

Annual Press Conference  
for Fiscal Year

# 2010

Hamburg, 6<sup>th</sup> of April, 2011

# Welcome to RWE Dea



# Safety and environmental protection standards

A corporate objective applied daily



- > RWE Dea applies the **highest safety and environmental protection standards**, which are evolved constantly.
- > RWE Dea maintains a constant **exchange** with the relevant **authorities and stakeholders**, provides information and ensures **open communication** in relation to all activities.
- > RWE Dea personnel are trained in the application of **safety standards** in **safety training courses, seminars and exercises** conducted on a regular basis.

# RWE Dea ...

➤ ... is the leader in **safety and environment**.

➤ ... **boosts result** significantly.

➤ ... is extremely successful in **exploration** and obtaining access to **new licences** for the future growth.

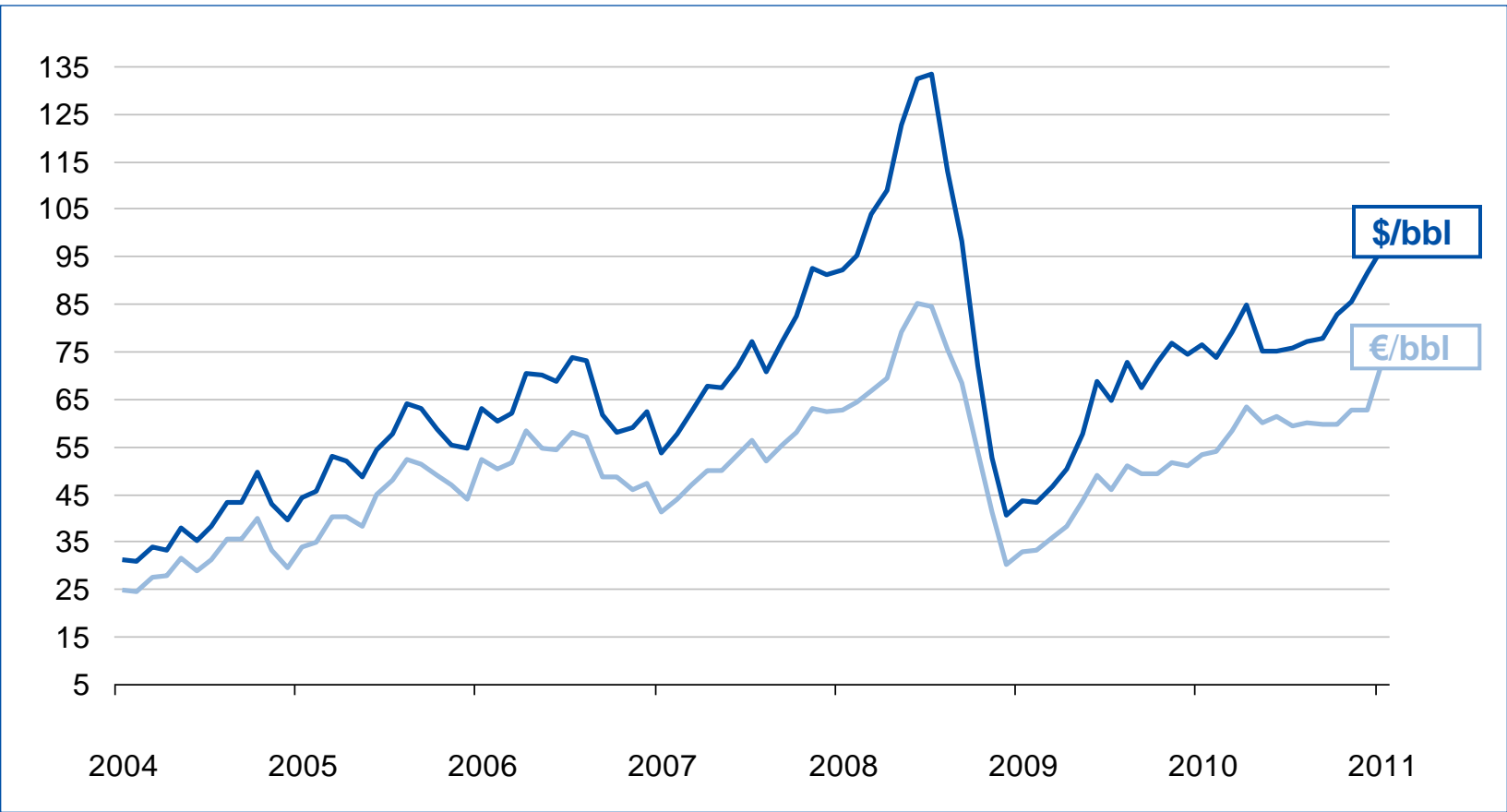
➤ ... gets major **field developments** under way.

➤ ... keeps **investment** at a **high level**.

➤ ... **increases reserves** and resources.

