Group electricity sales volume

January – September in TWh	Germany	UK	Poland	Hungary	Other	Total 2009	Total 2008
Private and commercial customers	19.1	14.6	1.8	4.6	0.5	40.6	42.2
Industrial and corporate customers	43.2	22.0	3.0	4.3	0.7	73.2	75.6
Distributors	63.9		0.7	3.9	0.7	69.2	65.3
Subtotal	**126.2**	**36.6**	**5.5**	**12.8**	**1.9**	**183.0**	**183.1**
Electricity trading[1]	24.4					24.4	52.7
Total	**150.6**	**36.6**	**5.5**	**12.8**	**1.9**	**207.4**[2]	**235.8**

1 Net of electricity purchased from third parties.
2 Difference between electricity production and electricity sales volume due to grid losses, own consumption by lignite production and pumped-storage power plants.

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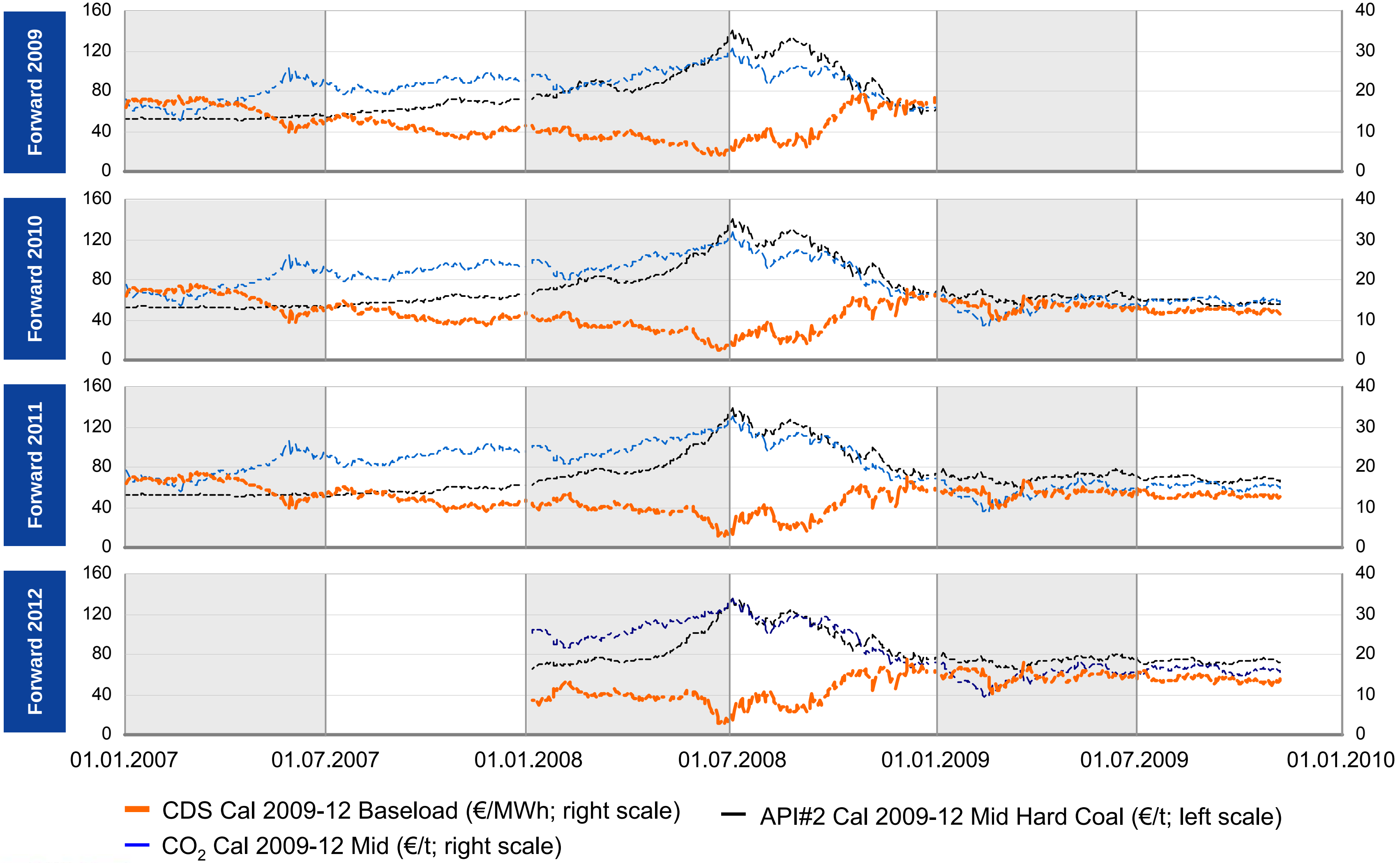
RWE Group gas sales volume

