

RWE Fiscal 2008 Press Conference

Essen, 26 February 2009



Financial targets for 2008 fully achieved

	2008 (€million) Compared to 2007		Target for 2008	
External revenue	48,950	+15%	Up year-on-year	✓
Operating result	6,826	+4%	At least matching previous year	✓
Recurrent net income	3,367	+13%	Up by more than 10%	✓
Payout ratio ¹	71%		Payout ratio 70 – 80%	✓

¹ Based on a proposed dividend of €4.50 per share

Our success – based on hard work

Keys to success

- Substance
- Investments
- Financial discipline
- Stability



Customer numbers

Our **customer numbers increased** significantly in the second half of 2008. We succeeded in **reversing the negative trend**.

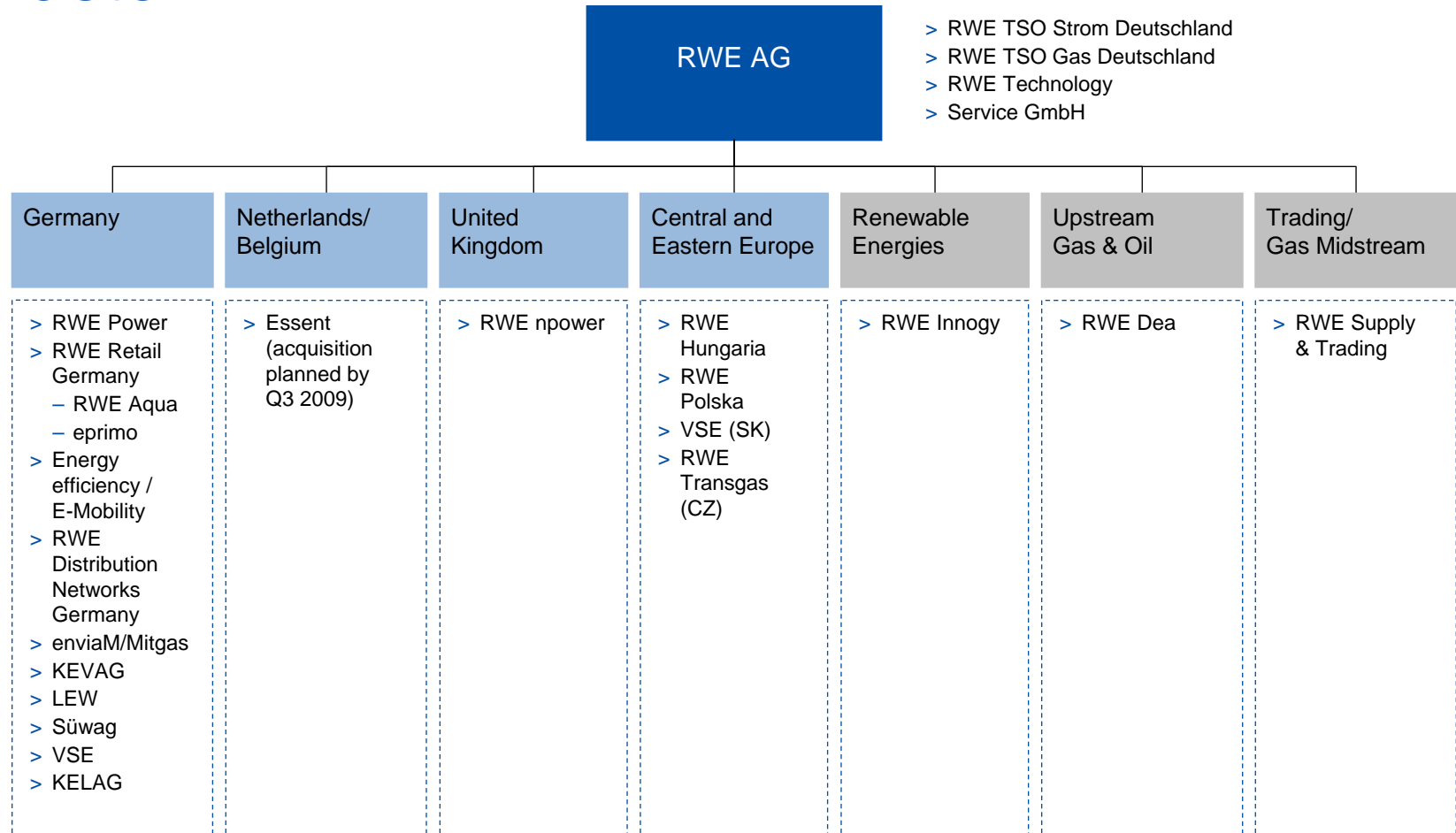
Enhanced efficiency

We reached our **efficiency enhancement** target of **€200 million** in savings compared with 2006.