# Crude oil price (Brent)

Stabilised in the year 2010



# RWE Dea Production 2010

Almost matches previous year's level

				Deviation	
		Actuals 2010	Actuals 2009	absolute	%
<b>Gas Production mn. m<sup>3</sup></b>					
<b>Germany</b>		1,973	2,098	-125	-6
<b>Foreign Countries</b>	Norway	153	98	55	56
	UK	632	702	-70	-10
	Egypt	28	21	7	33
<b>Total Gas Production</b>		<b>2,786</b>	<b>2,920</b>	<b>-134</b>	<b>-5</b>
<b>Oil Production M m<sup>3</sup></b>					
<b>Germany</b>		769	901	-132	-15
<b>Foreign Countries</b>	Denmark	169	54	115	213
	Norway	793	816	-23	-3
	UK	22	16	6	38
	Egypt	513	549	-36	-7
<b>Total Oil Production</b>		<b>2,266</b>	<b>2,336</b>	<b>-70</b>	<b>-3</b>

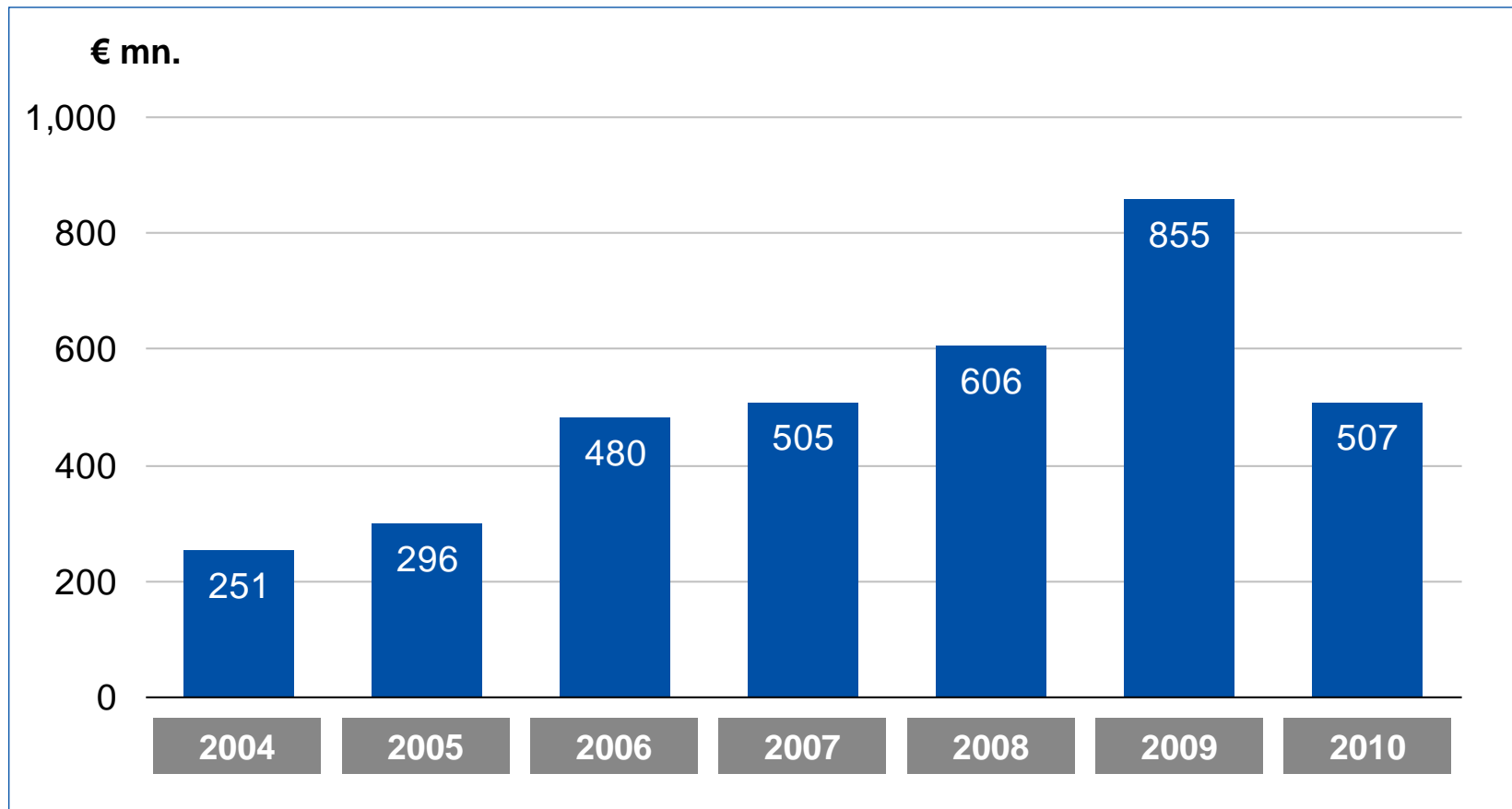
# RWE Dea Group Result 2010

Marked recovery in the wake of the economic crisis

mn. €	Deviation			
	Actuals 2010	Actuals 2009	absolute	%
Production	591	547	44	8
Exploration	-168	-230	62	27
New Ventures	-24	-22	-2	-9
Operative Services	-37	-33	-4	-12
Group Administration/Services	-57	-59	2	3
<b>Operating result</b>	<b>305</b>	<b>203</b>	<b>102</b>	<b>50</b>
Non-operating income	2	9	-7	-78
Financial income	-27	-8	-19	-238
<b>Income before taxes</b>	<b>280</b>	<b>204</b>	<b>76</b>	<b>37</b>
Taxes	-172	-150	-22	-15
<b>Income after taxes</b>	<b>108</b>	<b>54</b>	<b>54</b>	<b>100</b>
Non-controlling-interests	4	4	0	0
<b>Net income</b>	<b>104</b>	<b>50</b>	<b>54</b>	<b>108</b>