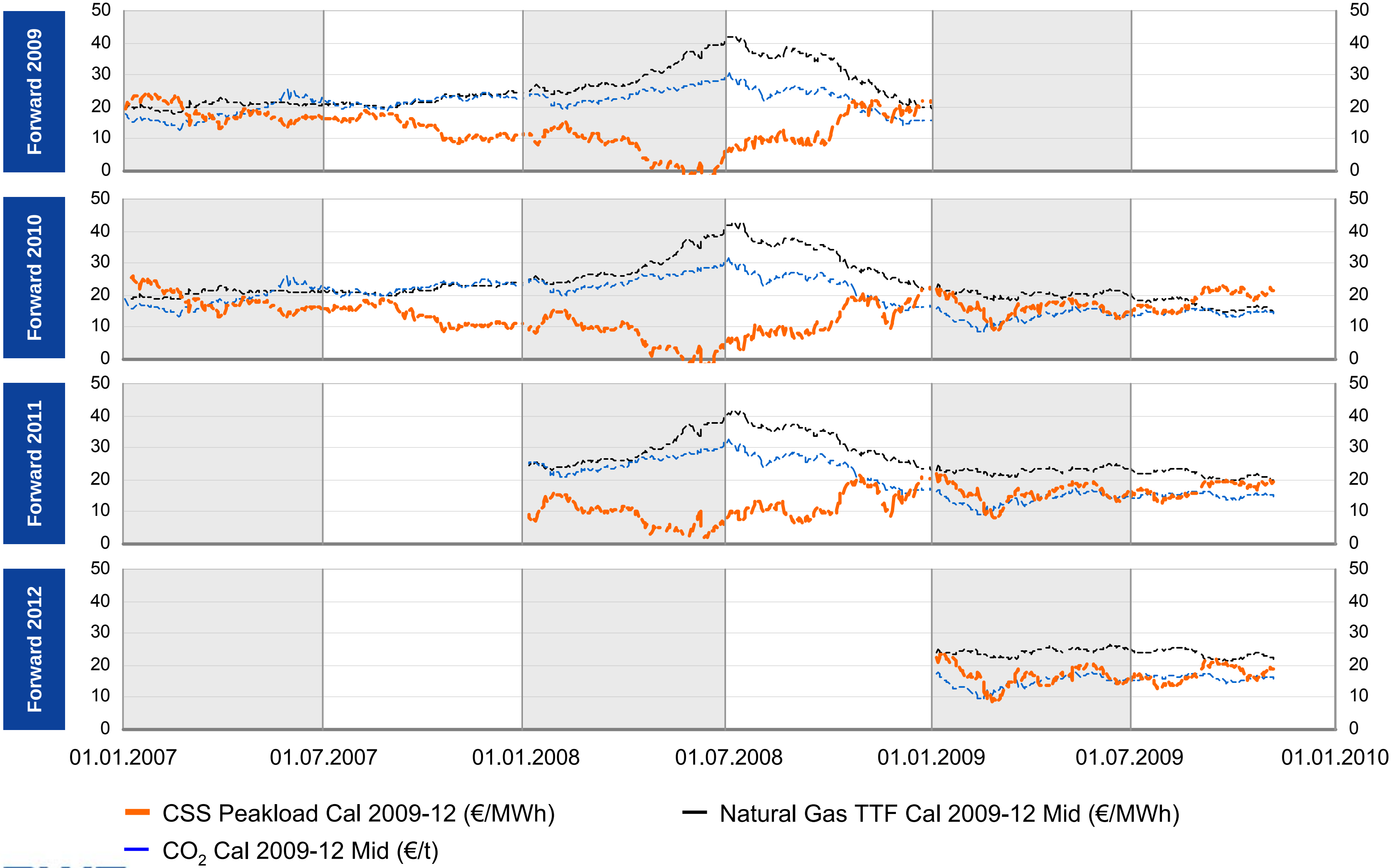
January – September in TWh	Germany	Czech Rep.	UK	Other	Total 2009	Total 2008
Private and commercial customers	16.5	21.6	30.1	6.8	75.0	73.9
Industrial and corporate customers	30.7	17.3	5.1[1]	17.3	70.4	78.4
Distributors	51.3	11.9	-	-	63.2	73.6
Total	**98.5**	**50.8**	**35.2**	**24.1**	**208.6**	**225.9**

