

Annual General Meeting of RWE AG on 22 April 2009

Dr. Juergen Grossmann

Chairman of the Executive Board

Key themes

How has our business developed over the past year and how do we rate our prospects in the medium term?

1

Where do we stand today strategically, and what is RWE doing to ensure long-term success?

2

What innovative concepts do we have for future energy supply?

3

Fiscal 2008 targets achieved

Operating result



2007

↗ + 4%



2008

EBITDA



2007

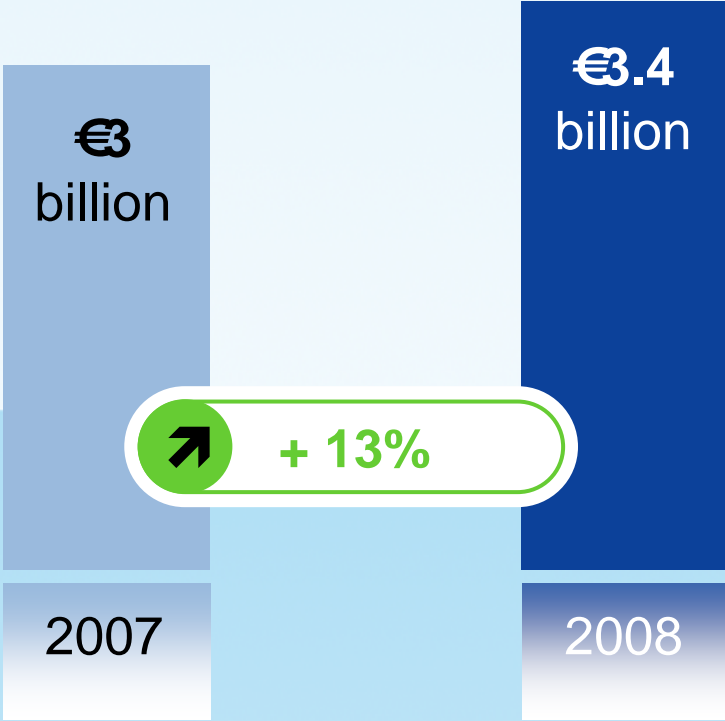
↗ + 5%



2008

Fiscal 2008: recurrent net income at record level

Recurrent net income

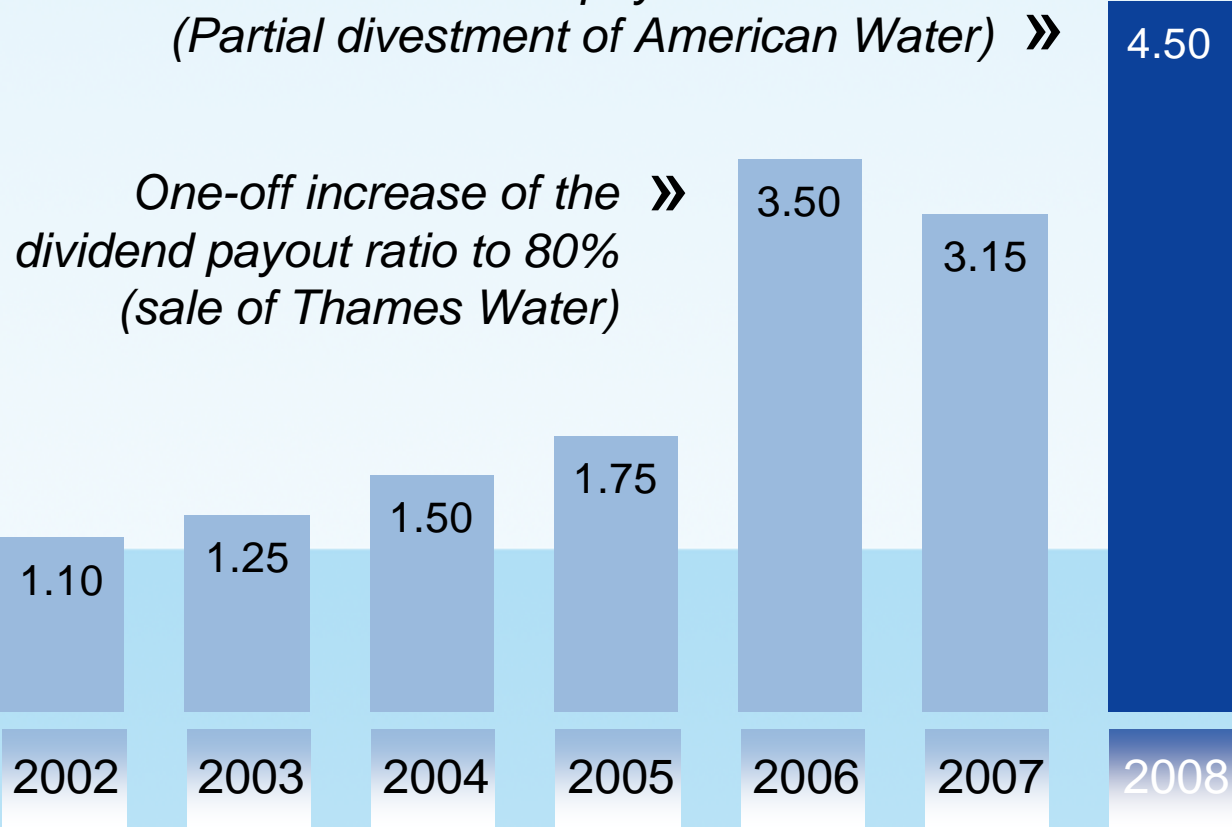


Highest dividend in the history of RWE

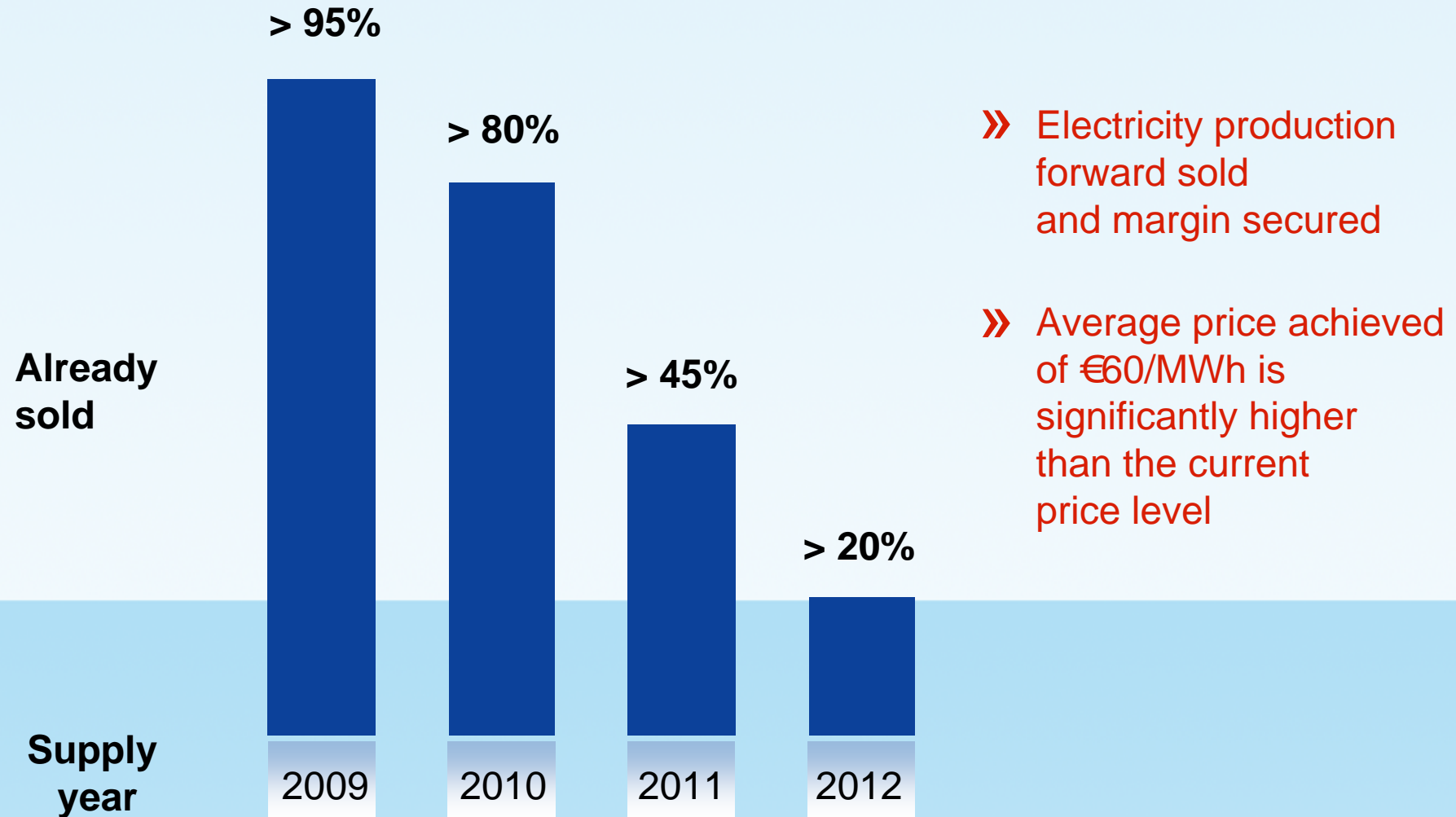
One-off increase of the dividend payout ratio to 71% (Partial divestment of American Water) »

One-off increase of the dividend payout ratio to 80% (sale of Thames Water) »

» Regular dividend payout ratio 50 to 60% from 2009



Outlook for '09: high degree of planning certainty thanks to electricity supply agreements secured by RWE Power



Outlook for 2009: heavy pressures

RWE Power

- Inspections at Biblis



RWE npower

- Energy efficiency conditions imposed by the British government
- Sharp decline in sales earnings



RWE Dea

- Low oil and gas prices
- Preliminary investment costs for future growth



Outlook from 2009 to 2012

	EBITDA	Operating result	Recurrent net income	Dividend	Efficiency gains
2009	In the order of last year (not incl. Essent)			Payout ratio 50 to 60%	Average improvement in operating result of €1.2 billion p.a. through to 2012 (based on 2006)
2009 bis 2012		Average increase of 5 to 10% p.a. (not incl. Essent)	Average increase of 10% p.a. (not incl. Essent)		