Gas prices

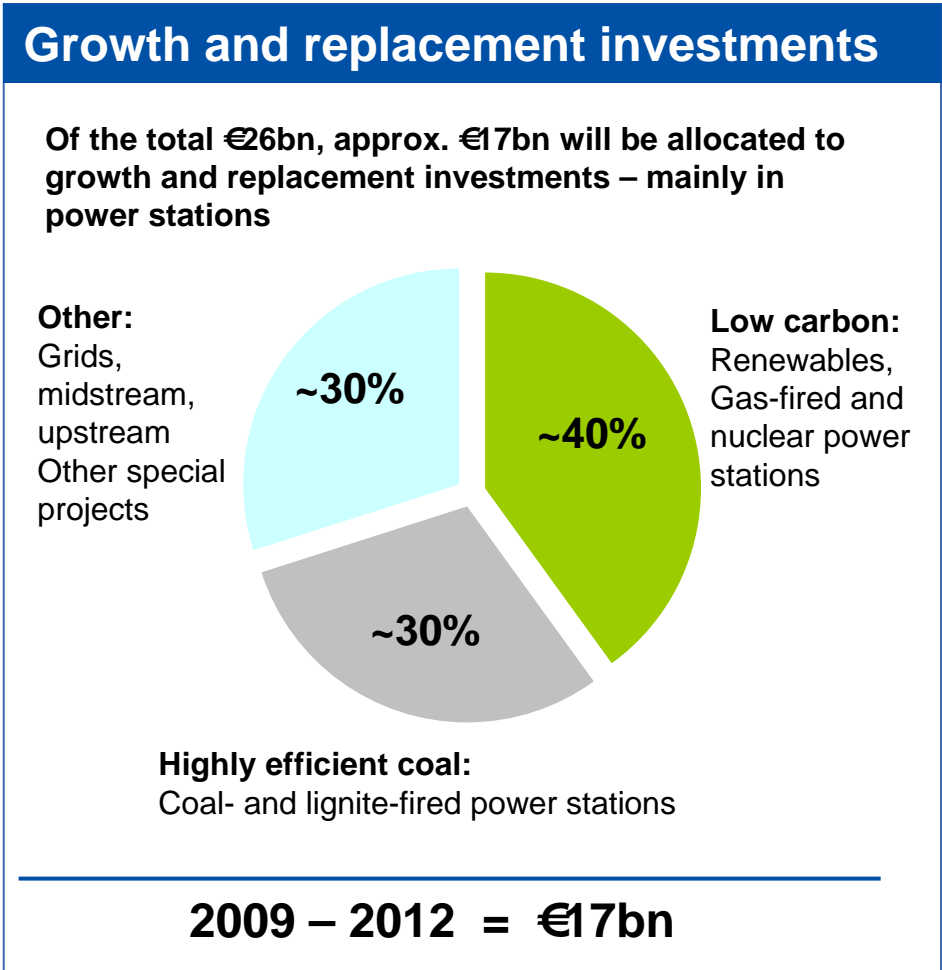
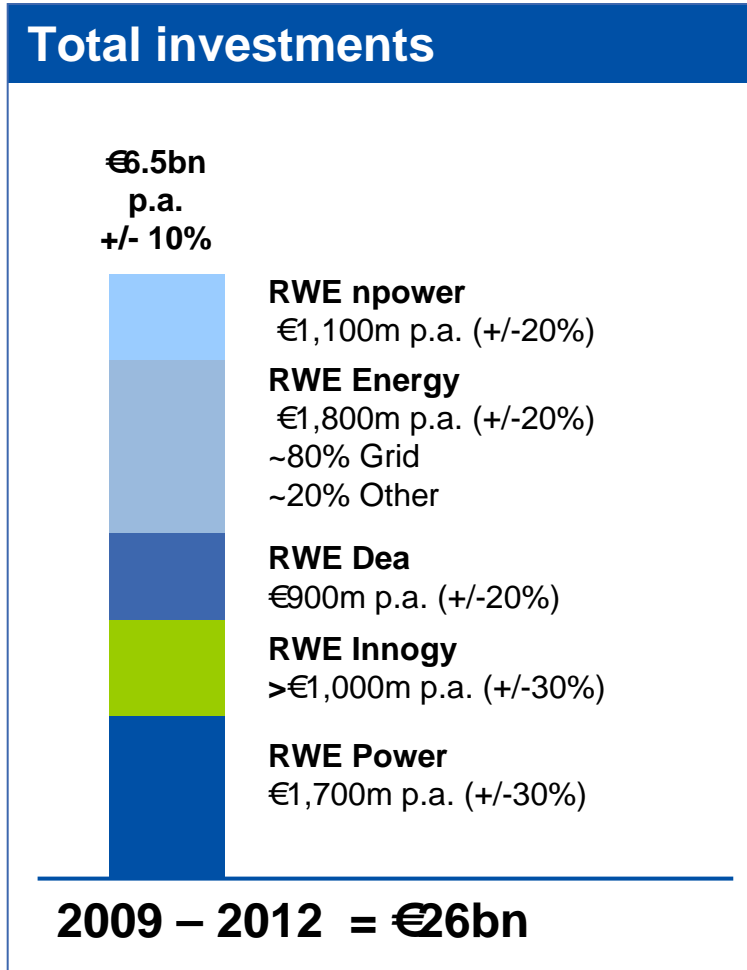
On 1 April we will **reduce** our **gas prices** by around 18% in total.

