

Combined financial statements of the RWE International Group

For the years ended 31 December 2015, 2014 and 2013

INCOME STATEMENT

€ million	Note	2015	2014	2013
Revenue (including natural gas tax/electricity tax)	(1)	45,568	45,681	48,589
Natural gas tax/electricity tax	(1)	2,112	2,175	2,560
Revenue	(1)	43,456	43,506	46,029
Other operating income	(2)	1,104	986	1,205
Cost of materials	(3)	34,760	35,160	37,429
Staff costs	(4)	2,736	2,754	2,900
Depreciation, amortization and impairment losses	(5), (10), (11)	1,634	1,439	2,150
Other operating expenses	(6)	2,823	2,763	3,028
Income from investments accounted for using the equity method	(7), (12)	228	234	215
Other income from investments	(7)	265	166	70
Financial income	(8)	578	445	406
Finance costs	(8)	880	1,000	973
Income before tax		2,798	2,221	1,445
Taxes on income	(9)	860	523	551
Income		1,938	1,698	894
of which: non-controlling interests		325	231	230
of which: net income/income attributable to the owners of the RWE International Group		1,613	1,467	664

STATEMENT OF COMPREHENSIVE INCOME¹

€ million	Note	2015	2014	2013
Income		1,938	1,698	894
Actuarial gains and losses of defined benefit pension plans and similar obligations		359	-837	194
Income and expenses of investments accounted for using the equity method (pro-rata)	(12)	-71	7	-69
Income and expenses recognized in equity, not to be reclassified through profit or loss		288	-830	125
Currency translation adjustment	(21)	177	52	-360
Fair valuation of financial instruments available for sale	(28)	-184	58	47
Income and expenses of investments accounted for using the equity method (pro-rata)	(12), (21)	4	11	26
Income and expenses recognized in equity, to be reclassified through profit or loss in the future		-3	121	-287
Other comprehensive income		285	-709	-162
Total comprehensive income		2,223	989	732
of which: attributable to the owners of the RWE International Group		1,957	744	625
of which: attributable to non-controlling interests		266	245	107

¹ Figures stated after taxes

BALANCE SHEET

Assets € million	Note	31 Dec 2015	31 Dec 2014	31 Dec 2013
Non-current assets				
Intangible assets	(10)	12,178	11,695	11,598
Property, plant and equipment	(11)	18,308	17,309	16,980
Investments accounted for using the equity method	(12)	2,137	2,379	2,404
Other non-current financial assets	(13)	555	510	478
Financial receivables	(14)	2,211	1,458	1,139
Other receivables and other assets	(15)	866	477	383
Income tax assets		8	16	28
Deferred taxes	(16)	1,972	1,805	1,417
		38,235	35,649	34,427
Current assets				
Inventories	(17)	380	491	444
Financial receivables	(14)	10,425	10,316	8,973
Trade accounts receivable	(18)	4,551	5,708	7,086
Other receivables and other assets	(15)	1,816	1,478	1,184
Income tax assets		121	164	173
Marketable securities	(19)	1,894	1,913	1,702
Cash and cash equivalents	(20)	550	475	824
Assets held for sale		–	310	–
		19,737	20,855	20,386
		57,972	56,504	54,813
Equity and liabilities € million				
Equity				
Total invested equity attributable to the owners of the RWE International Group	(21)	16,649	16,937	15,654
Non-controlling interests		1,811	1,461	1,335
		18,460	18,398	16,989
Non-current liabilities				
Provisions for pensions and similar obligations	(23)	3,461	4,595	3,582
Other provisions	(24)	1,616	1,887	2,038
Financial liabilities	(25)	15,291	11,786	13,633
Other liabilities	(27)	2,428	2,274	2,186
Deferred taxes	(16)	904	772	820
		23,700	21,314	22,259
Current liabilities				
Other provisions	(24)	2,545	2,613	2,816
Financial liabilities	(25)	3,684	4,687	2,872
Trade accounts payable	(26)	4,553	4,906	5,357
Income tax liabilities		199	194	181
Other liabilities	(27)	4,831	4,392	4,339
		15,812	16,792	15,565
		57,972	56,504	54,813

CASH FLOW STATEMENT

€ million	Note (31)	2015	2014	2013
Income		1,938	1,698	894
Depreciation, amortization, impairment losses/reversals		1,640	1,451	2,150
Changes in provisions		-234	-133	405
Changes in deferred taxes		-77	-73	-65
Income from disposal of non-current assets and marketable securities		-623	-351	-293
Other non-cash income/expenses		-99	311	225
Changes in working capital		210	74	342
Cash flows from operating activities		2,755	2,977	3,658
Intangible assets/property, plant and equipment				
Capital expenditures		-2,025	-2,059	-2,297
Proceeds from disposal of assets		663	237	337
Acquisitions, investments				
Capital expenditures		-99	-82	-177
Proceeds from disposal of assets/divestitures		300	276	291
Changes in marketable securities and cash investments		655	-1,547	-641
Cash flows from investing activities (before initial/subsequent transfer to pension plans)		-506	-3,175	-2,487
Initial/subsequent transfer to pension plans		-596	-510	-67
Cash flows from investing activities (after initial/subsequent transfer to pension plans)		-1,102	-3,685	-2,554
Net changes in equity (incl. non-controlling interests)		-178	1,474	1,305
Dividends paid		-1,017	-486	-1,357
Issuance of financial debt		8,982	7,305	10,891
Repayment of financial debt		-9,380	-7,944	-11,843
Cash flows from financing activities		-1,593	349	-1,004
Net cash changes in cash and cash equivalents		60	-359	100
Effects of changes in foreign exchange rates of the reporting period as per the combined balance sheet		15	10	-3
Net change in cash and cash equivalents		75	-349	97
Cash and cash equivalents at beginning of the reporting period as per the combined balance sheet		475	824	727
Cash and cash equivalents at the end of the reporting period as per the combined balance sheet		550	475	824

STATEMENT OF CHANGES IN INVESTED EQUITY

Statement of changes in equity € million	Invested equity attributable to the owners of the RWE International Group	Accumulated other Comprehensive Income		Total invested equity attributable to the owners of the RWE International Group	Non-con- trolling interests	Total
		Currency translation adjustments	Fair value measurement of financial instruments available for sale			
Note (21)						
Balance at 1 Jan 2013	15,151	-670	99	14,580	1,327	15,907
Dividends paid/ profit/loss transfer to owners	-668	-	-	-668	-170	-838
Income	664	-	-	664	230	894
Other comprehensive income	202	-306	65	-39	-123	-162
Total comprehensive income	866	-306	65	625	107	732
Withdrawals/contributions	1,117	-	-	1,117	71	1,188
Balance at 31 Dec 2013	16,466	-976	164	15,654	1,335	16,989
Dividends paid/ profit/loss transfer to owners	-781	-	-	-781	-235	-1,016
Income	1,467	-	-	1,467	231	1,698
Other comprehensive income	-841	62	56	-723	14	-709
Total comprehensive income	626	62	56	744	245	989
Withdrawals/contributions	1,320	-	-	1,320	116	1,436
Balance at 31 Dec 2014	17,631	-914	220	16,937	1,461	18,398
Dividends paid/ profit/loss transfer to owners	-960	-	-	-960	-227	-1,187
Income	1,613	-	-	1,613	325	1,938
Other comprehensive income	355	134	-145	344	-59	285
Total comprehensive income	1,968	134	-145	1,957	266	2,223
Withdrawals/contributions	-1,285	-	-	-1,285	311	-974
Balance at 31 Dec 2015	17,354	-780	75	16,649	1,811	18,460

NOTES

General information

On 1 December 2015 RWE AG, Essen, Germany, ("RWE AG", the parent company of the RWE Group) announced its plan to bundle the retail, grid and renewables business of the RWE Group into a European stock corporation ("Societas Europaea", SE) and list shares of this stock corporation on a stock exchange. This plan was approved by RWE AG's Supervisory Board on 11 December 2015.