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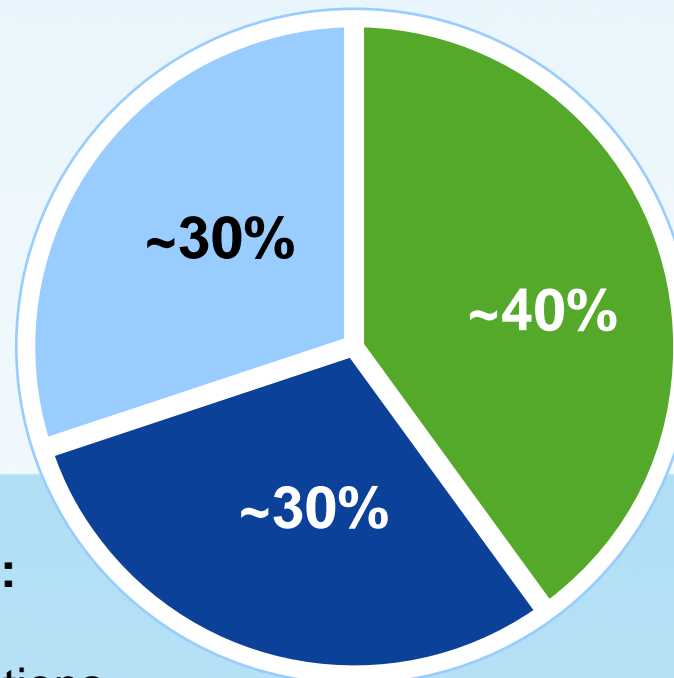
3

We are investing in climate protection and security of supply – with no cutbacks

€26 billion on capex by 2012, including around €17 billion on growth and replacement investments, comprising:

Other:

Grids, midstream, gas and oil production, other individual projects



CO₂-free and low-carbon
Renewables, gas-fired power plants, nuclear power plants

Highly efficient coal:

Hard coal- and lignite-fired power stations

Renewables: RWE Innogy progress from the outset

» Own projects instead of costly acquisitions

» Increase in capacity **and** operating result

Our target:

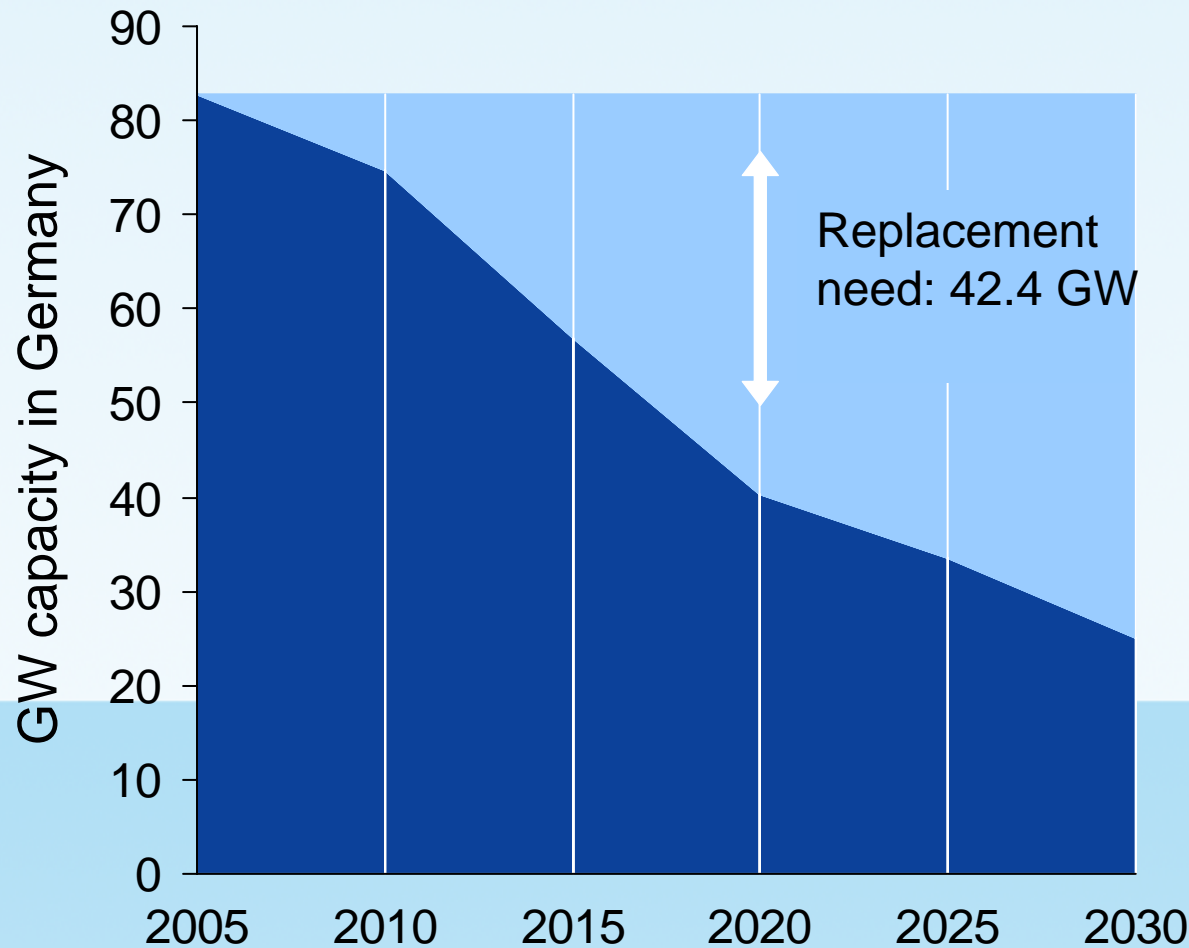
4,500 megawatts by 2012 in operation or construction