[1] Including 0.4 TWh from RWE Dea.

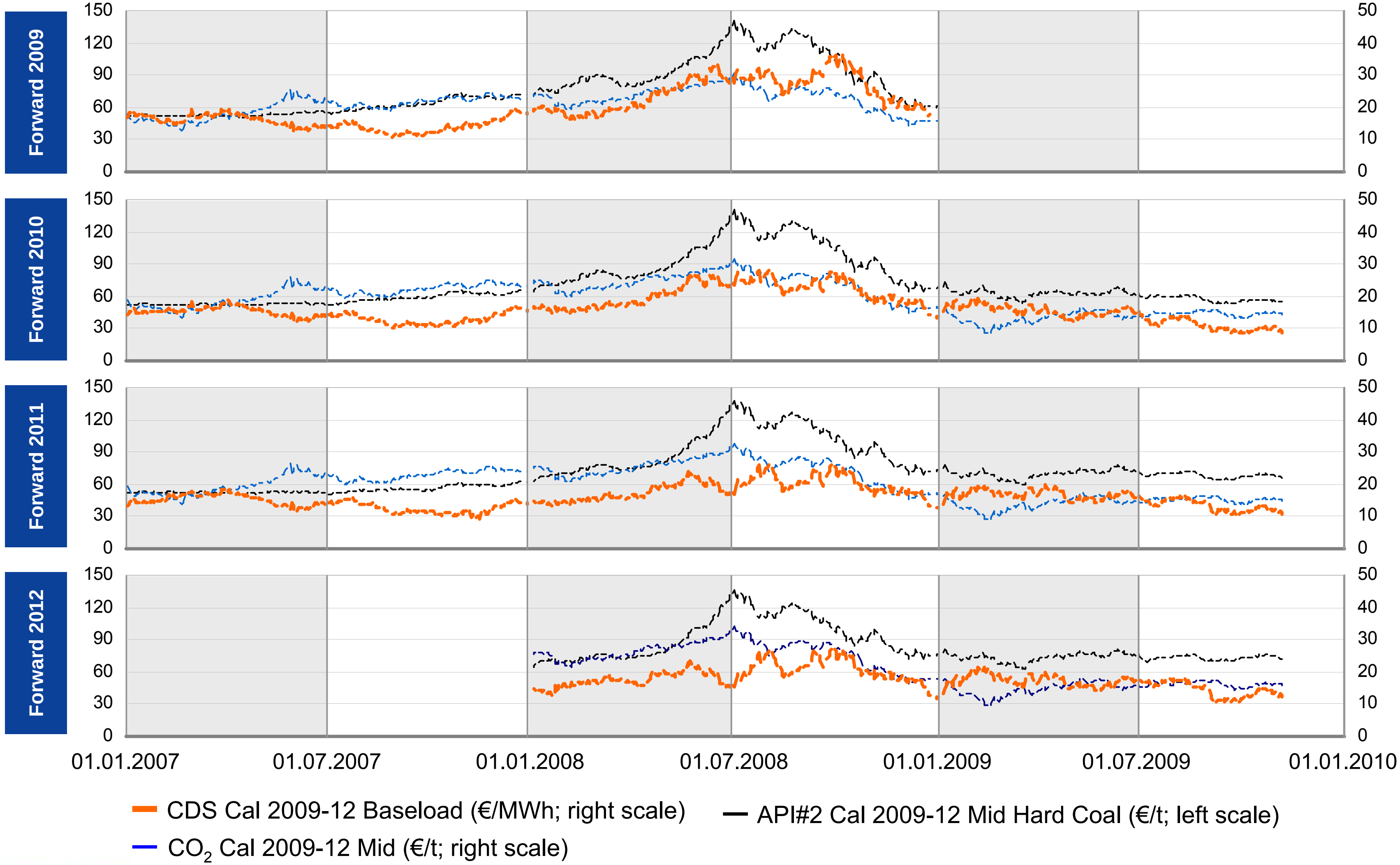
Germany: Clean Dark Spread (CDS) versus hard coal and CO_2 prices