On 11 December 2015, RWE AG founded "RWE Downstream Beteiligungs GmbH" as a 100% subsidiary, located in Essen. On the same day, RWE Downstream Beteiligungs GmbH founded RWE Downstream AG, Essen, as its 100% subsidiary. On 11 March 2016 RWE International SE was established by a cross-border merger of the German-based RWE Downstream AG with Essent SPV N.V., 's-Hertogenbosch, Netherlands, a Dutch corporation founded especially for the intended foundation of RWE International SE. For the purpose of these combined financial statements, the business of RWE International SE hereinafter is referred to as "RWE International" or the "RWE International Group". RWE International SE is planned to be renamed to "innogy SE" effective September 2016 and the business of RWE International SE is to be named "innogy".

The RWE International Group composes of certain legal entities from the consolidation scope of the RWE Group. RWE International bundles the businesses of the segments "Supply/Distribution Networks Germany", "Central Eastern and South Eastern Europe", "Supply Netherlands/Belgium", "Supply United Kingdom", as well as "Renewables" as presented in the consolidated financial statements of the RWE Group as of and for the year ended 31 December 2015. The legal entities forming the RWE International Group were transferred between other RWE Group companies and the RWE International Group. The legal reorganization was completed by 30 June 2016. All control agreements as well as profit and loss transfer agreements ("Beherrschungs- und Gewinnabführungsverträge") between RWE International Group companies and RWE AG as well as other RWE Group companies were terminated by mutual agreement by 30 June 2016. On 26 February 2016, RWE AG entered into a control agreement with RWE International SE, which is intended to be terminated immediately prior to the planned initial public offering of the shares of RWE International SE.

Description of the RWE International Group

The RWE International Group's business is the operation of electricity and gas distribution networks, the supply of electricity, gas, heat and energy services, as well as the generation of electricity from renewable resources like wind, water and – to a limited extent – biomass. The grid business is located in Germany and some Central Eastern European countries, namely the Czech Republic, Hungary, Poland and Slovakia. In the retail business, the company operates

RWE AG will remain the parent company of the RWE International Group. Shares in RWE International SE are to be admitted to trading on the regulated market of the Frankfurt Stock Exchange, Germany, while at the same time being admitted to the Prime Standard segment (segment of the official market with additional follow-up requirements for admission).

Pursuant to E.U. Prospectus Regulation No. 809/2004, an issuer's listing prospectus must include historical financial information covering the previous three fiscal years. RWE International SE has a "complex financial history" as defined in E.U. Prospectus Regulation No. 211/2007, because the RWE International Group did not exist as a separate group from 1 January 2013 to 31 December 2015. The legal reorganization and the transfer of businesses to the RWE International Group was completed during the first six months of 2016 up to 30 June 2016, the date when these combined financial statements were authorized for issue by the Executive Board of RWE International SE.

The Executive Board of RWE International SE therefore prepared combined financial statements for the fiscal years 1 January 2013 to 31 December 2013; 1 January 2014 to 31 December 2014 and 1 January 2015 to 31 December 2015 for the RWE International Group. The combined financial statements comprise combined income statements, combined statements of comprehensive income, combined balance sheets, combined cash flow statements, combined statements of changes in invested equity and the Notes to the combined financial statements for the fiscal years 2015, 2014 and 2013.

The combined financial statements were prepared on 30 June 2016 by the Executive Board of RWE International SE, Opernplatz 1, 45128 Essen, Germany.

in Germany, the Netherlands and Belgium, the United Kingdom, as well as in Central Eastern and South Eastern European states, namely the Czech Republic, Hungary, Poland, Slovakia, Croatia, Romania and Slovenia. The major production sites of the renewables business are located in Germany, the United Kingdom, the Netherlands, Spain and Poland. These activities are presented in the three reportable segments "Grid and Infrastructure", "Retail" and "Renewables".

Basis of preparation

Compliance with IFRS

The financial statements of the RWE International Group were prepared in accordance with the International Financial Reporting Standards (IFRSs) applicable in the European Union (EU) on a combined basis (“Combined financial statements”).

The IFRSs provide no guidelines for the preparation of combined financial statements, which are therefore subject to the rules given in IAS 8.12. This article requires consideration of the most recent pronouncements of other standard-setting bodies, other financial reporting requirements and recognized industry practices.

In the combined financial statements of the RWE International Group, the predecessor accounting approach has been applied in accordance with the rules on the accounting for business combinations under common control in combined financial statements. This means that the assets and liabilities of the businesses included in the combined financial statements correspond to the historically reported amounts in the IFRS consolidated financial statements of the RWE Group (predecessor values). Businesses in accordance with IFRS 3 that were transferred from RWE Group to RWE International during the legal reorganization that was completed by 30 June 2016 are included in the combined financial statements for all periods presented (see also “Scope of combination”). Accordingly, any consideration given or received in relation to those common control transactions is recognized directly in equity as withdrawals or contributions at the time of the transfer.

Transfers of assets and liabilities between the RWE and the RWE International Group that do not fulfill the criteria of a business in accordance with IFRS 3 are accounted for applying the respective relevant IFRSs for the purchase or sale of assets or the transfer of liabilities at the date of the transaction and are included prospectively in the combined financial statements.

Scope of combination

The scope of combination for the combined financial statements of the RWE International Group for the fiscal years ended 31 December 2013, 31 December 2014 and 31 December 2015 was determined on the principles of the legal reorganization approach. This approach is based on the fact that the economic activities that form the new entity were not managed as one division in the past, but the entities are legally bound together within a reorganization process. During the reporting periods of the combined financial statements, the assets and liabilities forming the reporting entity were under common control of RWE AG. The combined financial statements have been prepared on a “carve out” basis from the historical consolidated financial statements of the RWE Group taking into account the target structure of the reorganization.

In general, the RWE International Group applies the same accounting policies and measurement principles in preparing the combined financial statements as were used by the included RWE International companies and operations in preparing their financial information for inclusion in the IFRS consolidated financial statements of the RWE Group. Transactions between the RWE International Group and the remainder of the RWE Group are recognized in accordance with IFRS and classified as related party transactions. The combined financial statements reflect all material transactions between the RWE International Group and the RWE Group. In the combined financial statements, all IFRSs whose application was mandatory for EU companies for the fiscal year 2015 have been consistently applied for each of the reporting periods 2013 through 2015.

Several balance sheet and income statement items have been combined in the interests of clarity. These items are stated and explained separately in the Notes to the combined financial statements. The income statement is structured according to the nature of expense method.

The combined financial statements are presented in euros. All amounts are rounded off to the nearest million euros (€ million) unless otherwise stated. As such, insignificant rounding differences may occur. A dash (“–”) indicates that no data was reported for a specific line item in the relevant financial year or period, while a zero (“0”) is used when the pertinent figure, after rounding, amounts to nil.

The period for recognizing adjusting events in the combined financial statements is identical to that of the RWE Group’s consolidated financial statements as of 31 December 2015 and ended on 22 February 2016. Material issues arising between 22 February 2016 up to the date of the authorization for issue of the combined financial statements (30 June 2016) are disclosed in Note 34.

The scope of combination includes companies and businesses directly or indirectly controlled by RWE International SE after the legal reorganization of the RWE International Group has been completed. This includes companies that were controlled by RWE AG or its subsidiaries during the reporting periods of the combined financial statements and legally transferred to RWE International SE by 30 June 2016. Businesses in accordance with IFRS 3 under common control that were transferred to RWE International during the legal reorganization are included with their respective assets and liabilities as well as income and expenses in the combined financial statements for all periods during which RWE AG controlled these entities. Businesses that were acquired from a third party during the reporting periods of the combined financial statements are included from

the date at which the RWE Group gained control (see Note 35 for a full list of companies transferred to the RWE International Group during the legal reorganization that are included in the combined financial statements).