# RWE Dea investments

Continuing at a high level



# RWE Dea Key Figures

On an upward trend

	Actuals 2010	Actuals 2009	Deviation	
			absolute	%
Capital employed (mn. €)	2,509	2,114	395	19
Operating result (mn. €)	305	203	102	50
ROCE (%)	12.2	9.6	2.6	
Cost of capital (%)	12.5	13.0	-0.5	
Value added (%)	-0.3	-3.4	3.1	
Value added (mn. €)	-8.3	-72.1	63.8	

# RWE Dea ...

➤ ... matches previous year's level of **production**.

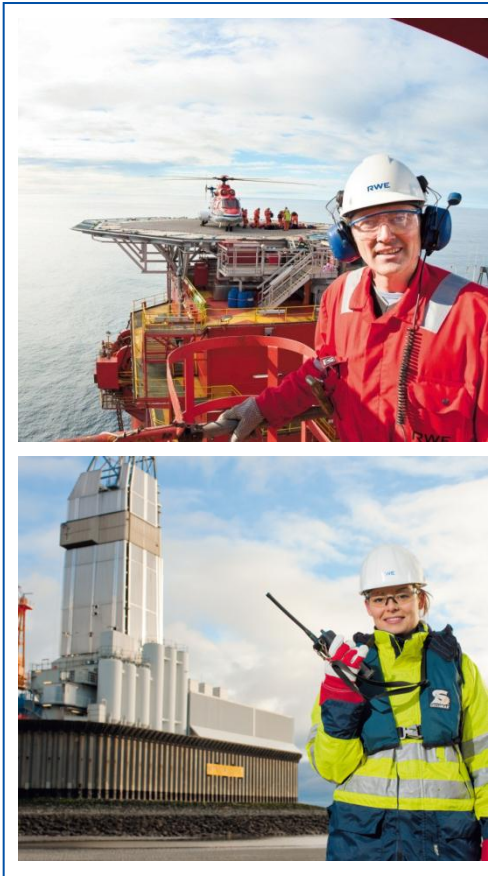
➤ ... increases **result** by 50%.

➤ ... keeps **investment** at a **high level**.

➤ ... **finances investments** almost completely from its **operational cash flow**.

# Main commercial discoveries

On course for success thanks to very good drilling results 2010/2011



## Norway:

- > Luno 16/1-13 (PL 338): RWE Dea stake 20% – oil discovery
- > Luno soer 12/1-2 (PL 338): RWE Dea stake 20% – oil discovery
- > Lower Lunde 34/4-12A (PL 057): RWE Dea stake 8,3% – oil discovery
- > Zidane (PL 435): RWE Dea stake 40% – gas discovery
- > Titan 35/9-6S (PL 420): RWE Dea stake 30% – oil/gas discovery



## UK:

### 2011:

- > Breagh East (Breagh): RWE Dea stake 70% – gas discovery



## Egypt:

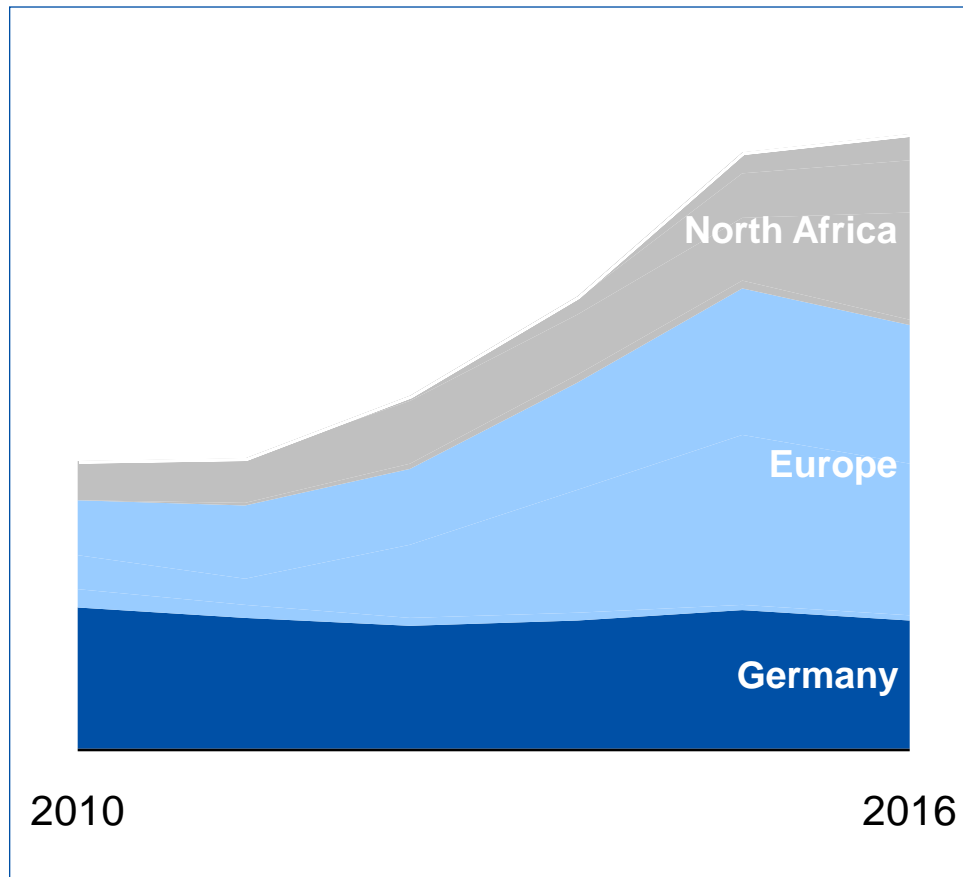
- > Rizk East 1x (East Yidma): RWE Dea stake 50% – oil discovery
- > Hodoa (WMDW): RWE Dea stake 20% – gas discovery
- > North West Khilala 1-3 (Disouq): RWE Dea stake 100% – gas discovery