“New RWE”: more market-driven, leaner and faster



■ Region ■ Functional division

We confirm our capex programme for more growth



Reconciliation to Group net income

[in € million]	2008	2007	Delta to previous year	
			[in € m]	[in %]
Operating result	6,826	6,533	293	4
Non-operating result	-485	-149	-336	-
Financial result	-1,475	-1,138	-337	-30
Income from continuing operations before tax	4,866	5,246	-380	-7
Taxes on income	-1,423	-2,081	658	32
Effective tax rate [%]	29	40	-11% points	-
Income from continuing operations	3,443	3,165	278	9
Income from discontinued operations	-567	-274	-293	-
Income	2,876	2,891	-15	-1
Minority interest	318	224	94	42
Net income	2,558	2,667	-109	-4
Recurrent net income	3,367	2,985	382	13
Recurrent net income per share [€]	6.25	5.31	0.94	18

Cash flow and investments

Delta to
previous year

[in € million]

	2008	2007	[in € m]	[in %]
Cash flow from operating activities	8,853	6,085	2,768	45
Capital expenditure on property, plant and equipment	4,454	4,065	389	10
Free cash flow	4,399	2,020	2,379	118

RWE – the next steps

Challenges

- > International **competition in the energy industry** is heating up
- > **Security of supply** is not something to be taken for granted
- > **Huge investment required** for environmentally sound expansion of energy infrastructure

Our strategy

- > Organic growth
- > Value-adding acquisitions
- > Innovative technologies



**This will make us greener, more efficient,
more international and more robust**

Social responsibility

RWE Foundation

Social engagement activities bundled under the umbrella of the **RWE Foundation**