Companies that constitute a business and that are not controlled by RWE International Group companies after the legal reorganization has been finalized are excluded from the scope of combination for all periods. An exception applies to companies that are part of the business of RWE International, e.g. to wind farms that were sold by RWE Innogy during the reporting periods of the combined financial statements. As the development and disposal of wind farms forms part of the business activities of RWE Innogy, those companies are included in the combination scope until the date of their disposal, including any gains or losses from their disposal. In addition the British companies Electricity Plus Supply Ltd. and Gas Plus Supply Ltd. that were sold by RWE npower in December 2013 are included in the scope of combination until their date of sale, because the customers of the divested companies continue to buy electricity and gas from RWE npower, now indirectly via the acquirer Telecom Plus. A 20-year supply agreement to this effect was concluded to be part of the sale.

Investments accounted for using the equity method and joint operations that were acquired or disposed of by entities that are part of the RWE International Group during the reporting periods of the combined financial statements are included in or excluded from

Number of combined companies	Germany	Abroad	Total
1 Jan 2013	123	135	258
First-time combination	3	7	10
Deconsolidation	–	–4	–4
Mergers	–6	–4	–10
31 Dec 2013	120	134	254
First-time combination	4	3	7
Deconsolidation	–3	–	–3
Mergers	–4	–6	–10
31 Dec 2014	117	131	248
First-time combination	5	20	25
Deconsolidation	–1	–4	–5
Mergers	–4	–7	–11
31 Dec 2015	117	140	257

Furthermore, as of 31 December 2015, four companies (2014: four, 2013: one) are presented as joint operations. Of these, Greater Gabbard Offshore Winds Ltd., United Kingdom, is a material joint operation of the RWE International Group. Greater Gabbard holds a 500 MW offshore wind farm, which is operated by RWE International

these financial statements as of the date of the transaction. The same applies to assets and liabilities transferred between RWE and RWE International that do not constitute a business in accordance with IFRS 3.

In determining whether there is control, in addition to voting rights, other rights in the company contracts or articles of incorporation and potential voting rights are also taken into consideration. In particular, an assessment is made to check whether these rights give the ability to direct the relevant activities, e.g. establishing operating and capital decisions including budget or appointing and determining remuneration of the key management personnel.

A company is deemed to be an associate if there is significant influence on the basis of voting rights between 20% and 50% or on the basis of contractual agreements. In classifying joint arrangements which are structured as independent vehicles as joint operations or joint ventures, other facts and circumstances – in particular delivery relationships between the joint arrangement and the parties participating in those – are taken into consideration, in addition to the legal form and the contractual agreements.

The following summaries show the changes in the number of combined companies, investments and joint ventures accounted for using the equity method:

Number of investments and joint ventures accounted for using the equity method	Germany	Abroad	Total
1 Jan 2013	61	25	86
Acquisitions	2	–	2
Disposals	–3	–3	–6
Other changes	7	–3	4
31 Dec 2013	67	19	86
Acquisitions	–	–	–
Disposals	–3	–2	–5
Other changes	–	–	–
31 Dec 2014	64	17	81
Acquisitions	1	2	3
Disposals	–2	–1	–3
Other changes	1	–2	–1
31 Dec 2015	64	16	80

together with Scottish and Southern Energy (SSE) Renewables Holdings. RWE Innogy UK owns 50% of the shares and receives 50% of the power generated (incl. certificates for renewable energies). The wind farm is a key element in the offshore portfolio of the Renewables Segment.

Business combinations

WestEnergie GmbH

In July 2015, RWE International gained control of WestEnergie GmbH, an investment that had previously been accounted for using the equity method, due to the expiry of a renunciation of a voting right. The company primarily operates electricity and gas distribution networks. The assumed assets and liabilities are presented in the following table:

Balance-sheet items € million (preliminary)	IFRS carrying amounts (fair values) at first-time inclusion
Non-current assets	152
Current assets	24
Non-current liabilities	31
Current liabilities	57
Net assets	88
Non-controlling interests	-1
Cost (not affecting cash)	87

Východoslovenská energetika Holding a.s.

In August 2015, RWE International gained control of Východoslovenská energetika Holding a.s. ("VSE"), a company that had previously been accounted for using the equity method, due to a contractual arrangement. The company is the holding company of a group of companies that has an electricity and gas retail business and that in addition operates an electricity distribution network system in Slovakia.

The assumed assets and liabilities are presented in the following table:

Balance-sheet items € million (preliminary)	IFRS carrying amounts (fair values) at first-time inclusion
Non-current assets	772
Current assets	71
Non-current liabilities	157
Current liabilities	234
Net assets	452
Non-controlling interests	-231
Cost (not affecting cash)	297
Goodwill	76

The contractual arrangement on which the acquisition of control is based includes an investment transaction that caused Czech-based RWE Česká republika a.s.'s net assets to increase by €44 million.

RWE Supply & Trading Netherlands B.V.

In July 2015, Essent N.V. acquired 100% of the shares of RWE Supply & Trading Netherlands B.V., 's-Hertogenbosch, Netherlands, from a subsidiary of RWE AG for a purchase price of €547 million.

The fair value of the old shares amounted to €87 million. The measurement of the non-controlling interests was based on the pro-rated net assets of the company at first-time inclusion. The fair value of the receivables included in non-current and current assets amounted to €24 million.

Since its first-time inclusion, WestEnergie GmbH has contributed €1 million to RWE International Group's revenue and €0 million to RWE International Group's income.

As of 31 December 2015, the initial accounting of the business combination had not been finalized due to the complex structure of the transaction.

The fair value of the old shares amounted to €341 million. The first-time inclusion resulted in €185 million in income, which is recognized as €159 million in "Other operating income" and €26 million in "Income from investments accounted for using the equity method" in the income statement.

The fair value of the receivables included in non-current and current assets amounted to €67 million.

The measurement of the non-controlling interests was based on the pro-rated net assets of the group of companies at first-time inclusion. The goodwill is largely associated with expected future benefits and synergistic effects.

Since its first-time inclusion, VSE has contributed €179 million to RWE International Group's revenue and €13 million to RWE International Group's income.

As of 31 December 2015, the initial accounting of the business combination had not been finalized due to the complex structure of the transaction.

If all of the business combinations of fiscal year 2015 had occurred as of 1 January 2015, the Group's income would total €1,979 million and the Group's revenue would total €43,892 million.

For this business combination under common control the predecessor accounting approach has been applied.

Disposals

RWE Innogy GyM 1 Ltd.

At the end of October 2015, RWE Innogy UK Ltd. sold the company RWE Innogy GyM 1 Ltd. to UK Green Investment Bank. The company held a residual share of 10% in the offshore wind farm Gwynt y Môr, which is part of the Renewables Segment. The transaction had been agreed with UK Green Investment Bank in the spring of 2014.

Following completion and successful commissioning of the wind farm, the transaction was concluded. The loss on deconsolidation of €7 million was recognized in "Other operating expenses".

Galloper wind power project

At the end of October 2015, RWE Innogy UK Ltd. sold a 75% share in the Galloper offshore wind project, which is part of the Renewables Segment, in equal ratios to Siemens Financial Services, Macquarie Capital and UK Green Investment Bank. The transaction yielded income of €93 million; of this, €87 million was reported as "Other income from investments" and a gain on deconsolidation of €6 million was reported under "Other operating income". This income includes €23 million from remeasurement of the remaining 25% share in the project.

RWE Grid Holding

In March 2015, a group of funds managed by Macquarie increased its stake in Czech-based RWE Grid Holding by 15%. As of 31 December 2015, RWE International owns an interest of 50.04% in the company, which is assigned to the Grid and Infrastructure Segment and pools RWE International's Czech gas distribution network activities. With this sale, the share of equity attributable to RWE International SE's shareholders increased by €97 million and the share of non-controlling interests increased by €73 million.

Network connection for the Gwynt y Môr offshore wind farm

In February 2015, for regulatory reasons, Gwynt y Môr offshore wind farm, which belongs to the Renewables Segment, sold its self-constructed network connection and a transformer station to the financial investors Balfour Beatty Investment Ltd. and Equitix Ltd. As of 31 December 2014, the book value of the network connection and transformer station, which does not constitute a business in accordance with IFRS 3, was reported on the balance sheet as "Assets held for sale" in the amount of €241 million. During the year ended 31 December 2015, RWE International Group recognized an income of €30 million from that sale.

