

# RWE AT A GLANCE

## WHAT WE DO.

RWE is one of Europe's five leading electricity and gas companies. Through our expertise in oil, gas and lignite production, the construction and operation of conventional and renewables-based power plants, commodities trading as well as electricity and gas transmission and sales, we cover the entire energy value chain. Some 72,000 employees supply almost 17 million customers with electricity and nearly 8 million customers with gas via our fully consolidated companies. In fiscal 2011, we recorded just below €52 billion in revenue.

Europe is our market: RWE is the No. 1 power producer in Germany, No. 2 in the Netherlands, and No. 3 in the UK. We continuously expand our position in Central Eastern and South Eastern Europe.

Our power plant portfolio and our investment programme for building efficient, environmentally friendly and flexible generation capacity are the main basis for growing earnings in the future. We invest billions in this every year. Meanwhile, we are one of Europe's biggest investors in offshore wind farms. Our leading position in energy trading helps us make optimal use of our power plants on the market. We react to changing customer needs by offering new products for homes, commerce and industry. Climate protection and energy efficiency are becoming increasingly important for our customers, too.

We operate in a dynamic market environment that is characterised by highly volatile prices, changing structures, ambitious climate protection goals and increasing political and regulatory intervention. Our response is a three-dimensional corporate strategy: RWE is becoming more sustainable, more international, and more robust.

## ELECTRICITY AND GAS: RWE OFFERS EVERYTHING FROM A SINGLE SOURCE.



## FIRST QUARTER 2012

*Dear Investors,*

RWE got off to a fairly good start in 2012, especially with regard to our package of measures for strengthening our financial power, which I presented to you in my letter in the 2011 Annual Report. In March, we placed two hybrid bonds with a value of about €1.3 billion and therefore further strengthened our equity base. We also made progress with the price reviews for our loss-making gas procurement contracts, more of which have now been converted to wholesale gas price indexation, which is important to us. We are now concentrating on the remaining price reviews with three major international oil and gas companies. We are endeavouring to come up with structural solutions for these contracts. We still expect these price reviews to be concluded in 2013, at which time they will provide substantial relief. Another highlight of the first quarter was that three of our new-build power plant projects were completed. At the beginning of 2012, our Dutch Claus C and Moerdijk 2 gas-fired power stations began producing electricity commercially. The new dual-block lignite-fired power plant at Neurath near Cologne has been undergoing a trial run, also since the beginning of the year. This power station is replacing old facilities with much lower efficiencies and correspondingly high carbon dioxide emissions. It enables us to reduce our carbon emissions by up to 6 million metric tons a year, while making an important contribution to the security of supply.

These are all positive headlines. They demonstrate that prospects are brightening. However, this is not yet reflected in the figures for the first quarter of 2012. Our operating result declined by 14%. This was largely due to the deterioration of power generation margins and heavy burdens suffered in the gas midstream business. However, we still expect to close the year at the level achieved in 2011. We will make up lost ground in part because last year the U-turn in German energy policy had significant one-off effects, which were largely felt after the first quarter.

Dear investors, this is the last time that I will be writing to you on these pages. With effect from 1 July, Peter Terium will take over the helm – an executive with international experience with whom I know RWE will be in good hands. Eventful years lie behind me. I am proud and grateful for having been able to make my contribution to keeping RWE on course in stormy waters. My special thanks go out to my fellow board members, the company's more than 72,000 employees and all those of you who kept their faith and stayed loyal to RWE.

Sincerely yours,

Dr. Jürgen Großmann  
President and CEO of RWE AG

- RWE confirms earnings forecast for 2012
- Stable earnings expected, despite drop in the first quarter
- Equity base strengthened by new hybrid bonds
- Further successes in gas contract renegotiations

Key Figures RWE Group		Jan – Mar 2012	Jan – Mar 2011	+/- in %	Jan – Dec 2011
Electricity production	billion kWh	60.4	60.3	0.2	205.7
External electricity sales volume	billion kWh	73.8	81.5	-9.4	294.6
External gas sales volume	billion kWh	113.6	129.3	-12.1	322.2
External revenue	€ million	15,593	15,754	-1.0	51,686
EBITDA	€ million	3,125	3,426	-8.8	8,460
Operating result	€ million	2,436	2,827	-13.8	5,814
Income before tax	€ million	1,979	2,664	-25.7	3,024
Net income	€ million	1,311	1,819	-27.9	1,806
Recurrent net income	€ million	1,288	1,609	-20.0	2,479
Earnings per share	€	2.13	3.41	-37.5	3.35
Recurrent net income per share	€	2.10	3.02	-30.5	4.60
Cash flows from operating activities	€ million	298	2,284	-87.0	5,510
Capital expenditure	€ million	1,073	1,184	-9.4	7,072
Property, plant and equipment and intangible assets	€ million	987	1,144	-13.7	6,353
Financial assets	€ million	86	40	115.0	719
Free cash flow	€ million	-689	1,140	-160.4	-843
		31 Mar 2012	31 Dec 2011		
Net debt of the RWE Group	€ million	30,793	29,948	2.8	
Workforce <sup>1</sup>		72,058	72,068	-	

1 Converted to full-time positions.

## OUTLOOK FOR 2012

Forecast for 2012: In 2012, the RWE Group's EBITDA and operating result are expected to be comparable to 2011. We also anticipate that recurrent net income will be in the order of last year's level. The outlook considers the effects of the ongoing divestment programme. Our dividend proposal for the current fiscal year will be in line with our usual payout ratio of 50% to 60%.