Our target:

operating result of more than €500 million in 2013



Security of supply cannot be taken for granted



- » Existing German power plant fleet in second phase of service life
- » Planned phase-out of nuclear energy
- » Expansion of fluctuating power generation from renewables

(Source: German Energy Agency – dena, April 2008)

We are commissioning a new power plant every year

2009	2010	2011	2012	2013
				
Lingen (gas)	Staythorpe (gas)	Neurath (lignite) Hamm (hard coal)	Pembroke (gas)	Eemshaven (hard coal/ biomass)

We are investing in international nuclear power projects

United Kingdom

- > Founding of a joint venture with E.ON
- > Target: at least 6 GW installed power plant capacity

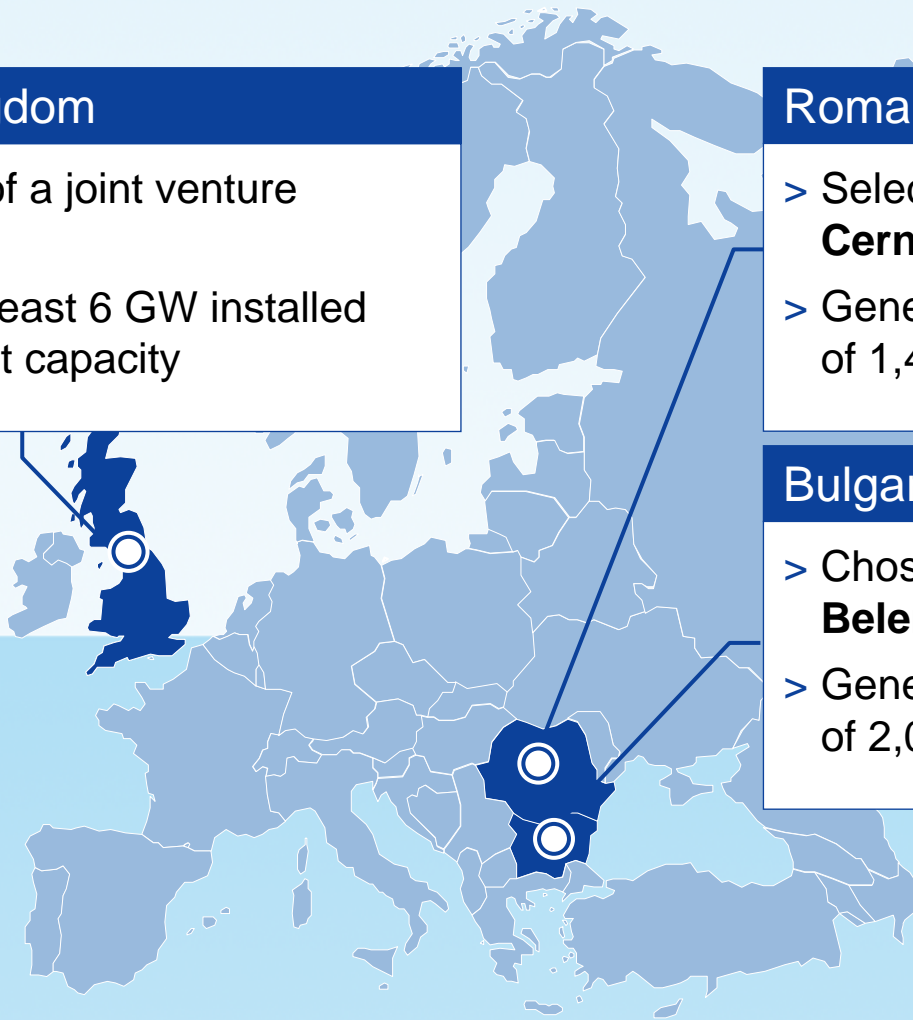
Romania

- > Selected partner for **Cernavoda** 3 and 4
- > Generation capacity of 1,400MW in total



Bulgaria

- > Chosen partner for **Belene** 1 and 2
- > Generation capacity of 2,000 MW in total