Offshore installation vessel "Victoria Mathias"

At the beginning of January 2015, RWE Innogy sold the special purpose vessel "Victoria Mathias" used to install offshore wind farms to the Dutch company MPI Offshore. The installation ship, which was part of the Renewables Segment and does not constitute a business in accordance with IFRS 3, was reported as of 31 December 2014 at a book value of €69 million on the balance sheet as "Assets held for sale".

DEW21

In December 2014, RWE Deutschland AG sold a 7.1% stake in Dortmunder Energie- und Wasserversorgung GmbH (DEW21), a company accounted for using the equity method, to Dortmunder Stadtwerke AG for a sales price of €70 million. RWE International retains a 39.9% stake in the company, which is part of the Grid and Infrastructure Segment.

ENERVIE

In September 2014, RWE Deutschland AG sold its 19.06% stake in ENERVIE Südwestfalen Energie und Wasser AG, a company accounted for using the equity method, to Remondis Wasser und Energie GmbH for a sales price of €60 million. The company was assigned to the Grid and Infrastructure Segment.

Nordsee One, 2 and 3

In September 2014, Canada-based Northland Power Inc. acquired an 85% stake in the offshore wind projects Nordsee One, 2 and 3. RWE International retains a 15% stake in these wind projects, which are part of the Renewables Segment. The loss on the deconsolidation amounted to €101 million and is reported in the income statement 2014 in the amount of €63 million as "Other operating expenses" and in the amount of €38 million as negative "Income from investments". However, this will be contrasted by about €86 million in expected future income as the sales price will be paid by the buyer the coming years when certain prerequisites are met, of which €62 million was already realized in 2015 because of reaching financial close for Nordsee One. This income is shown in "Income from investments".

GISA

In May 2014, enviaM AG sold a stake of 41% and MITGAS GmbH sold a stake of 10% in the IT service provider GISA, Halle, and its subsidiary ICS to itelligence AG. RWE International retains a 23.9% stake in the company, which is part of the Grid and Infrastructure Segment. A gain of €19 million upon deconsolidation was recognized in "Other operating income". This sum includes income from the revaluation of the remaining shares in the amount of €9 million.

Electricity Plus Supply Ltd. and Gas Plus Supply Ltd.

Effective as of 20 December 2013, RWE International sold its 100% stake in Electricity Plus Supply Ltd. and Gas Plus Supply Ltd. for £218 million. The gain on deconsolidation amounted to €199 million and has been recognized in the "Other operating income" line item in the income statement. The companies were assigned to the Retail Segment.

ML Wind LLP

On 8 November 2013, RWE Npower Renewable Ltd. indirectly sold a 49% stake in the company ML Wind LLP to fund management company Greencoat LK Wind. Prior to this, the onshore wind farms Lindhurst and Middlemoor had been transferred to ML Wind LLP by way of internal corporate restructuring. The sales price for the 49% stake in ML Wind LLP amounted to £71 million. RWE International still controls the company. With this sale, the share of equity attributable to RWE International SE's shareholders increased by €36 million and the share of non-controlling interests increased by €48 million.

Rhyl Flats Wind Farm Ltd.

On 22 March 2013, RWE International sold a 49.9% stake in Rhyl Flats Wind Farm Ltd., Swindon, United Kingdom, for £115 million. RWE International still controls the company, which operates an off-shore wind farm off the coast of Wales. With this sale, the share of equity attributable to RWE International SE's shareholders increased by €17 million and the share of non-controlling interests increased by €118 million.

Little Cheyne Court Wind Farm Ltd.

On 22 March 2013, RWE International sold a 41% stake in Little Cheyne Court Wind Farm Ltd., Swindon, United Kingdom, for £51 million. RWE International still controls the company, which operates an onshore wind farm in the County of Kent in the south-east of England. With this sale, the share of equity attributable to RWE International SE's shareholders increased by €32 million and the share of non-controlling interests increased by €27 million.

During the year ended 31 December 2015, RWE International Group recorded a total of gains and losses from the sales of shares that resulted in a change of control of €77 million (2014: -€55 million, 2013: €187 million) that were recognized as "Other operating income", "Other operating expenses" and "Other income from investments". This amount includes €23 million (2014: €45 million, 2013: €0 million) from the revaluation of the remaining shares held by RWE International Group.

During the year ended 31 December 2015, RWE International Group received proceeds of €116 million (2014: €43 million, 2013: €154 million) and paid €45 million (2014: €0 million, 2013: €0 million) as a result of sales and purchases of subsidiaries and other businesses that resulted in a change of control. All payments were made in cash. In connection with these transactions, during the year ended 31 December 2015, cash and cash equivalents (excluding "Assets held for sale") of €2 million (2014: €0 million, 2013: €0 million) were acquired and cash and cash equivalents of €9 million (2014: €2 million, 2013: €0 million) were disposed of.

Presentation of the combined financial statements and combination principles

Combination principles

All income, expenses, assets and liabilities that are attributable to the economic operations of the RWE International Group are reflected in the combined financial statements of the RWE International Group. This includes costs for corporate services that were provided by central functions to the whole RWE Group. Services provided to RWE International companies are included in the reporting periods of the combined financial statements either based on historical service level agreements that existed and were executed in the past or based on allocations by using appropriate allocation keys, if costs for services provided were not charged to the respective entities. Assumptions and estimates made with regard to the allocation of expenses were appropriately and consistently applied in each reporting period. The actual amounts, however, may vary from the estimates and therefore do not necessarily indicate what the results of operations of the RWE International Group would have been if it had existed as a separate group in the reporting periods.

The financial statements of German and foreign companies included in the scope of the combined financial statements are prepared using uniform accounting policies. On principle, subsidiaries whose fiscal years do not end on the RWE International Group's balance-sheet date (31 December) prepare interim financial statements as of that date. During the year ended 31 December 2015 three (2014: three, 2013: four) subsidiaries have divergent fiscal year-end and balance-sheet dates of 30 September, 31 October and 31 March. Divergent fiscal years compared to the calendar year stem from business or tax-related reasons or country-specific regulations.

Business combinations that were not under common control of the RWE Group are accounted for according to the acquisition method. This means that capital consolidation takes place by offsetting the purchase price, including the amount of the non-controlling interests, against the acquired subsidiary's net assets measured at fair value at the time of acquisition. In doing so, the non-controlling interests are measured at the pro-rated value of the subsidiary's identifiable net assets. The subsidiary's identifiable assets, liabilities and contingent liabilities are measured at full fair value, regardless

of the amount of the non-controlling interests. Intangible assets are reported separately from goodwill if they are separable from the company or if they stem from a contractual or other right. In accordance with IFRS 3, no new restructuring provisions are recognized within the scope of the purchase price allocation. If the purchase price exceeds the revalued net assets of the acquired subsidiary, the difference is capitalized as goodwill. If the purchase price is lower than the revalued net assets, the difference is included in income.

In the event of deconsolidation, the related goodwill is derecognized with an effect on income. Changes in the ownership share, which do not result in a loss of the ability to control the subsidiary are recognized without an effect on income. If there is a change in control, the remaining shares are revalued with an effect on income.

Expenses and income as well as receivables and payables between combined companies are eliminated. Intra-group profits and losses are eliminated.

The combined financial statements also include joint ventures and associates accounted for using the equity method. For these, goodwill is not reported separately, but rather included in the value recognized for the investment. In other respects, the consolidation principles described above apply analogously. If impairment losses on the equity value become necessary, they are reported under "Income from investments accounted for using the equity method". The financial statements of investments accounted for using the equity method are prepared using uniform accounting policies.

Joint operations result in pro-rata inclusion of the assets and liabilities as well as the revenues and expenses in accordance with the rights and obligations due to RWE International. In cases where the shareholding of the RWE International Group differs from the percentage of output RWE International receives from the joint operation, the share of assets and liabilities as well as revenues and expenses is determined based on the percentage of output.