### 2011:

- > Python (North El Ameriya): RWE Dea stake 100% – gas discovery

# Expansion of gas and oil production

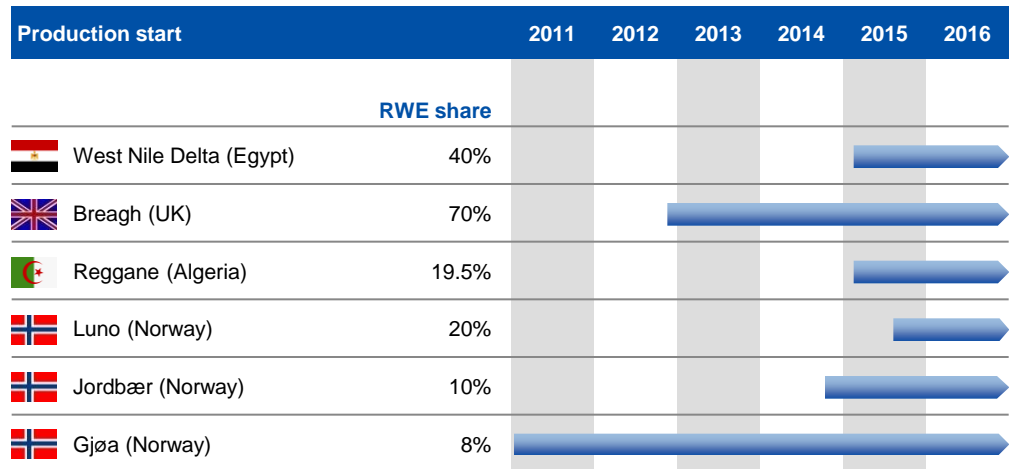
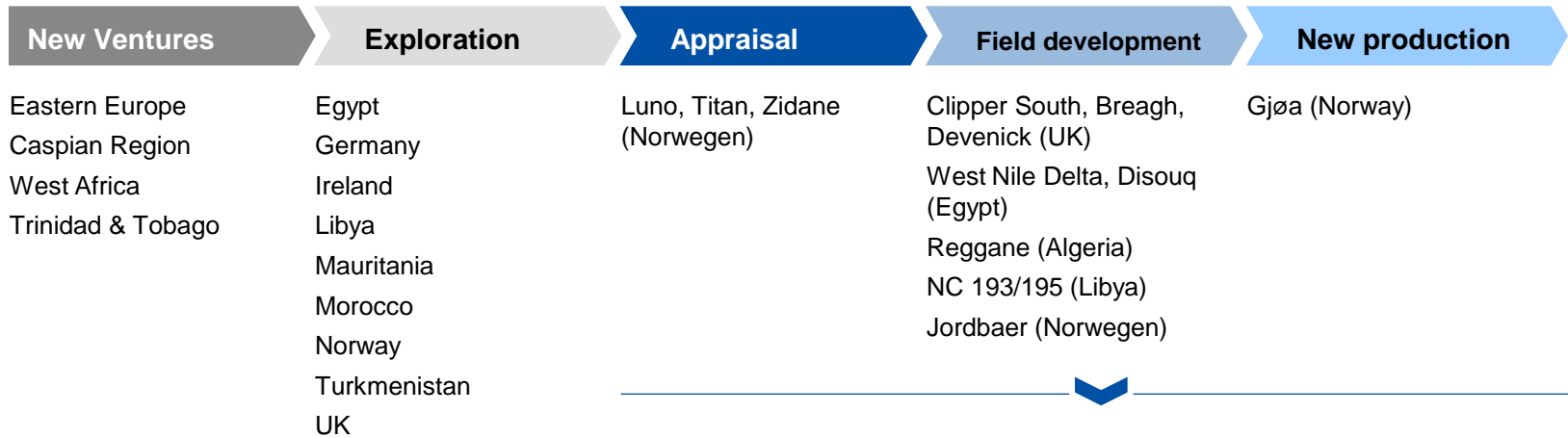
Projects under way secure future growth



- > Significant **increase** in gas and oil **production**
- > **Organic growth** through planned development projects
- > **Cost savings** through economies of scale