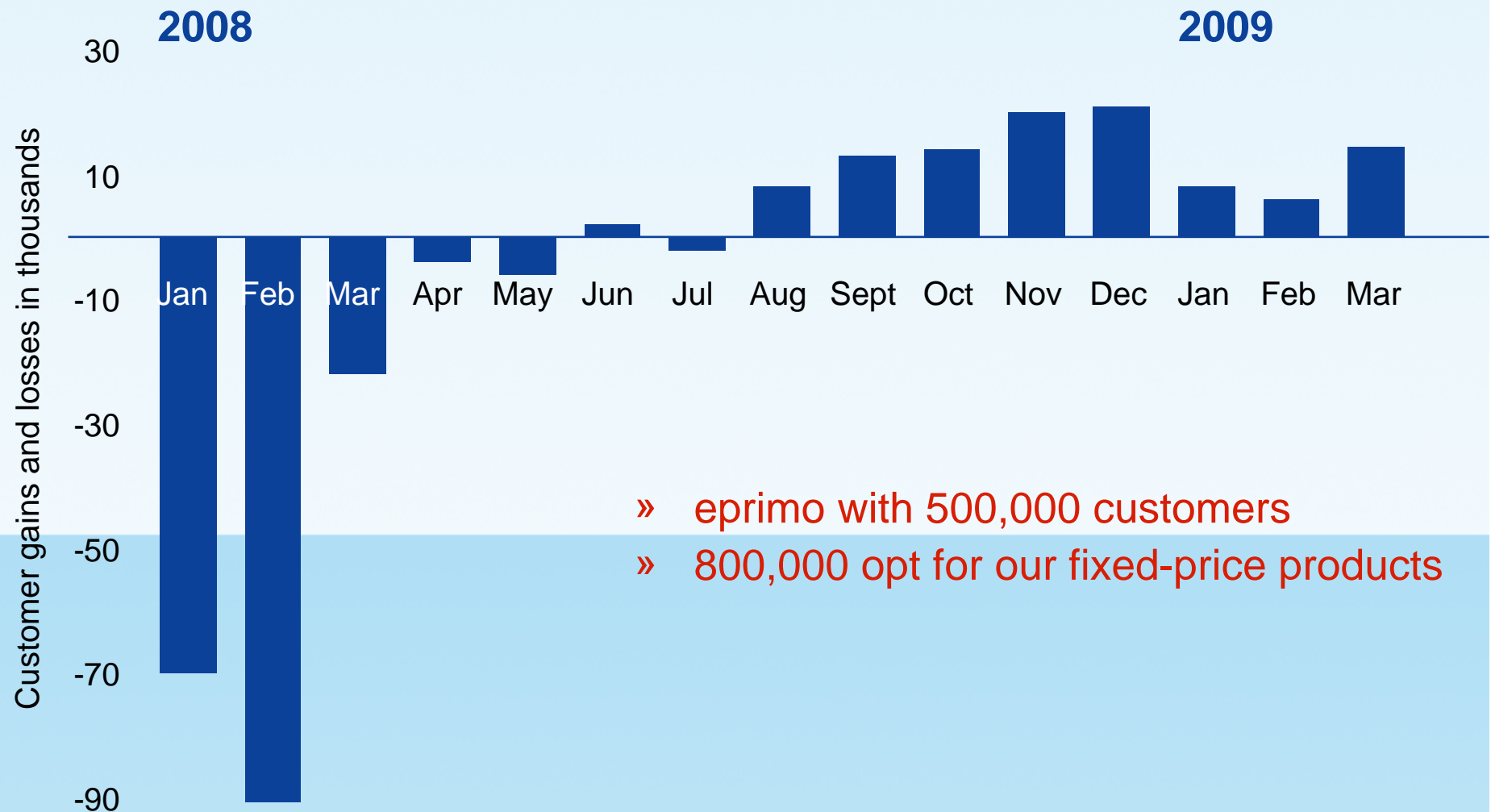


RWE and Essent: ideal partners



1. Jointly, a leading energy provider in North-Western Europe
2. Reduced average CO₂ intensity of RWE
3. Leading position in North-West European renewables market
4. Expanded regional, cross-border gas sourcing and storage with improved options
5. Leading pan-European trading house for electricity

Reversing the trend in the residential electricity market: we are gaining new customers



- » eprimo with 500,000 customers
- » 800,000 opt for our fixed-price products

We are facing up to and enhancing competition

- » Almost every 5th residential customer has a new electricity supplier
- » 100% non-discriminatory grid access at affordable tariffs
- » RWE Supply & Trading leader in European trading activities
- » Expansion of cross-border interconnectors
- » Sale of Gas Transmission System Operator
- » Inclusion of Electricity Transmission System Operator within RWE AG

Gas: more options, less dependency

Extraction

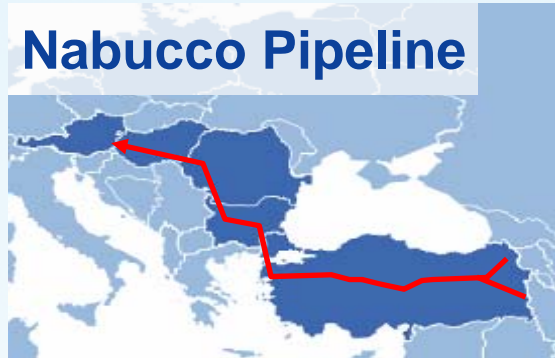
RWE Dea



We are doubling our own oil and gas extraction by 2012/2013 to the equivalent of 12 million m³ of oil

Transmission

Nabucco Pipeline



We are linking Europe to the gas reserves of the Caspian region and the Middle East

Excelerate



With liquid natural gas (LNG), we have more flexible and cost-effective options for sourcing gas