Segment reporting

In April 2016, the Executive Board of RWE International SE, which is the chief operating decision maker of the RWE International Group, has implemented an internal reporting on a regional and functional basis. For its segment reporting in accordance with IFRS 8, the RWE International Group presents the three reportable segments

"Grid and Infrastructure", "Retail" and "Renewables". This segment reporting structure is presented in the combined financial statements for each of the reporting periods 2015, 2014 and 2013 (see Note 30).

Goodwill allocation

The goodwill included in the combined financial statements is based on the goodwill attributable to the companies or businesses that were transferred to the RWE International Group during the legal reorganization. The amounts correspond to the historically reported amounts in the IFRS consolidated financial statements of the

RWE Group (predecessor values). During the reporting periods presented, goodwill was tested based on the cash-generating unit structure used at that time by RWE Group to monitor goodwill as RWE International and the new reporting structure did not exist in the past.

Pensions and similar obligations

The combined financial statements include the pension obligations and associated plan assets or reimbursement rights attributable to the RWE International Group. The obligations were measured on the basis of actuarial valuations prepared by an external expert. Both active employees as well as those no longer active were included in the obligations of the RWE International companies. The obligations were determined on an individual basis. Plan assets that were not readily allocable were split based on the obligations of the plan sponsors. The actual amounts of the plan assets to be transferred may differ from the plan assets presented in the combined financial statements. The actuarial valuation parameters were determined and applied specifically for the RWE International Group (see Note 23).

In Germany, as a result of contractual agreements between RWE AG and RWE International, RWE AG released RWE International companies in the past for parts of the underlying pension obligations, whereby RWE International companies' right of recourse was limited to the local GAAP obligation. This contractual agreement will be canceled and corresponding assets will be transferred to RWE International companies. As of 31 December 2015, 31 December 2014 and 31 December 2013 these assets have been split into plan assets respectively reimbursement rights against RWE AG. The plan assets, if not clearly attributable, were generally allocated on a pro-rata basis dependent on the IFRS funding level within RWE Group. The residual part of RWE International companies' right of recourse against RWE AG was presented as reimbursement rights within the meaning of IAS 19 (further information is provided in Note 23).

Capital structure

The equity of the RWE International Group consists of the invested equity attributable to the RWE International Group, accumulated other comprehensive income and non-controlling interests. The combined financial statements do not show subscribed capital.

During the reporting periods of the combined financial statements, the RWE International Group was mainly financed by the RWE Group. In December 2015, a portion of the existing intercompany loans was replaced by external bonds as a result of the sale of RWE Finance B.V., 's-Hertogenbosch, Netherlands, to RWE Innogy

GmbH, Essen, Germany, a company that was transferred to the RWE International Group in April 2016. RWE Finance B.V. does not constitute a business in accordance with IFRS 3. As a result, the acquired financial assets and liabilities were recorded in accordance with IAS 39 and are included prospectively in the combined financial statements. The capital structure of the RWE International Group at the time of the initial public offering will differ from the capital structure presented in the combined financial statements. It is intended to continue to replace the net debt to the RWE Group by external financing.

Combined Statement of Cash Flows

Operating transactions of the RWE International Group with the RWE Group are reported in the cash flows from operating activities. Financing transactions with the RWE Group – including cash pooling – are presented in the cash flows from financing activities. The transactions with the RWE Group also include cash inflows and outflows in connection with profit and loss transfer agreements

between RWE International and RWE Group companies, capital contributions and transfers from reserves in connection with the legal reorganization as well as tax receivables, tax liabilities and deferred taxes presented as contributions or withdrawals under the separate tax return approach.

Income taxes and deferred taxes

Current and deferred income taxes are recognized in accordance with IAS 12. For purposes of the combined financial statements, income taxes are determined under the assumption that the RWE International entities constitute separate taxable entities (separate tax return approach). This assumption implies that the current and deferred taxes of all companies and of the fiscal units within the RWE International Group are calculated separately and that the recoverability of deferred tax assets is assessed on this basis. Deferred tax assets resulting from tax loss carryforwards were recognized in the combined financial statements to the extent that it is probable that they can be offset with future taxable income from the respec-

tive RWE International company. If an RWE International company did not constitute a separate tax payer in previous years, the respective tax receivables and liabilities as well as deferred tax assets on loss carryforwards were treated in the relevant years as contributions or transfers from reserves by shareholders that are not included in the RWE International Group.

The management of the RWE International Group deems this approach as appropriate but not necessarily indicative of the tax expense or income that would result for RWE International as a separate group.

Foreign currency translation

In their individual financial statements, the companies measure non-monetary foreign currency items at the balance-sheet date using the exchange rate in effect on the date they were initially recognized. Monetary items are converted using the exchange rate valid on the balance-sheet date. Exchange rate gains and losses from the measurement of monetary balance-sheet items in foreign currency occurring up to the balance-sheet date are recognized in the income statement as other operating income or expense.

Functional currency translation is applied when converting the financial statements of companies with functional currencies other than euros. As the principal foreign enterprises included in the combined financial statements conduct their business activities inde-

pendently in their functional currencies, their balance-sheet items are translated into euros in the combined financial statements using the daily average exchange rate prevailing on the balance-sheet date. This also applies for goodwill, which is viewed as an asset of the economically autonomous foreign entity. Changes in currency translation year over year are recorded in other comprehensive income without an effect on income. Expense and income items are translated using annual average exchange rates. When translating the adjusted equity of foreign companies accounted for using the equity method, the same procedures are followed.

The following exchange rates (amongst others) were used as a basis for foreign currency translations:

Exchange rates in €	Average			Year-end		
	2015	2014	2013	31 Dec 2015	31 Dec 2014	31 Dec 2013
1 US-dollar	0.91	0.76	0.75	0.92	0.82	0.73
1 Pound sterling	1.38	1.25	1.18	1.36	1.28	1.20
100 Czech korunas	3.67	3.63	3.84	3.70	3.61	3.65
100 Hungarian forints	0.32	0.32	0.34	0.32	0.32	0.34
1 Polish zloty	0.24	0.24	0.24	0.23	0.23	0.24

Accounting policies

Intangible assets are carried at amortized cost. With the exception of goodwill, intangible assets have finite useful lives and are amortized using the straight-line method. The useful lives and methods of amortization are reviewed on an annual basis.

Software for commercial and technical applications is amortized over a period of three to five years. "Operating rights" refer to the entirety of the permits and approvals required for the operation of a power plant. Such rights are generally amortized over the economic life of the plant, using the straight-line method. Easement agreements in the electricity and gas business, and other easement rights, usually have useful lives of 20 years. Concessions in the water business generally have terms of up to 25 years. Capitalized customer relations are amortized over a period of up to ten years.

Goodwill is not amortized; instead it is subjected to an impairment test annually, or more frequently if there are indications of impairment.

Development costs are capitalized if a newly developed product or process can be clearly identified, if it is technically feasible and if the company intends to either use the product or process itself or market it. Furthermore, capitalization of development costs requires that there be a sufficient level of certainty that the development costs lead to future cash inflows. Capitalized development costs are amortized over the time period during which the products are expected to be sold. Research expenditures are recognized as expenses in the period in which they are incurred.

An impairment loss is recognized for an intangible asset if the recoverable amount of the asset is less than its carrying amount. A special regulation applies for cases when the asset is part of a cash-generating unit. Such units are defined as the smallest identifiable group of assets which generates cash inflows from other assets or group of assets. If the intangible asset is part of a cash-generating unit, the impairment loss is calculated based on the recoverable amount of this unit. If goodwill was allocated to a cash-generating unit and the carrying amount of the unit exceeds the recoverable amount, the allocated goodwill is initially written down by the difference. Impairment losses which must be recognized in addition to this are taken into account by reducing the carrying amount of the other assets of the cash-generating unit on a pro-rated basis. If the reason for an impairment loss recognized in prior periods has ceased to exist, a reversal to intangible assets is performed. The increased carrying amount resulting from the reversal may not, however, exceed the amortized cost. Impairment losses on goodwill are not reversed.