Value created by RWE

The **tangible benefits** of our business activities

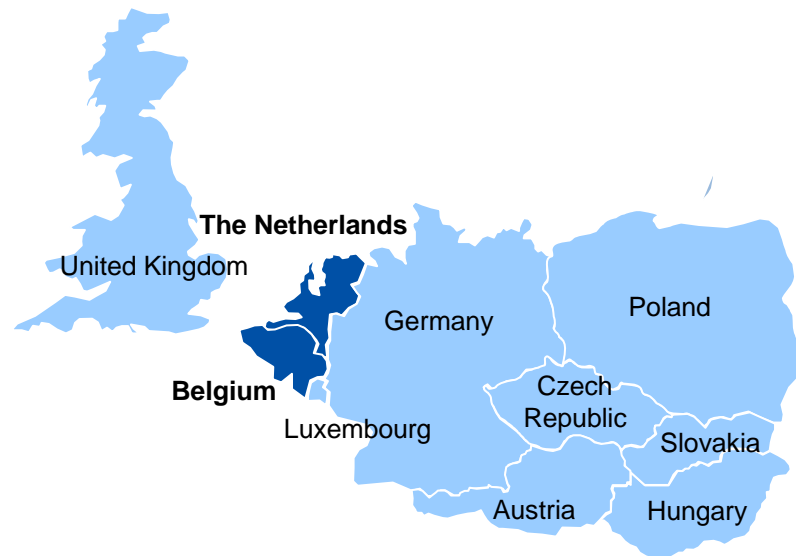
RWE Future Award

We're **fostering** the **next generation of scientists** working in the energy field – because they are the ones who are inventing the **technologies for tomorrow's energy supply**

Strategic alignment: RWE and Essent – ideal partners

1 With the inclusion of Essent, RWE will become a leading energy provider in North-West Europe

5 Leading pan-European trading “powerhouse”



2 Essent’s more balanced and flexible generation portfolio reduces RWE’s average CO₂ exposure

4 An enlarged regional cross-border gas sourcing and storage position with enhanced optionality

3 A leading renewables generator in North-West Europe

Our new products are popular – we are attracting new customers

> Innovative products popular

- More than 500,000 customers have opted for “TreueStrom” (Loyalty Power) (3-year price guarantee).
- 200,000 customers chose the “ProClimate” tariff (3-year price guarantee for zero emission power generated from hydro and nuclear).

> We achieved a net gain of around 80,000 customers in Germany in the second half of 2008

- A success story for our regional companies and our discount brand eprimo, which was supplying some 440,000 customers by the end of January.