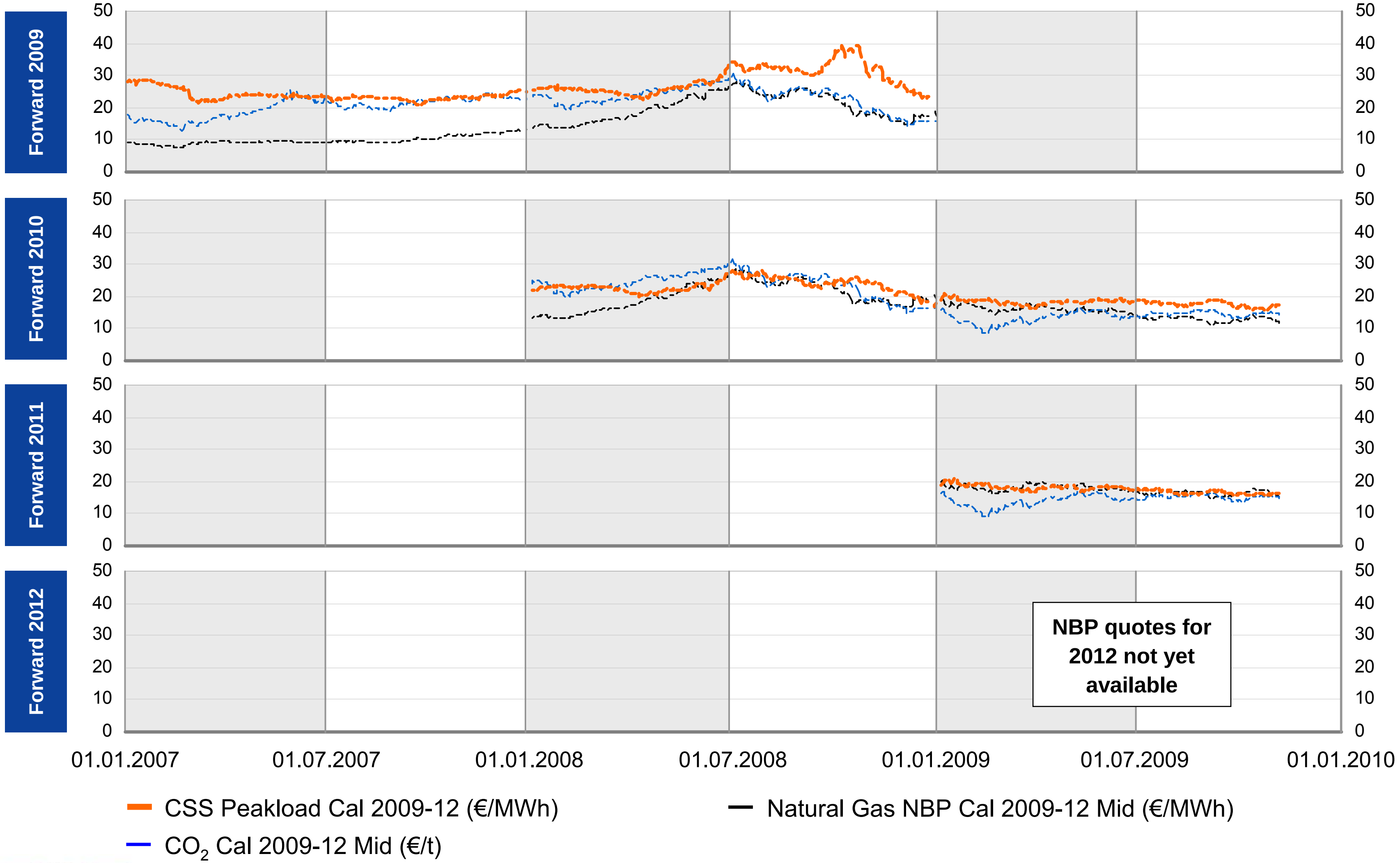
Germany: Clean Spark Spread (CSS) versus natural gas and CO_2 prices