Property, plant and equipment is stated at historical cost, less depreciation. Borrowing costs are capitalized as part of the asset's cost, if they are directly attributable with the acquisition or production of a "qualified asset" for which a considerable period of time is required to prepare the asset for use or sale. If necessary, the cost of property, plant and equipment may contain the estimated expenses for the decommissioning of plants or site restoration. Maintenance and repair costs are recognized as expenses.

With the exception of land and leasehold rights, as a rule, property, plant and equipment is depreciated using the straight-line method, unless in exceptional cases another depreciation method is better suited to the usage pattern. The depreciation of RWE International's typical property, plant and equipment is calculated according to the following useful lives, which apply throughout the Group:

Useful life in years	
Buildings	10–54
Technical plants	
Thermal power plants	10–43
Wind turbines	up to 23
Electricity grids	20–45
Water main networks	12–80
Gas and water storage facilities	12–60
Gas distribution facilities	10–40
Other renewable generation facilities	4–40

Property, plant and equipment classified as finance lease is capitalized at the fair value of the leased asset or the present value of the minimum lease payments, depending on which is lower. They are depreciated using the straight-line method over the expected useful life or the lease term, whichever is shorter.

For operating leases, in which RWE International is the lessee, the minimum lease payments are recognized as an expense over the term of the lease. If RWE International is the lessor, the minimum lease payments are recognized in income over the term of the lease.

Impairment losses and reversals on property, plant and equipment are recognized according to the principles described for intangible assets.

Investments accounted for using the equity method are initially recognized at cost and adjusted thereafter to recognize the Group's share of post acquisition changes of profits or losses, dividends and all other changes in equity. Goodwill is not reported separately, but rather included in the recognized value of the investment. Goodwill is not amortized. An impairment loss is recognized for investments accounted for using the equity method, if the carrying amount exceeds the recoverable amount.

Other financial assets are comprised of shares in non-consolidated subsidiaries and in associates and joint ventures not accounted for using the equity method, as well as other investments and non-current marketable securities; these assets are shown in the category "Available for sale". This category includes financial instruments which are neither loans and receivables, nor financial instruments held to maturity, and are not measured at fair value through profit or loss. Upon initial recognition and in the following periods, they are recorded at fair value as long as such can be determined reliably. Initial measurement occurs at the settlement date; unrealized gains and losses are stated as other comprehensive income, with due consideration of any deferred taxes. Gains or losses are recognized in the income statement upon the sale of the financial instruments. If there is objective evidence of a reduction in the value of an asset, an impairment loss is recognized with an effect on income. Such indications can be that there is no longer an active market for a financial asset or that a debtor is experiencing significant financial difficulties, or is possibly delinquent on payments of interest or principal.

Receivables are comprised of **financial receivables, trade accounts receivable and other receivables**. Aside from financial derivatives, **receivables and other assets** are stated at amortized cost. Impairment of receivables are recorded to the allowances for doubtful accounts and are based on the actual default risk. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering cash for these receivables. Prepayments received from customers for consumption which is yet to be metered and billed are netted out against trade accounts receivable of the utilities.

Loans reported under financial receivables are stated at amortized cost. Loans with interest rates common in the market are shown on the balance sheet at nominal value. As a rule, however, non-interest or low-interest loans are disclosed at their present values discounted using an interest rate commensurate with the risks involved.

CO₂ emission allowances and certificates for renewable energies are accounted for as intangible assets and reported under other assets. Allowances which are purchased and allowances allocated free of charge are both stated at cost and are not amortized.

Deferred taxes result from temporary differences in the carrying amount in the separate IFRS financial statements and tax bases, and from consolidation procedures. Deferred tax assets also include tax reduction claims resulting from the expected utilization of existing loss carryforwards in subsequent years. Deferred taxes are capitalized if it is sufficiently certain that the related economic advantages can be used. Their amount is assessed with regard to the tax rates applicable or expected to be applicable in the specific country at the time of realization. The tax regulations valid or adopted as of the balance-sheet date are key considerations in this regard. The tax rate used to calculate deferred taxes in Germany is 31.4% (2014: 31.4%, 2013: 31.4%). This is derived from the prevailing 15% corporate tax rate, the solidarity surcharge of 5.5%, and the Group's average local trade tax rate. Deferred tax assets and deferred tax liabilities are netted out for each company and/or tax group.

Inventories are assets which are held for sale in the ordinary course of business (finished goods and goods for resale), which are in the process of production (work in progress – goods and services) or which are consumed in the production process or in the rendering of services (raw materials).

Inventories are carried at the lower of cost or net realizable value. Production costs reflect the full costs directly related to production; they are determined based on normal capacity utilization and, in addition to directly allocable costs, they also include adequate portions of required materials and production overheads. They also include production-related depreciation. Borrowing costs, however, are not capitalized as part of the cost. The determination of cost is generally based on average cost formula.

If the net realizable value of inventories written down in earlier periods has increased, the reversal of the write-down is recognized as a reduction of the cost of materials.

Securities classified as current **marketable securities** essentially consist of marketable securities held in special funds as well as fixed-interest securities which have a maturity of more than three months and less than one year from the date of acquisition. All of these securities are classified as "Available for sale" and are stated at fair value. The transaction costs directly associated with the acquisition of these securities are included in the initial measurement, which occurs on their settlement date. Unrealized gains and losses are included in other comprehensive income without an effect on income, with due consideration of any deferred taxes. If there are objective, material indications of a reduction in value, an impairment loss is recognized with an effect on income. The results of sales of securities are also recognized in the income statement.

Cash and cash equivalents consist of cash on hand, demand deposits and current fixed-interest securities with original maturities of three months or less from the date of acquisition.

Assets are stated under **assets held for sale** if they can be sold in their present condition and their sale is highly probable. Such assets may be certain non-current assets, asset groups ("Disposal groups") or operations ("Discontinued operations"). Liabilities intended to be sold in a transaction together with assets are a part of a disposal group or discontinued operations, and are reported separately under **liabilities held for sale**.

Non-current assets held for sale are no longer depreciated or amortized. They are recognized at fair value less costs to sell, as long as this amount is lower than the carrying amount.

Gains or losses on the valuation of specific assets held for sale and of disposal groups are stated under income from continuing operations until final completion of the sale.

The groupwide stock option plans are accounted for as cash-settled **share-based payments**. At the balance-sheet date, a provision is recognized in the amount of the pro-rated fair value of the payment obligation. Changes in the fair value are recognized with an effect on income. The fair value of options is determined using generally accepted valuation methodologies.

Provisions are recognized for all legal and constructive obligations to third parties which exist on the balance-sheet date and stem from past events which will probably lead to an outflow of resources, and the amount of which can be reliably estimated. Provisions are carried at their prospective settlement amount and are not offset against reimbursement claims. If a provision involves a larger number of outcomes, the obligation is estimated by weighting all possible outcomes by their probability of occurrence (expected value method).

All non-current provisions are recognized at their prospective settlement amount, which is discounted at the balance-sheet date. In the determination of the settlement amount, any cost increases likely to occur up until the time of settlement are taken into account.

If necessary, the cost of property, plant and equipment may contain the estimated expenses for the decommissioning of plants or site restoration. Decommissioning, restoration and similar provisions are recognized for these expenses. If changes in the discount rate or changes in the estimated timing or amount of the payments result in changes in the provisions, the carrying amount of the respective asset is increased or decreased by the corresponding amount. If the decrease in the provision exceeds the carrying amount, the excess is recognized immediately through profit or loss.

As a rule, releases of provisions are credited to the expense account on which the provision was originally recognized.

Provisions for pensions and similar obligations are recognized for defined benefit plans. These are obligations of the company to pay future and ongoing post-employment benefits to entitled current and former employees and their surviving dependents. In particular, the obligations refer to retirement pensions. Individual commitments are generally linked to the employees' length of service and compensation.