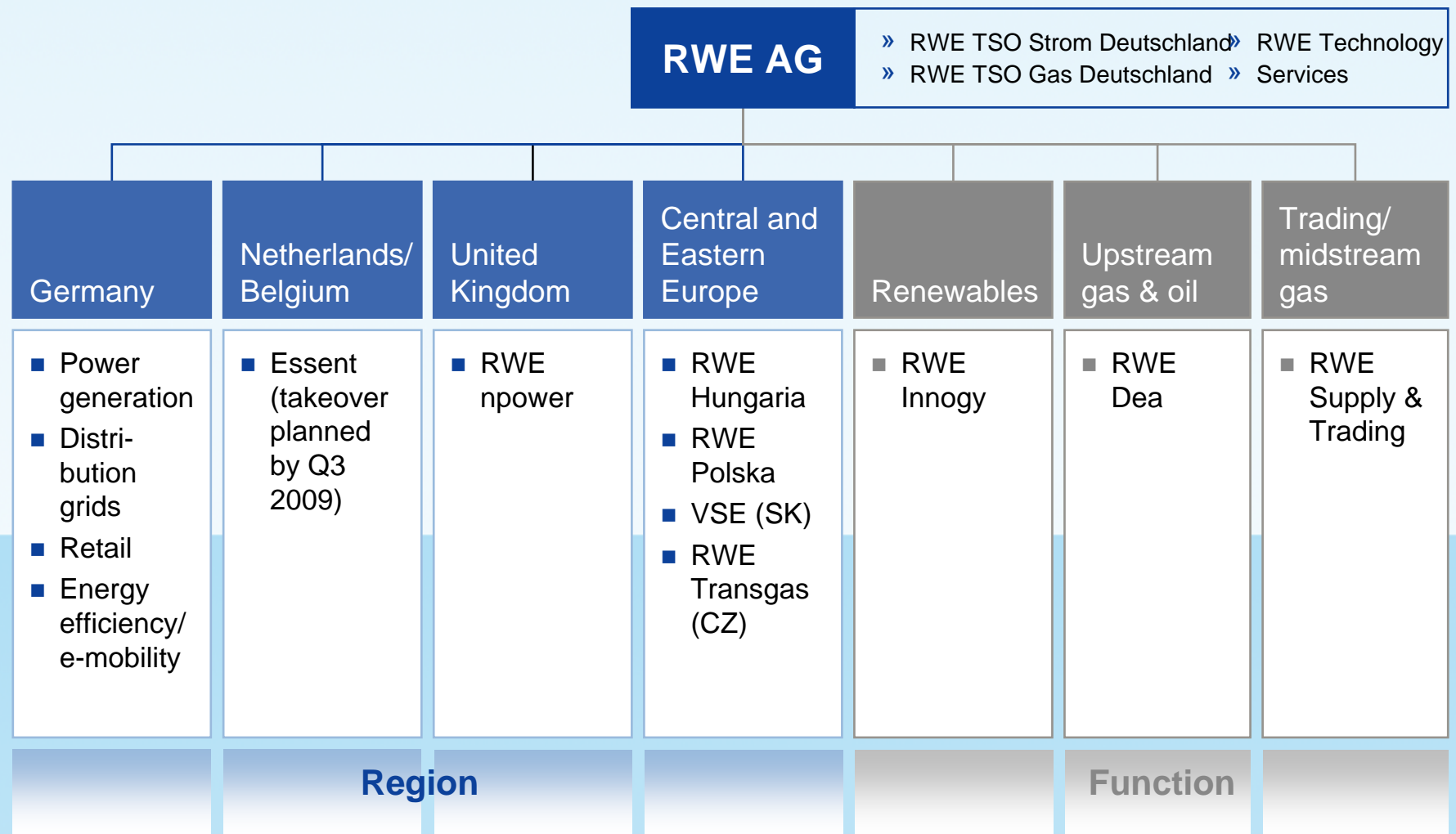


Our water strategy:
synergies in combination with electricity and gas

**We supply customers
in Germany and
Eastern Europe**

- » around 13 million
customers with water
- » around 6 million with
waste water services

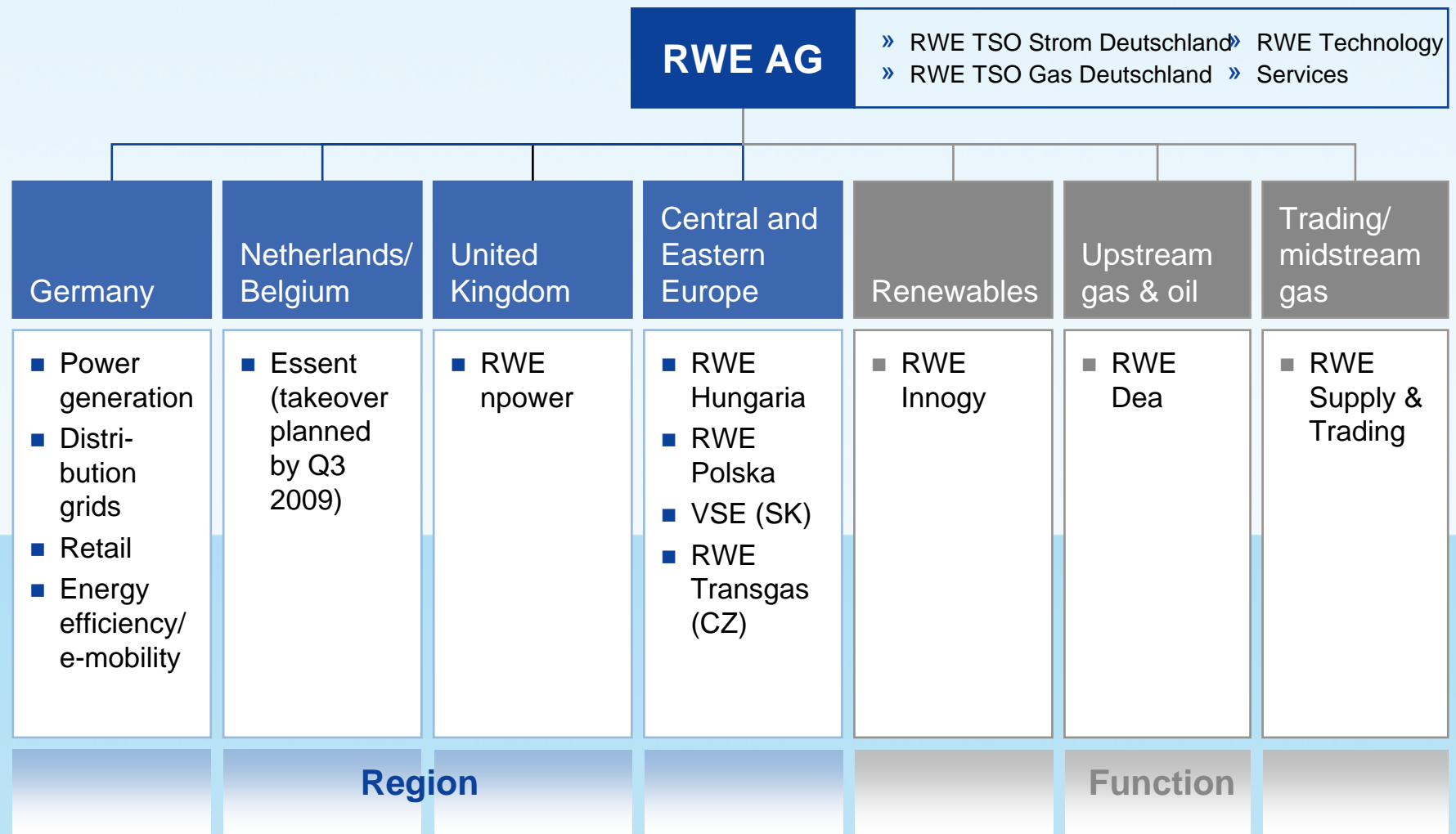
The “new” RWE: closer to the customer – leaner – faster