UK: Clean Dark Spread (CDS) versus hard coal and CO_2 prices



UK: Clean Spark Spread (CSS) versus natural gas and CO_2 prices



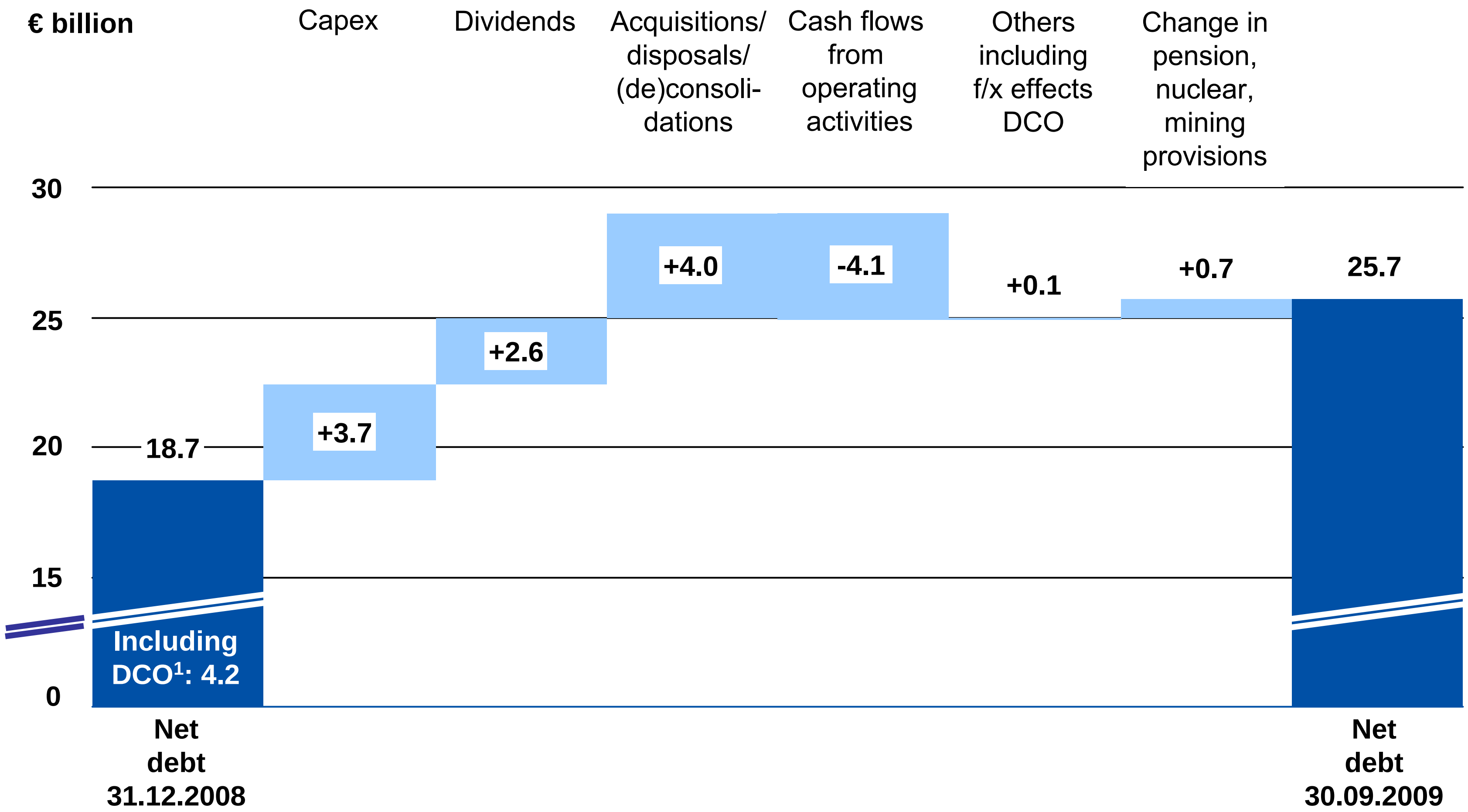
Customer statistic[1] of RWE Energy in Germany and RWE npower