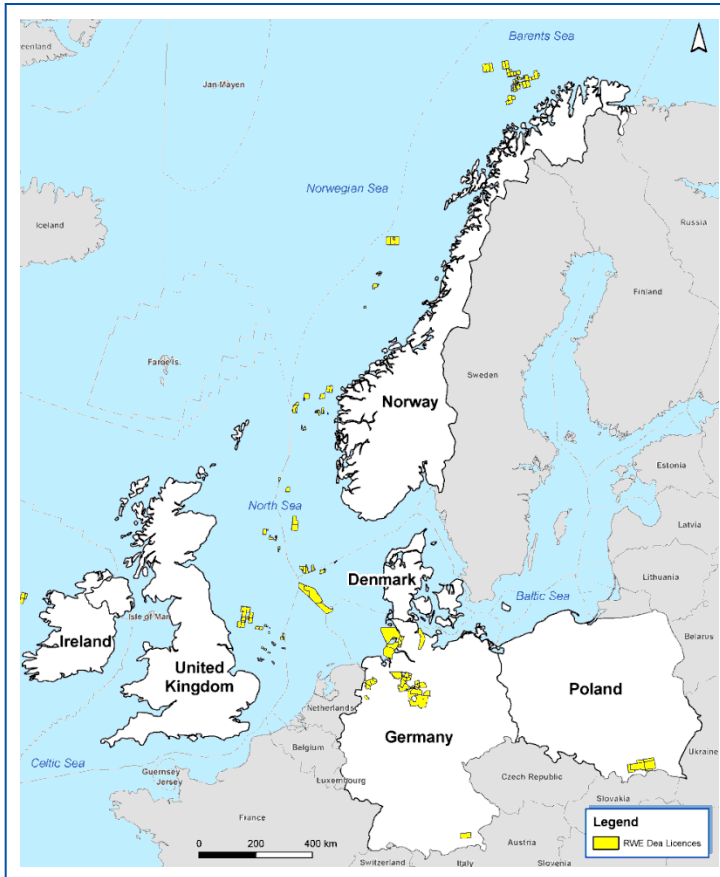
# RWE Dea projects in the pipeline

Exploration & development projects secure production increase



# Core region Europe

Growth through field developments and exploration



## Results 2010

- > Production start Gjøa
- > Field developments progressed
- > Successful participation in licence bidding rounds
- > Major successes in exploration

## Target



Exploration and production in areas with existing infrastructure



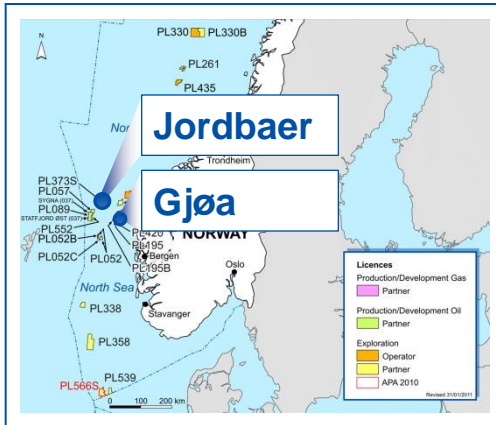
Bring field developments on stream quickly



Identification of new potentials in existing KW provinces

# Field developments in Norway

## Successful start with Gjøa



### Gjøa (RWE Dea 8%, Operator Statoil)

#### Start of production:

> 2010

#### Status:

- > Start of production exceeds expectations
- > Oil production exceeds expectations



### Jordbaer (RWE Dea 10%, Operator BG)

#### Resources (C + S):

> 1.1 mn. m<sup>3</sup> OE

#### Start of production:

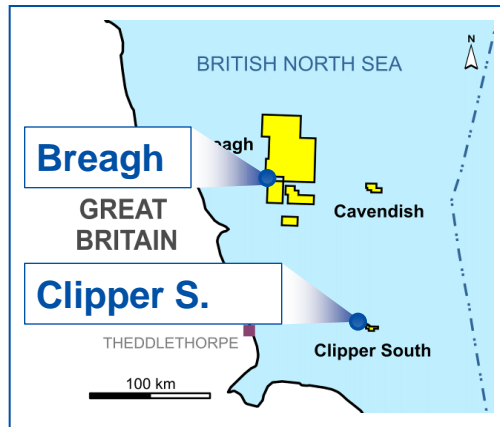
> 2014

#### Status:

- > Field development and operational concept submitted to authorities
- > Approval expected during the summer of this year

# Field developments UK

## Challenge for the current year



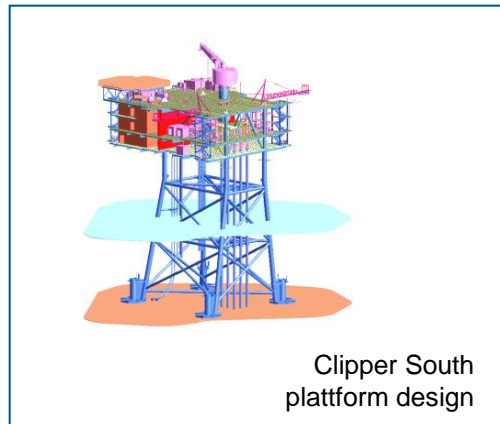
### **Breagh** (Operator RWE Dea 70%)

#### **Production start:**

- > 2012

#### **Status:**

- > Drilling rig contracted
- > Preparatory work for Breagh platform on schedule
- > Appraisal well successful in 2011