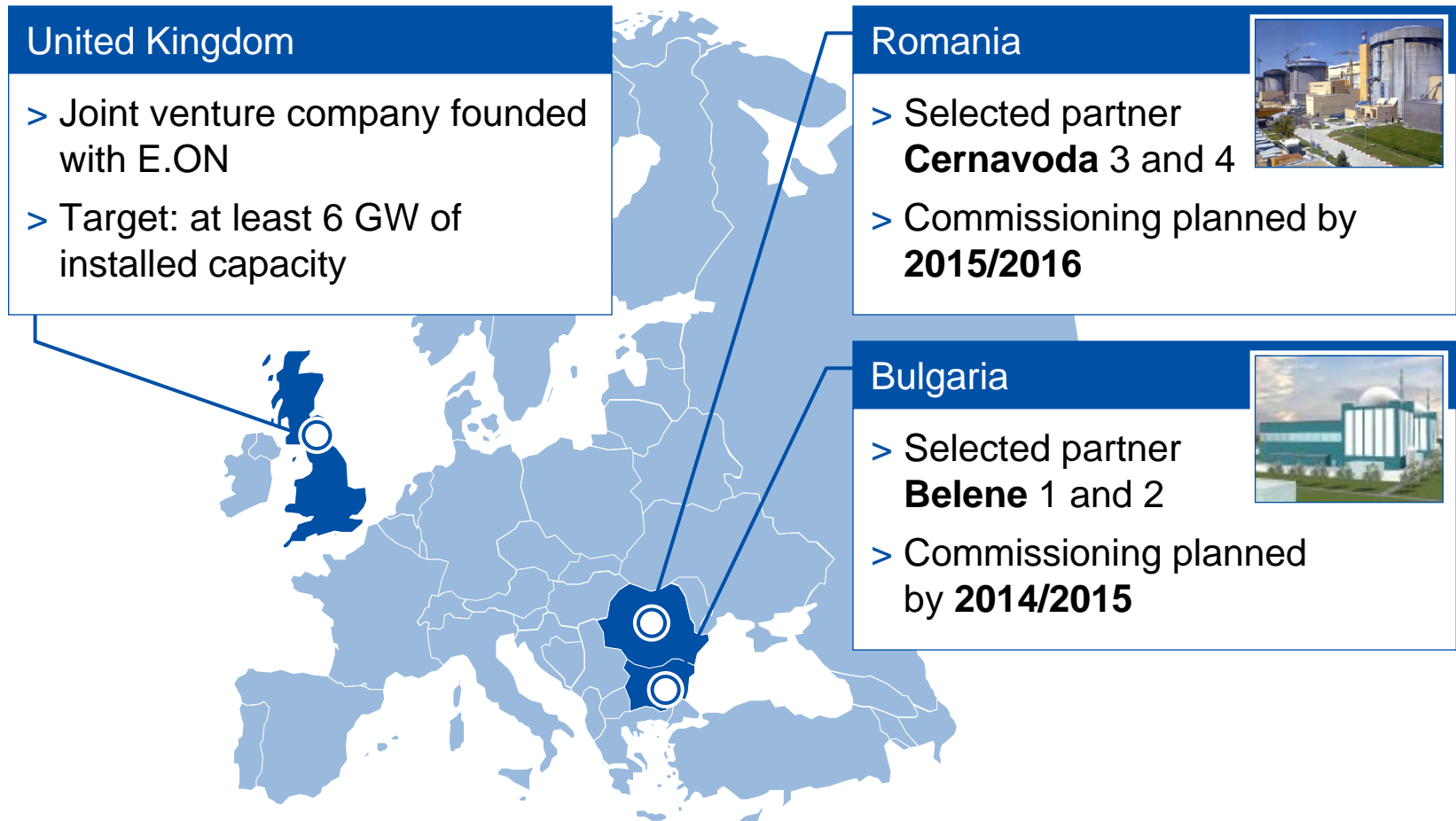


Our goal: to reduce CO₂ emissions by developing innovative technologies









- > Fluidised-bed drying with internal waste heat utilisation (WTA)
- > IGCC/CSS power plant (capture, transport, storage)
- > CO₂ scrubbing
- > High-performance scrubber REAplus
- > Using algae to bind CO₂