Inaugurated yesterday: RWE Supply & Trading's new headquarters in Essen



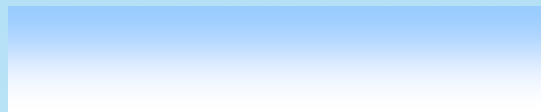
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Key themes

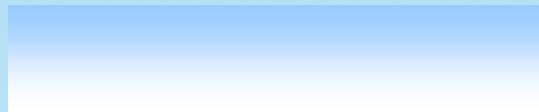
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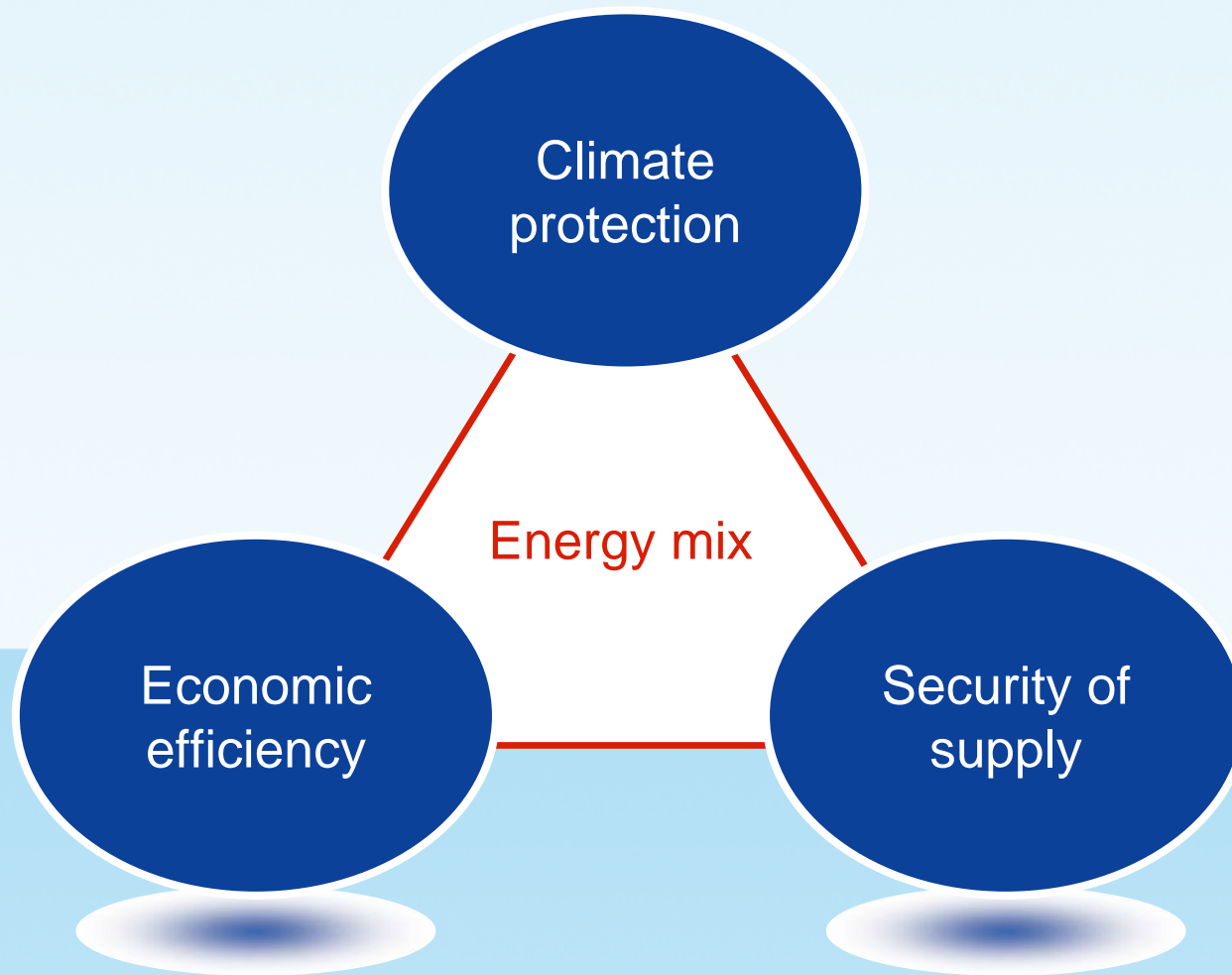


What innovative concepts do we have for future energy supply?