### **Clipper South** (Operator RWE Dea 50%)

#### **Production start:**

- > 2012

#### **Status:**

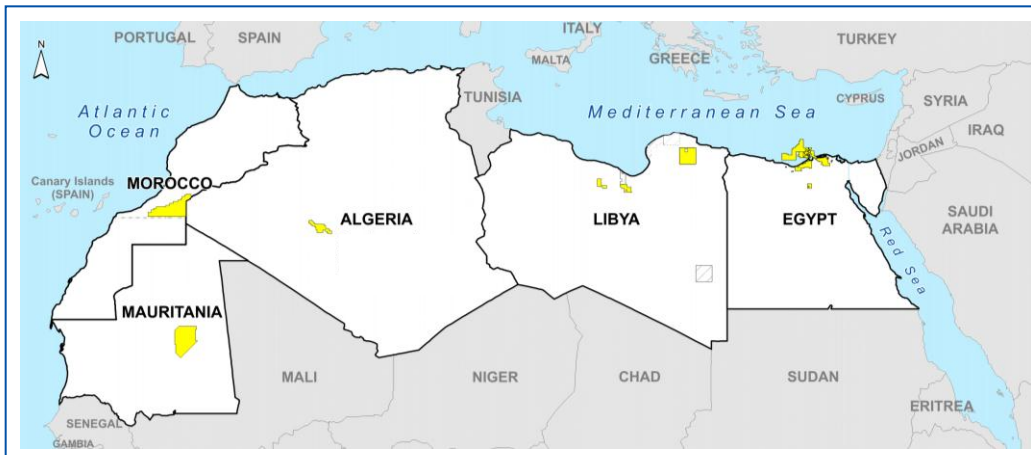
- > Drilling rig contracted
- > Clipper South platform construction is making good progress

# Core region North Africa

Operating from a broad base ensures future growth

## Results 2010

- > Egypt: Important approvals for West Nile Delta received
- > Algeria: Field developments under way
- > Libya: Agreements for field developments signed, further planning subjects to political developments/personnel evacuated



## Target



Maintain a high level of production



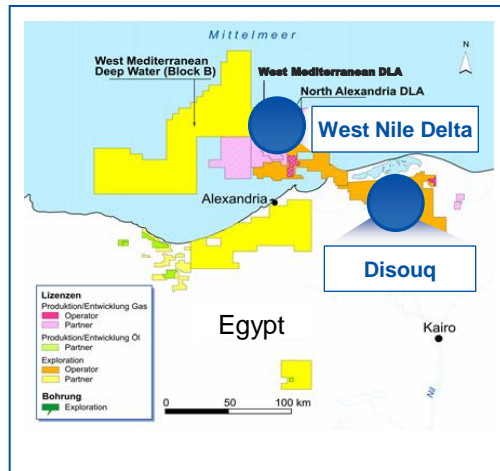
Implement field developments



“Frontier exploration”  
(Morocco & Mauretania)

# Field developments in Egypt

## Projects on track



### West Nile Delta, Egypt

(North Alex: RWE Dea 40%, BP Operator)

#### Start of production:

- > 2015

#### Status (N. Alex):

- > Essential approvals granted
- > Agreement has been signed
- > Field development concept for the above-mentioned reserves coordinated with Egyptian authorities
- > Work carried out by operator BP on schedule to date

### Disouq, Egypt

(RWE Dea 100%, Operator)

#### Start of production:

- > 2011/12 – depending on government approval

#### Status:

- > Field development plans (DLAs) are being negotiated
- > A gas sales agreement is being negotiated with EGAS
- > Projects pending approval