Provisions for defined benefit plans are based on the actuarial present value of the respective obligation. This is measured using the projected unit credit method. The projected unit credit method not only takes into account the pension benefits and benefit entitlements known as of the balance-sheet date, but also anticipated future increases in salaries and pension benefits. The calculation is based on actuarial reports, taking into account appropriate biometric parameters (for Germany, in particular the "Richttafeln 2005 G" by Klaus Heubeck, and Standard S1PA for the United Kingdom). The provision derives from the balance of the actuarial present value of the obligations and the fair value of the plan assets. The service cost is disclosed in staff costs. Net interest is included in the financial result.

Gains and losses on the revaluation of net debt or net assets are fully recognized in the fiscal year in which they occur. They are reported outside of profit or loss, as a component of other comprehensive income in the statement of comprehensive income, and are immediately assigned to the invested equity attributable to the owners of the RWE International Group. They remain outside profit or loss in subsequent periods as well.

In the case of defined contribution plans, the enterprise's obligation is limited to the amount it contributes to the plan. Contributions to the plan are reported under staff costs.

A provision is recognized to cover the obligation to submit certificates for renewable energies to the respective authorities; this provision is measured at the carrying amount of the certificates for renewable energies capitalized for this purpose. If a portion of the obligation is not covered with the available certificates, the provision for this portion is measured using the market price of the certificates for renewable energies on the reporting date.

Liabilities consist of **income tax liabilities, financial liabilities, trade accounts payable** and **other liabilities**. Upon initial recognition, these are stated at fair value including transaction costs and are carried at amortized cost in the periods thereafter (except for derivative financial instruments).

Other liabilities include advances and contributions in aid of construction and building connection that are carried as liabilities by the utilities and are generally amortized and included in income over the useful life of the corresponding asset.

Furthermore, certain non-controlling interests are also included in other liabilities. Specifically, this pertains to purchase price obligations from rights to tender non-controlling interests (put options).

Derivative financial instruments are recognized as assets or liabilities and measured at fair value, regardless of their purpose. Changes in the fair value are recognized with an effect on income, unless the instruments are used for hedge accounting purposes.

The purpose of hedges of a net investment in foreign operations is to hedge the currency risk from investments with foreign functional currencies. Unrealized gains and losses from such hedges are recognized in other comprehensive income until disposal of the foreign operation.

IAS 39 stipulates the conditions for the recognition of hedging relationships. Amongst other things, the hedging relationship must be documented in detail and be effective. According to IAS 39, a hedging relationship is effective when the changes in the fair value of the hedging instrument are within 80% and 125%, both prospectively and retrospectively, of the opposite change in the fair value of the hedged item. Only the effective portion of a hedge is recognized in accordance with the preceding rules. The ineffective portion is recognized immediately in the income statement.

Contracts on the receipt or delivery of non-financial items in accordance with the company's expected purchase, sale or usage requirements (own use contracts as defined in IAS 39) are not accounted for as derivative instruments, but rather as executory contracts. If the contracts contain embedded derivatives, the derivatives are accounted for separately from the host contract, insofar as the economic characteristics and risks of the embedded derivatives are not closely related to the economic characteristics and risks of the host contract. Written options to buy or sell a non-financial item which can be settled in cash are not own use contracts.

Contingent liabilities are possible obligations to third parties or existing obligations which are not probable to lead to an outflow of economic benefits or the amount of which cannot be measured reliably. Contingent liabilities are only recognized on the balance sheet if they were assumed within the framework of a business combination. The amounts disclosed in the Notes correspond to the exposure at the balance-sheet date.

Management judgements in the application of accounting policies. Management judgements are required in the application of accounting policies. In particular, this pertains to the following:

- With regard to certain contracts, a decision must be made as to whether they are treated as derivatives or as so-called own use contracts, and be accounted for as executory contracts.
- Financial assets must be allocated to the categories "Held to maturity investments", "Loans and receivables", "Financial assets available for sale" and "Financial assets at fair value through profit or loss"
- With regard to "Financial assets available for sale", a decision must be made as to if and when reductions in value are to be recognized as impairments with an impact on income.
- With regard to assets held for sale, it must be determined if they can be sold in their current condition and if the sale of such is highly probable. If both conditions apply, the assets and any related liabilities must be reported and measured as "Assets held for sale" or "Liabilities held for sale", respectively.

Management estimates and judgements. Preparation of combined financial statements pursuant to IFRS requires assumptions and estimates to be made, which have an impact on the recognized value of the assets and liabilities carried on the balance sheet, on income and expenses and on the disclosure of contingent liabilities. In preparing the combined financial statements, additional assumptions and estimates were made, amongst others in connection with allocated expenses for services provided by RWE Group companies.

Furthermore, the income and expenses assigned to the RWE International Group reflect the income and expenses that would have resulted for the RWE International Group as part of the RWE Group based on the explanations provided here.

Thus, the combined financial statements presented do not necessarily reflect the financial position and results of operations that would have occurred if RWE International had existed as a separate group in the reporting periods. The fact that the RWE International Group did not historically exist therefore limits the validity of the combined financial information. It also means that the combined financial information cannot be used to forecast the future development of the operations that have been combined to form the RWE International Group.

Amongst other things, assumptions and estimates are made in the accounting and measurement of provisions. With regard to non-current provisions, the discount rate to be applied is an important estimate in addition to the amount and timing of future cash flows. The discount rate for pension obligations is determined on the basis of yields of high quality, fixed-rate corporate bonds on the financial markets as of the balance-sheet date.

The impairment test for goodwill and non-current assets is based on certain assumptions pertaining to the future, which are regularly adjusted. Property, plant and equipment is tested for indications of impairment on each balance-sheet date.

Upon first time consolidation of a company, the identifiable assets, liabilities and contingent liabilities are recognized at fair value. Determination of fair value is based on valuation methods which require estimation in the projection of future cash flows.

Deferred tax assets are recognized if realization of future tax benefits is probable. Actual future development of income for tax purposes and hence potential for realization of deferred tax assets, however, may deviate from the estimation made when the deferred taxes are capitalized.

Further information on the assumptions and estimates upon which these combined financial statements are based can be found in the explanations of the individual items.

All assumptions and estimates are based on the circumstances and forecasts prevailing on the balance-sheet dates as of 31 December 2015, 31 December 2014 and 31 December 2013. Furthermore, as of these balance-sheet dates, realistic assessments of overall economic conditions in the sectors and regions in which RWE International conducts operations are taken into consideration with regard to the prospective development of business. Actual amounts may deviate from the estimated amounts if the overall conditions develop differently than expected. In such cases the assumptions and, if necessary, the carrying amounts of the affected assets and liabilities are adjusted.

As of the date of preparation of the combined financial statements, it is not presumed that there will be any material changes compared to the assumptions and estimates.

Capital management. In the reporting periods for the combined financial statements, the RWE International Group was included in the capital management of the RWE Group.

RWE's capital management is focused on ensuring access to the capital market at all times, to enable the efficient refinancing of maturing debts. This goal is pursued by maintaining a investment grade rating, targeting an ongoing positive cash balance and partially pre-financing the non-current provisions with invested financial assets.

Among other things, RWE manages its capital structure on the basis of financial indicators. One key indicator is the "leverage factor", which is calculated using net debt. Net debt is calculated by adding material non-current provisions to net financial debt, and subtracting the surplus of plan assets over benefit obligations; furthermore, hybrid capital is corrected, with the result that one half of this is included in net debt. The leverage factor is the ratio of net debt to EBITDA. As of 31 December 2015, it was 3.6 (2014: 3.8, 2013: 3.5).

New accounting policies

The International Accounting Standards Board (IASB) has adopted International Financial Reporting Standards (IFRSs) and amendments to IFRS, which were not yet mandatory in the EU in the reporting periods of the combined financial statements. EU endorsement is still pending in some cases.

IFRS 9 Financial Instruments (2014) replaces the previous regulations of IAS 39 on financial instruments. It contains amended regulations on measurement categories for financial assets and includes some smaller changes in relation to the measurement of financial liabilities. Fair value measurement without an effect on income is applicable for debt instruments reported under assets that meet specific conditions. It also contains regulations on the impairment of assets and the recognition of hedge accounting. The rules on impairment will now apply to expected losses. The new regulations on hedge accounting are intended to enable better reporting of the risk management activities in the consolidated financial statements. To this end, IFRS 9 (2014) expands the range of underlying transactions qualifying for hedge accounting and simplifies effectiveness testing, amongst other things. The new standard becomes effective for fiscal years starting on or after 1 January 2018. The effects of IFRS 9 (2014) on the RWE International Group's consolidated financial statements are being reviewed.