RWE Energy (Germany)	Electricity	Gas	Total
Total customers accounts 31.12.2008	6,983,000	1,035,000	8,018,000
Net losses / gains	+58,000	+37,000	+95,000
Total customers accounts 30.09.2009	**7,041,000**	**1,072,000**	**8,113,000**

RWE npower (UK)	Electricity	Gas	Total
Total customers accounts 31.12.2008	4,170,000	2,614,000	6,784,000
Net losses / gains	-16,000	+71,000	+56,000
Total customers accounts 30.09.2009	**4,154,000**	**2,685,000**	**6,840,000**

[1] Private and commercial customer accounts.

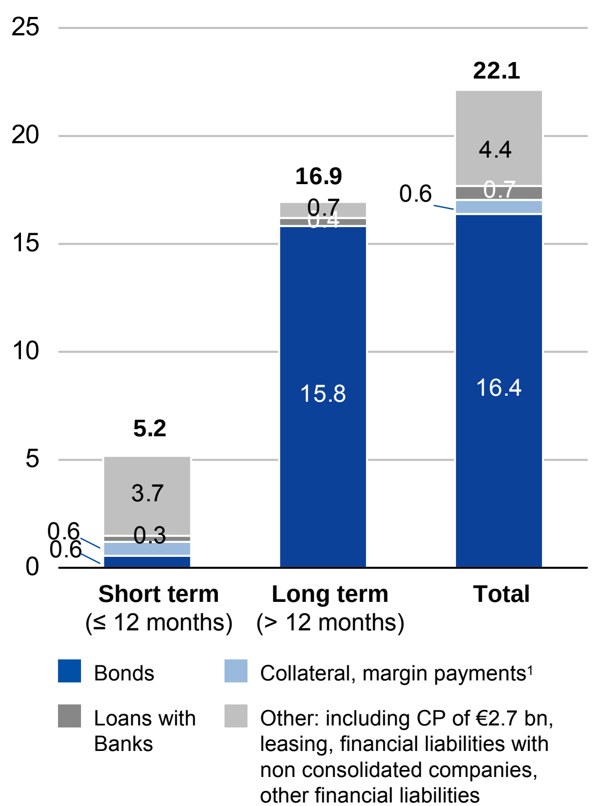
Development of net debt



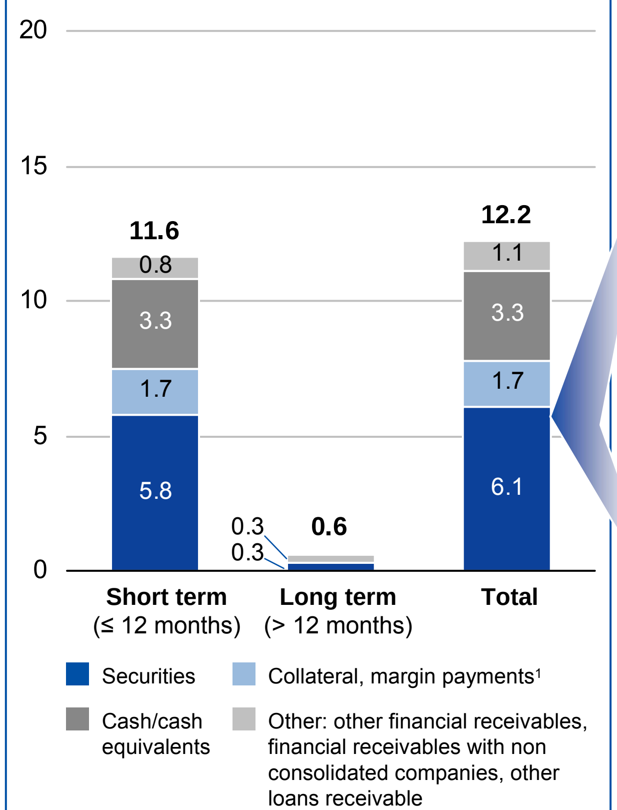