# RWE Dea ...

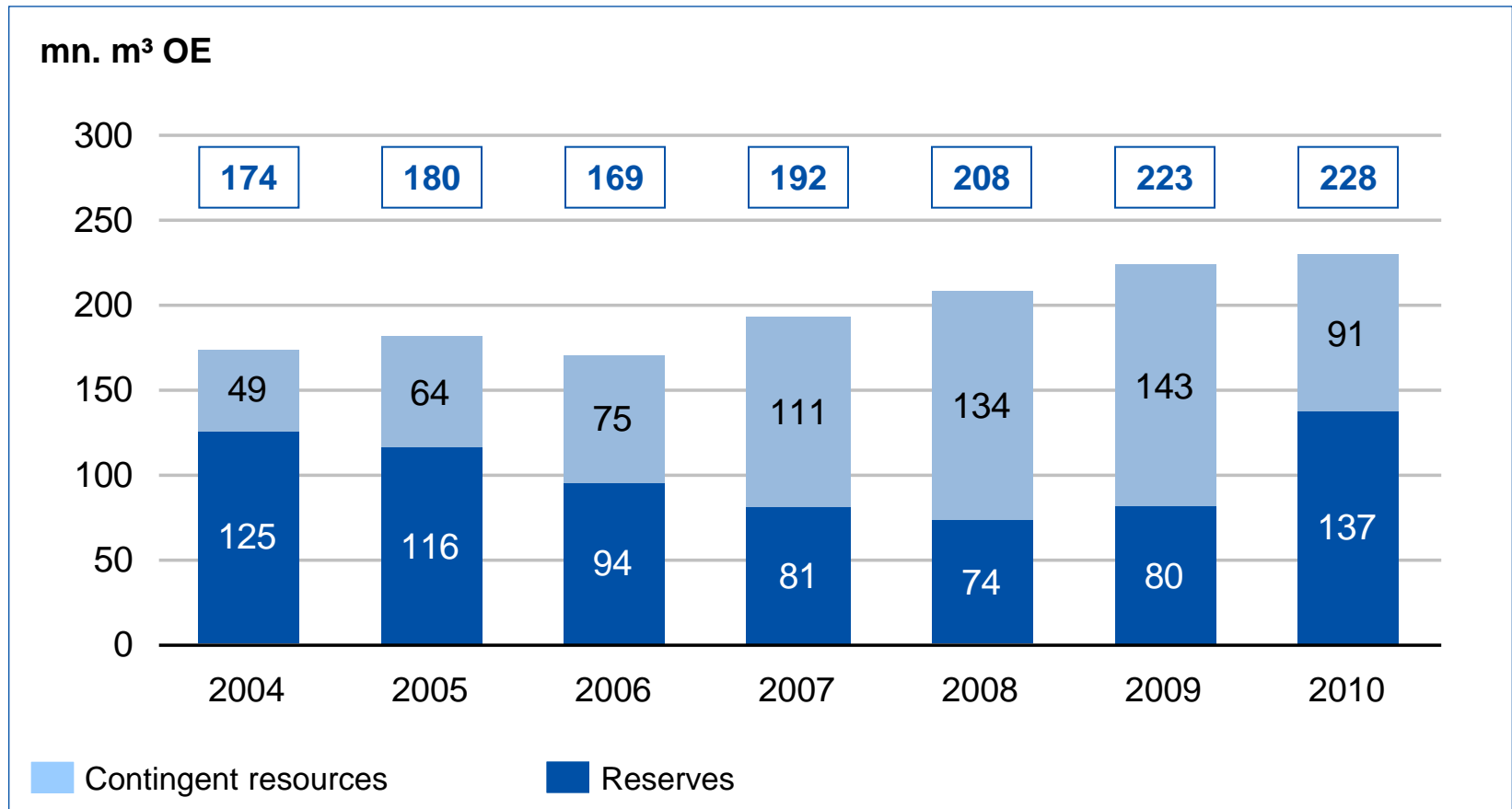
➤ ... gets major **field developments** under way.

➤ ... operates from a broad base in **Europe and North Africa.**

➤ ... is very successful in **exploration.**

# RWE Dea Reserves and Resources

## Increased further



# Caspian Region and Black Sea

## Successful steps in a new core region

### Results 2010

**Turkmenistan:** Environmental study prior to exploration

**Ukraine:** Joint Study Agreement under way

**Azerbaijan:** MoU and exclusive negotiations on EPSA-conditions (exploration, development and production sharing) for the Nakhchevan project