➔ EBITDA	➔ Operating result
- in the order of last year's level	- in the order of last year's level
➔ Recurrent net income	
- in the order of last year's level	

# RWE AT A GLANCE

## RWE ON THE CAPITAL MARKET

### RWE share indicators:

After a capital measure in December 2011, RWE's statutory capital stock amounts to € 1,574 million. It is divided into 575.7 million common shares and 39.0 preference shares. As of December 31, 2011, the number of treasury shares amounts to 0.3 million common shares. Our shares are no-par stock. They represent a calculated share of the capital stock in the amount of € 2.56.

Ticker symbols	Common shares	Preferred shares
Reuters	RWEG.DE (Xetra)	RWEG_p.DE (Xetra)
	RWEG.F (Frankfurt)	RWEG_p.F (Frankfurt)
Bloomberg	RWE GY (Xetra)	RWE3 GY (Xetra)
	RWE GR (Frankfurt)	RWE3 GR (Frankfurt)
German Securities Identification Number	703712	703714
ISIN	DE 0007037129	DE 0007037145
USA CUSIP No. (ADR)	74975E303	-

RWE share indicators		2011	2010	2009
Earnings per share <sup>1</sup>	€	3.35	6.20	6.70
Recurrent net income per share <sup>1</sup>	€	4.60	7.03	6.63
Cash flows from operating activities per share <sup>1</sup>	€	10.22	10.31	9.94
Dividend per share	€	2.00	3.50	3.50
Dividend payment	€ million	1,229	1,867	1,867
Payout ratio <sup>2</sup>	%	50	50	53
Dividend yield on common shares <sup>3</sup>	%	7.4	7.0	5.2
Dividend yield on preferred shares <sup>3</sup>	%	7.9	7.3	5.6
Common share price				
End of fiscal year	€	27.15	49.89	67.96
High	€	55.26	68.96	68.58
Low	€	21.77	47.96	46.52
Preferred share price				
End of fiscal year	€	25.44	47.99	62.29
High	€	52.19	62.52	62.65
Low	€	20.40	44.51	41.75
Number of shares outstanding (average)	thousands	538,971	533,559	533,132
Market capitalisation at the end of the year	€ billion	16.6	28.0	38.0

- 1 Based on the annual average number of shares outstanding.
- 2 The payout ratio is the ratio of the dividend payment to recurrent net income.
- 3 The dividend yield is the ratio of the dividend per share to the share price at the end of the fiscal year.

### Financial Calendar 2012

#### 14 August 2012

Report on the first half of 2012

#### 14 November 2012

Report on the first three quarters of 2012

### CONTACT

#### RWE AG

Investor Relations  
Opernplatz 1  
45128 Essen  
Germany

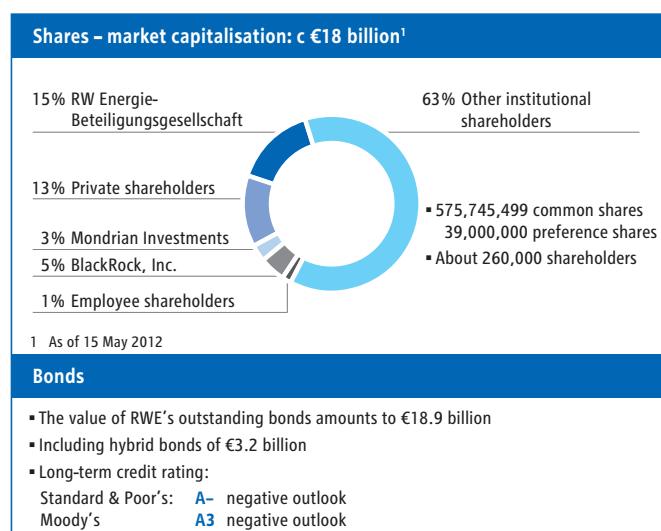
Tel. +49 201 12-15025  
Fax +49 201 12-15256

E invest@rwe.com  
I www.rwe.com/investorrelations

### Forward-looking statements

This document contains forward-looking statements regarding the future development of the RWE Group and its companies as well as economic and political developments. These statements are assessments that we have made based on information available to us at the time this document was prepared. In the event that the underlying assumptions do not materialise or additional risks arise, actual performance can deviate from the performance expected at present. Therefore, we cannot assume responsibility for the correctness of these statements. In no way do we commit ourselves to update such forward-looking statements or to adapt them to future events or developments. This document is not a sales prospectus.

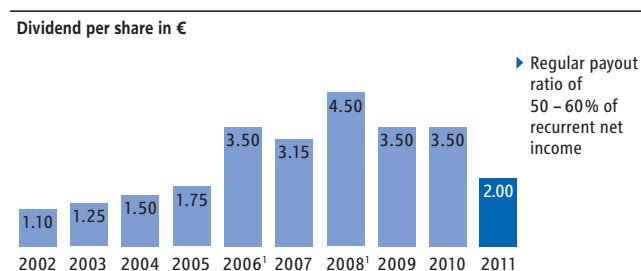
## RWE investors: shareholders and bond investors



Wide international shareholder base. We issued 52.3 million new and 28.1 million treasury RWE shares in December of last year. The total number of our shares thus rose from 562.4 million to 614.7 million. By the end of the year, 86% of them were owned by institutional investors, while 14% were held by private investors (including employee shareholders). Institutional investors in Germany hold 34% of the capital stock, with those in North America, the United Kingdom and Ireland accounting for a combined 31% and those in Continental Europe, excluding Germany, owning 19%. RW Energie-Beteiligungsgesellschaft, in which municipal shares are pooled, is still RWE's single largest shareholder, owning 15%.

The free float of RWE common shares considered by Deutsche Börse in terms of index weighting was 85% at the end of the year.

## Dividend development



- 1 One-off payout ratio increases.

## Performance der RWE-Aktie

### Performance of the RWE common share compared with the DAX 30 and the STOXX Europe 600 Utilities indices