[1] Net debt of discontinued operations (DCO).

Financial liabilities and assets: Solid financing in place
(as of 30.09.2009)

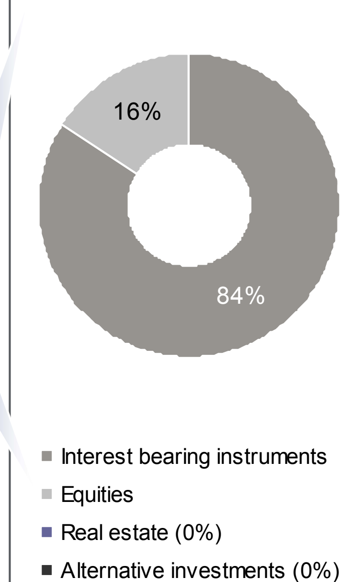
Financial liabilities in billion Euros



Financial assets in billion Euros

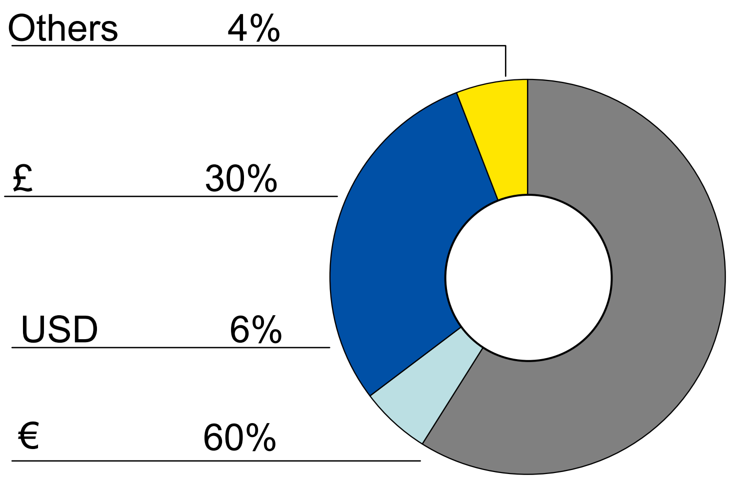


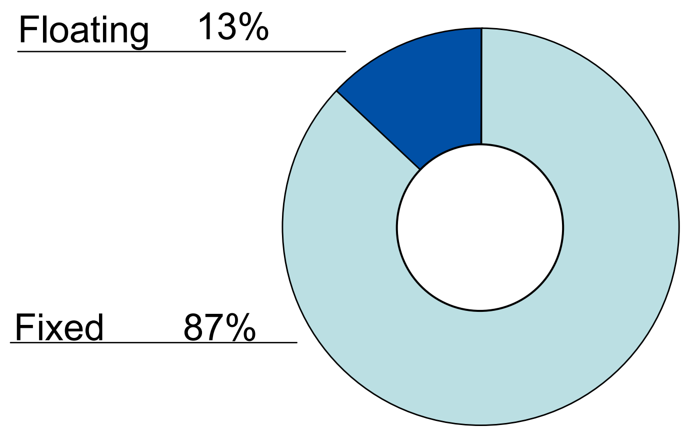
Split of securities



[1] Excluding variation margins under EEX based commodity contracts which are accounted for in the cash flow statement under 'change in working capital' and which are netted against the fair values of the respective derivatives at any point in time.