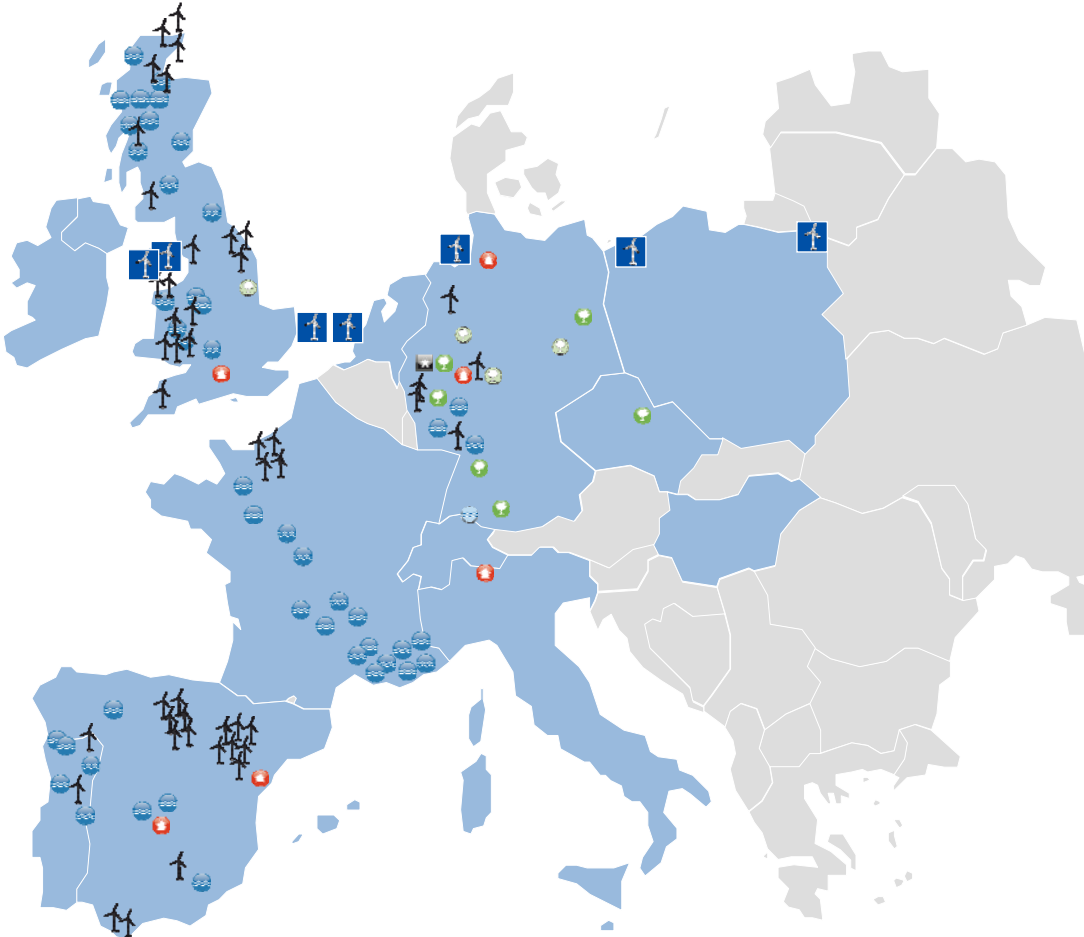


International RWE activities in nuclear energy



RWE Innogy: a phenomenal start for the energy generation of the future

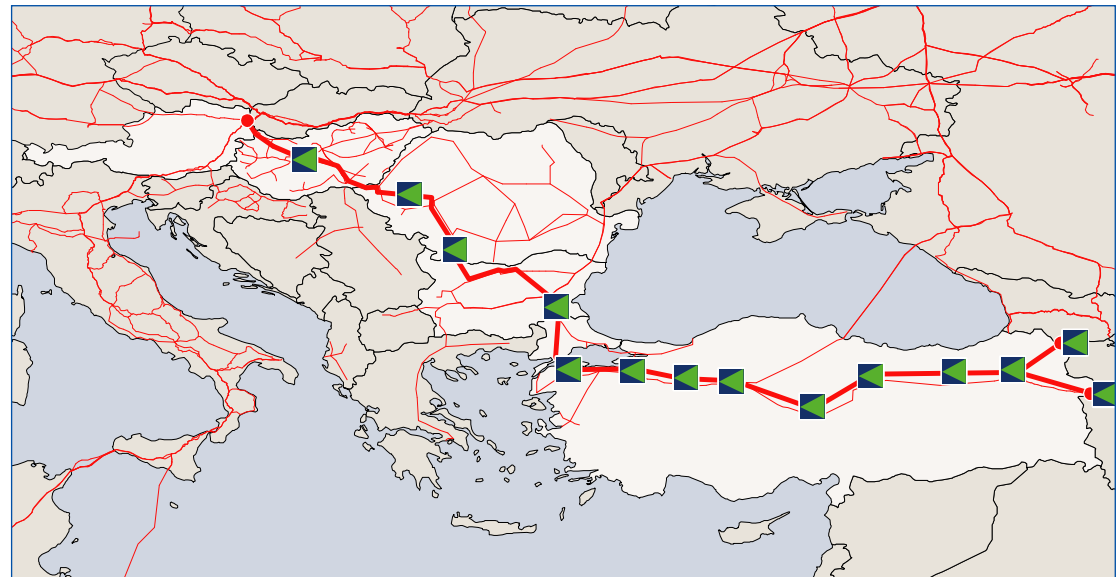
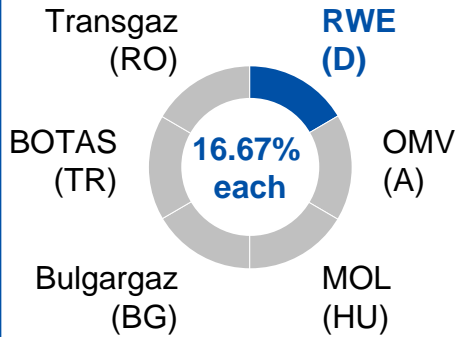
-  RWE Innogy head office
-  RWE Innogy subsidiaries
-  Wind power
-  Run-of-river
-  Biomass
- Planned projects
 - 
 - 
 - 



“Nabucco” – security of supply for Europe

- > 3,300 km pipeline
- > Initial capacity of 8 bn m³ from 2014
- > Expansion to capacity of 31 bn m³ by 2018
- > Total investment: about €7.9 billion
- > Construction in 2 phases
- > Commissioning in 2014