3



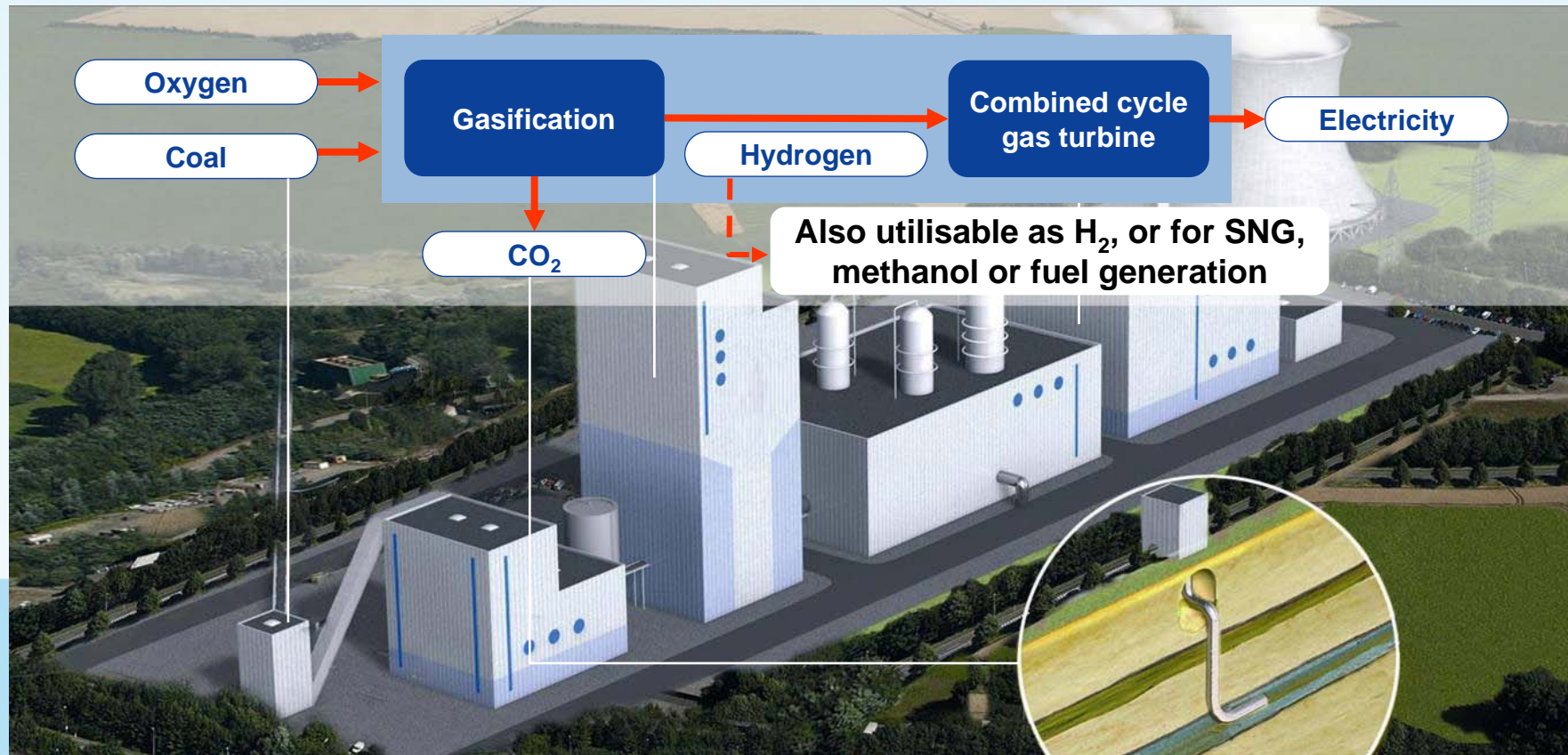
The world behind the socket is fundamentally changing



RWE's new research and development centre

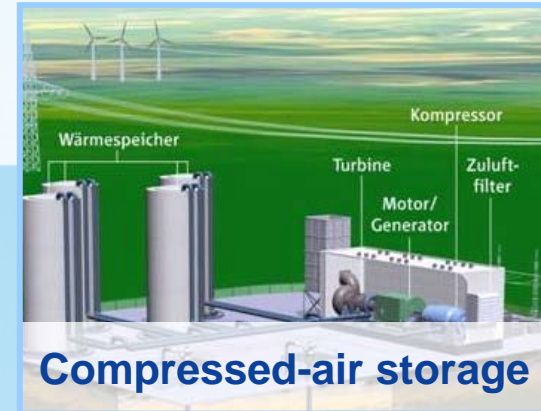


CO₂ capture and storage: we are making coal greener



450-MW CCS power station in Huerth

Other development projects



RWE

The energy to lead