Gross financial debt currency and interest exposure[1]



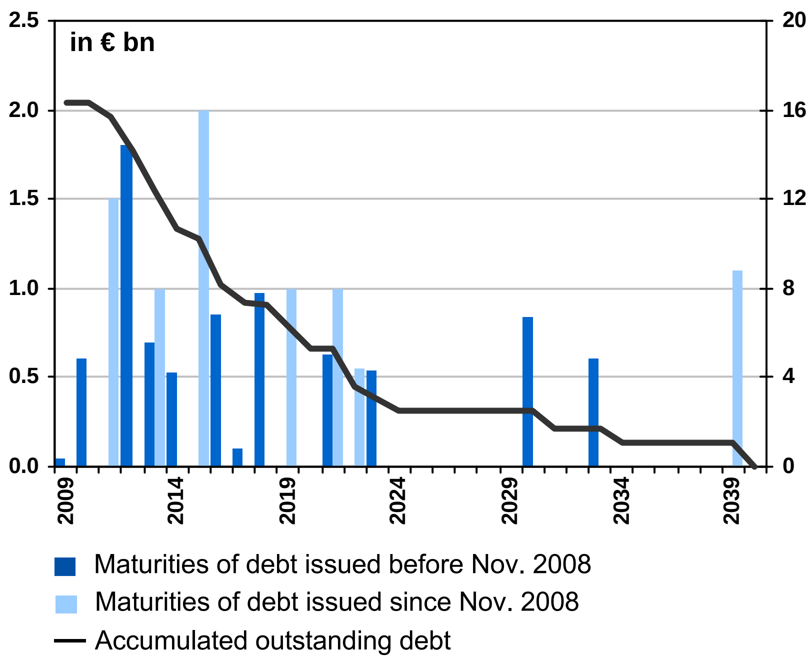


As of September 30, 2009

[1] Including cross-currency swaps.

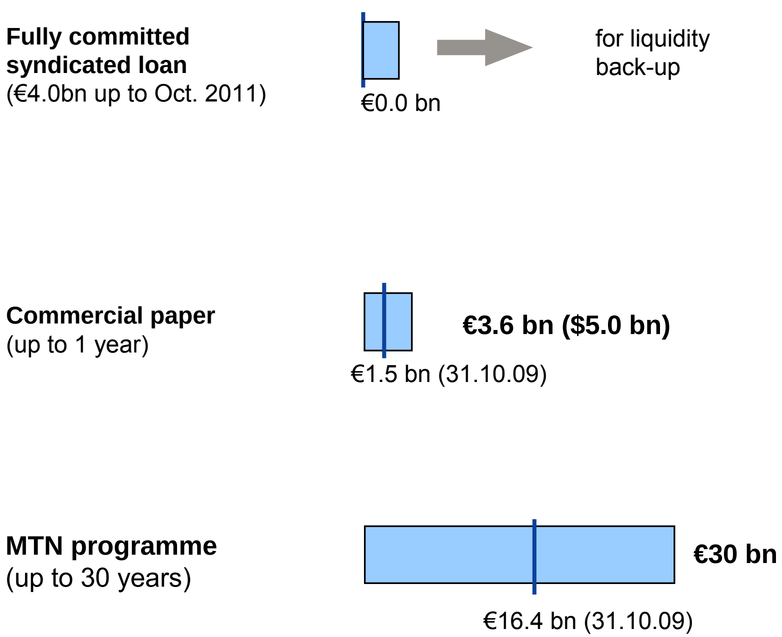
We maintain a high level of liquidity

Capital market debt maturities[1]



> Balanced profile with limited maturities in the next 3 years (~€2.2 billion)

Strong sources of financing



[1] RWE AG and RWE Finance b.v., as of October 31, 2009