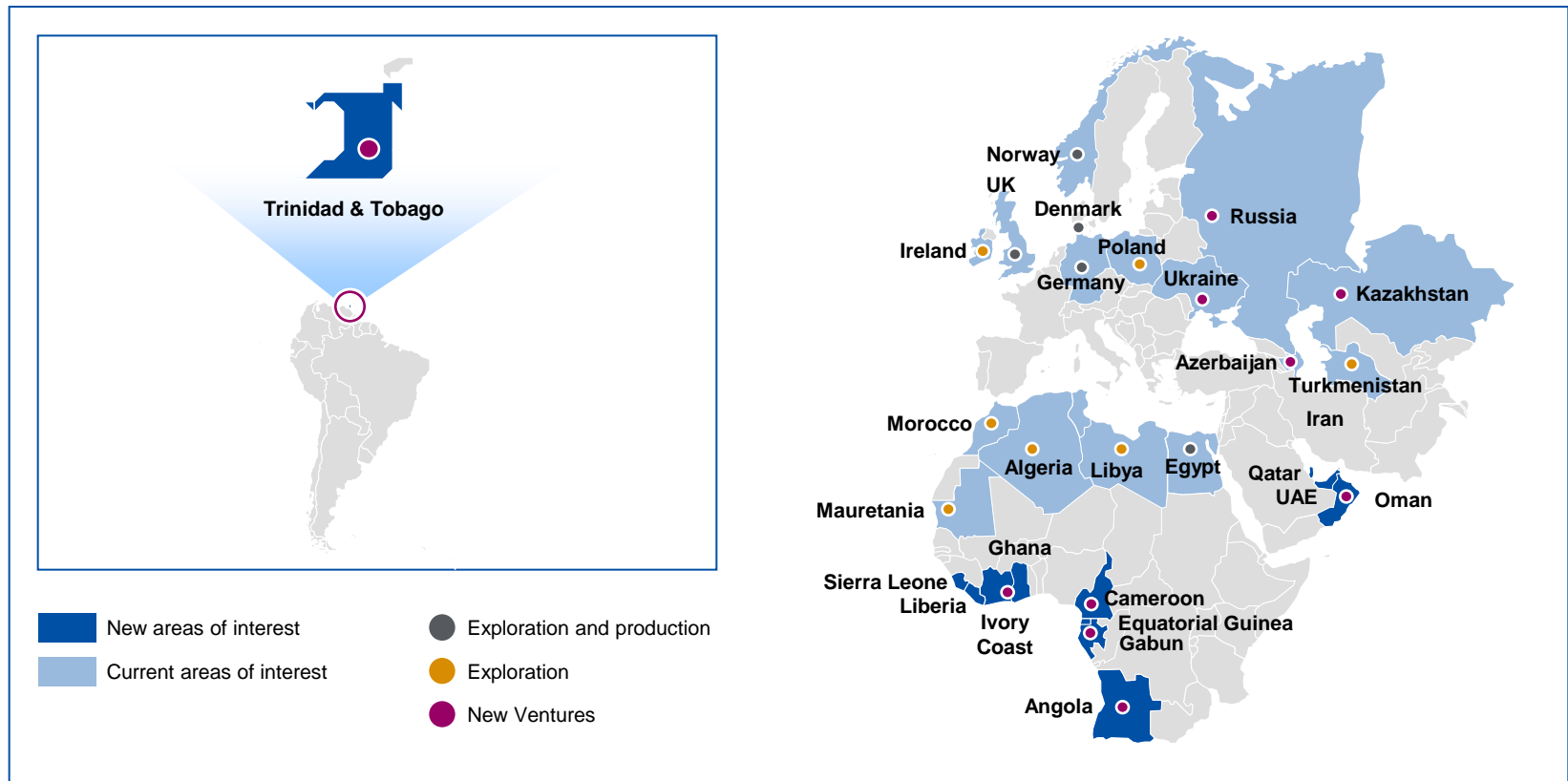


### Target








Strengthen position through additional projects

# RWE Dea broadens regional focus

... gearing up for further growth in the process



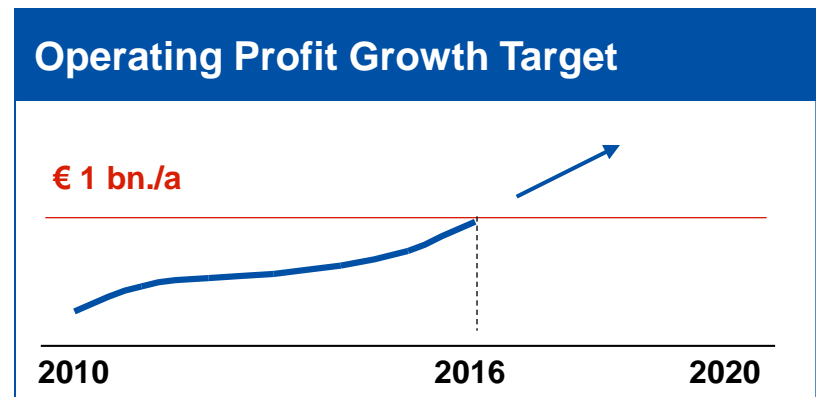
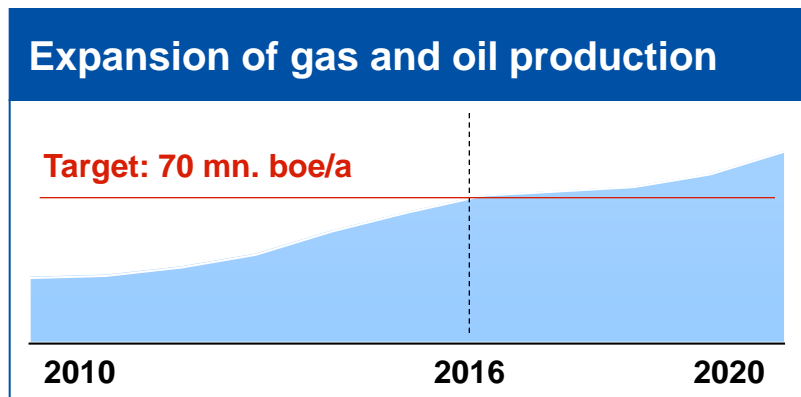
# Good prospects for 2011

	2010	2011
Employees (full-time equivalents)	1,363	
Investments (€ mn.)	507	
Operating assets (€ mn.)	2,509	
Production (M. m <sup>3</sup> Oil Equivalents)	4,963	
Operating income (€ mn.)	305	
Return on capital ROCE (%)	12.2	
Value added (%)	-0.3	

# Positive outlook for the coming years ...



- > **Increase** in annual gas and oil production to more than **70 mn. barrel** oil equivalents until 2016
- > **€ 1.1 bn in investments** from 2011 until 2013 on average per year
- > **Operating income of € 1 bn** in the year 2016
- > **Potential** for increase to **90 mn. barrel** oil equivalents by 2020



# To guarantee the future, RWE Dea recorded ...

- ... **extraordinarily successful exploration results** again in the year 2010.
- ... **increases in reserves** and resources.
- ... a foothold in **new regions**.

# Outlook: RWE Dea will ...

- ... continue to make **safety** the **top priority**.
- ... implement **field development projects**.
- ... continue with **successful exploration**.
- ... **expand** and **balance** the **international portfolio** with new countries and licences.
- ... continue to **boost production** and **operating income**.
- ... increase the size of the **workforce**.
- ... make an essential contribution to the **RWE Group** and to the **energy supply**.

**Thank you  
for your kind  
attention.**