Shareholders



— Nabucco pipeline ■ Compressor station

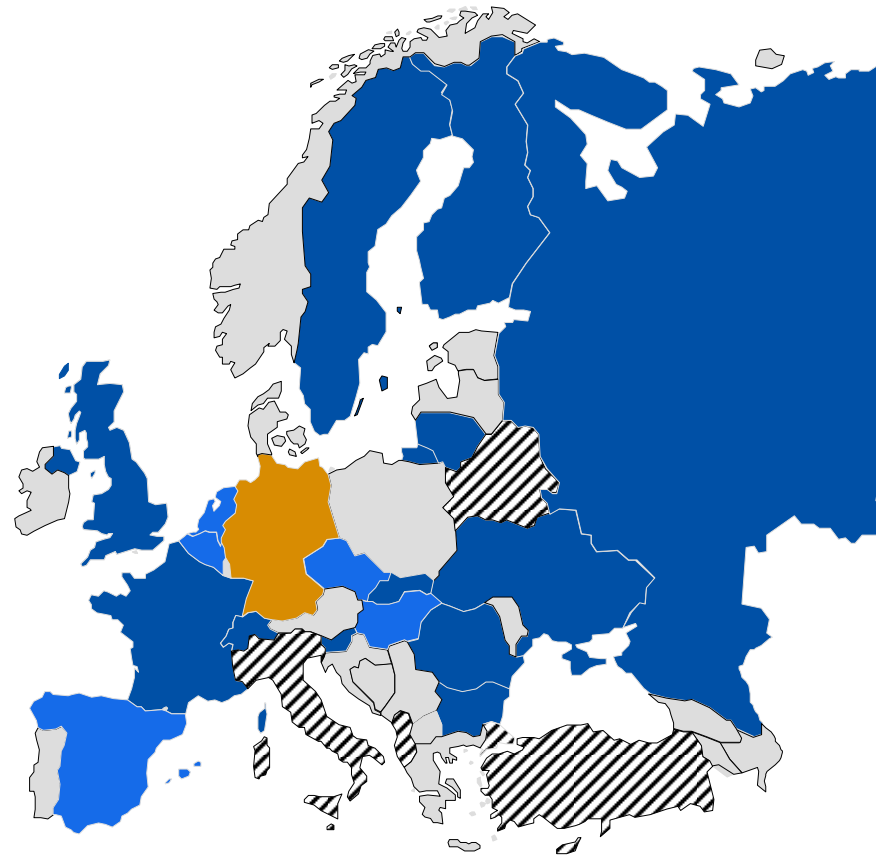
RWE is driving electro-mobility forward

- > E-mobility is **clean, affordable and convenient**
- > RWE and **Daimler** are collaborating on an innovative business model
- > RWE is developing efficient **infrastructure**
- > RWE is launching a major **research programme**



Renaissance of nuclear energy in Europe

- | | |
|-------------------|-------------|
| ■ Germany | ■ Romania |
| ■ The Netherlands | ■ Ukraine |
| ■ Belgium | ■ Lithuania |
| ■ Hungary | ■ Russia |
| ■ Czech Republic | ■ Sweden |
| ■ Spain | ▨ Italy |
| ■ Finland | ▨ Turkey |
| ■ United Kingdom | ▨ Albania |
| ■ France | ▨ Belarus |
| ■ Switzerland | |
| ■ Slovenia | |
| ■ Slovakia | |
| ■ Bulgaria | |



■ Countries planning phase-out

■ Countries with NPPs

■ Countries expanding NPPs

▨ Countries with plans for NPPs

■ Countries with no NPPs

Mid-term financial targets: we are an attractive investment – crisis or no

Operating result	> Increase by an annual average of 5 to 10% (previous target 5%) through to 2012 (versus 2008 ¹), excluding Essent
Recurrent net income	> Increase in the order of 10% per annum on average (formerly 5 to 10%) through to 2012 versus 2008 ¹
Dividend	> Payout ratio of 50 to 60% of recurrent net income
Capital structure	> Compliant with at least “A flat” rating category
Efficiency	> Earnings contribution by year-end 2012 of €1.2 billion versus 2006

* Based on a German forward electricity price of >60€/MWh