IFRS 15 Revenue from Contracts with Customers (2014) including amendments to IFRS 15 "Effective date of IFRS 15" (2015) and Clarifications to IFRS 15 "Revenue from Contracts with Customers" (2016) will replace IAS 18 Revenue and IAS 11 Construction Contracts. The new standard does not distinguish between different types of orders and performance; instead it establishes uniform criteria as to when revenue is realized for a performance obligation at a point in time or over time. Revenue is realized when the customer obtains control over the agreed goods and services

The RWE Group's credit rating is influenced by a number of qualitative and quantitative factors. These include aspects such as the amount of cash flows and debt as well as market conditions, competition, and the political framework. The hybrid bonds totalling €1.25 billion, US\$1.5 billion, £0.75 billion and CHF0.4 billion support this rating. The two leading rating agencies, Moody's and Standard & Poor's, classify one half of hybrid capital as equity. As a result, the debt indicators relevant to the rating are better than they would be if the RWE Group had only issued traditional bonds.

At 31 December 2015, the non-subordinated bonds issued by RWE were rated Baa2 by Moody's and BBB by Standard & Poor's, both with negative outlooks (2014: Baa1 by Moody's and BBB+ by Standard & Poor's, both with stable outlook, 2013: Baa1 by Moody's and BBB+ by Standard & Poor's, both with stable outlook). The rating thus remains in the investment-grade range. The credit ratings are P-2 and A-2, respectively, for short-term RWE bonds (2014: P-2 and A-2, 2013: P-2 and A-2).

and can obtain the benefits from such. The new standard becomes effective for fiscal years starting on or after 1 January 2018. The effects of IFRS 15 (2014) on the RWE International Group's consolidated financial statements are being reviewed.

IFRS 16 Leases (2016) will replace the IAS 17 Leases and IFRIC 4, SIC-15 and SIC-27. According to the new leasing standard, with the exception of short-term leases (less than twelve months) and the leasing of assets with low value, all leases are to be recognized on the balance sheet of the lessee. Accordingly, regardless of economic ownership of the leased asset, the lessee must capitalize a right of use for the asset and recognise a corresponding liability in the amount of the present value of the binding lease payments. For lessors, there are no material changes to the current accounting as per IAS 17. The new standard becomes effective for fiscal years starting on or after 1 January 2019. The effects of IFRS 16 (2016) on the RWE International Group's consolidated financial statements are being reviewed.

The following standards, amendments to standards, and interpretations are not expected to have any material effects on the RWE International Group's consolidated financial statements:

- Amendments to IFRS 2 "Classification and Measurement of Share-based Payment Transactions" (2016)
- Amendments to IAS 12 "Recognition of Deferred Tax Assets for Unrealised Losses" (2016)
- Amendments to IAS 7 "Disclosure Initiative" (2016)
- Amendments to IFRS 11 "Accounting for Acquisitions of Interests in Joint Operations" (2014)
- Amendments to IAS 1 "Disclosure Initiative" (2014)
- Amendments to IAS 16 and IAS 38 "Clarification of Acceptable Methods of Depreciation and Amortization" (2014)

- Amendments to IAS 16 and IAS 41 "Bearer Plants" (2014)
- Amendments to IAS 27 "Equity Method in Separate Financial Statements" (2014)
- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture" (2014), including amendments to IFRS 10 and IAS 28, "Effective Date of Amendments to IFRS 10 and IAS 28" (2015)
- Amendments to IFRS 10, IFRS 12 and IAS 28 "Investment Entities: Applying the Consolidation Exception" (2014)
- Annual Improvements to IFRSs 2012-2014 Cycle (2014)
- Amendments to IAS 19 "Defined Benefit Plans: Employee Contributions" (2013)
- Annual Improvements to IFRSs Cycle 2010-2012 (2013)

Notes to the Income Statement

(1) Revenue

Generally revenue is recorded when the goods have been delivered or the services have been rendered, and the risks related to the goods or services have been transferred to the customer.

A breakdown of revenue by division and geographical region is contained in the segment reporting (see Note 30).

RWE International did not generate more than 10% of revenues with any single customer during the years ended 31 December 2015, 2014 and 2013.

The item natural gas tax/electricity tax comprises the taxes paid directly by Group companies.

(2) Other operating income

Other operating income € million	2015	2014	2013
Income from own work capitalized	235	132	109
Income from changes in finished goods and work in progress	51	46	53
Cost allocations/refunds	55	54	95
Disposal and reversal of current assets (excluding marketable securities)	55	43	36
Disposal and reversal of non-current assets including income from deconsolidation	193	221	291
Income from derivative financial instruments	8	19	166
Compensation and insurance benefits	47	140	57
Rent and lease	14	17	17
Exchange rate gains	14	8	-
Remeasurement gain in step acquisitions	159	-	-
Miscellaneous	273	306	381
	1,104	986	1,205

Income from the disposal of non-current financial assets and loans is disclosed under income from investments if it relates to invest-

ments; otherwise it is recorded as part of the financial result as is the income from the disposal of current marketable securities.

(3) Cost of materials

Cost of materials € million	2015	2014	2013
Cost of raw materials and of goods for resale	25,226	26,478	28,296
Cost of purchased services	9,534	8,682	9,133
	34,760	35,160	37,429

(4) Staff costs

Staff costs € million	2015	2014	2013
Wages and salaries	2,127	2,179	2,287
Cost of social security, pensions and other benefits	609	575	613
	2,736	2,754	2,900

The number of employees is calculated by converting to full-time equivalents, meaning that part-time and fixed-term employment relationships are included in accordance with the ratio of the part-time work or the duration of the employment to the annual employ-

(5) Depreciation, amortisation and impairment losses

Depreciation, amortization and impairment losses € million	2015	2014	2013
Intangible assets	394	213	681
Property, plant and equipment	1,240	1,226	1,469
	1,634	1,439	2,150

During the year ended 31 December 2015, amortization of customer relationships from acquired companies was €24 million (2014: €30 million, 2013: €31 million), included in amortization of intangible assets.

Impairments € million	2015	2014	2013
Intangible assets	221	14	433
Property, plant and equipment	48	128	374
	269	142	807

During the year ended 31 December 2015, in relation to intangible assets, an impairment loss of €173 million was recognized for IT systems in the segment Retail United Kingdom, due to impairment of these assets (recoverable amount: €166 million).

During the years ended 31 December 2015, 2014 and 2013, impairment losses of €62 million, €101 million and €181 million respectively (of which €43 million (2014: €87 million, 2013: €137 million) pertained to property, plant and equipment and €19 million (2014: €14 million, 2013: €44 million) to intangible assets) were recognized for gas storage facilities in the Grid and Infrastructure Segment, largely due to changes in price expectations (recoverable amounts: 2015: €19 million, 2014: €92 million, 2013: €285 million).

Number of employees	2015	2014	2013
Employees covered by collective agreements and other employees	30,619	31,940	33,367
Employees not covered by collective agreements	7,983	7,693	9,138
	38,602	39,633	42,505

ment time. On average, 1,357 trainees were employed during the year ended 31 December 2015 (2014: 1,425, 2013: 1,503). Trainees are not included in the personnel headcount.

During the year ended 31 December 2013, of the impairment losses on intangible assets, €92 million pertained to operating rights in the Renewables Segment. These impairments mainly resulted from the future loss of feed-in compensation for onshore wind farms in the Netherlands (recoverable amount: €239 million).

During the year ended 31 December 2013, an impairment of €260 million was recognized on a German offshore wind farm in the Renewables Segment (of which €185 million pertained to property, plant and equipment and €75 million to operating rights reported under intangible assets), mainly due to delays in network connection and increased investment costs (recoverable amount: €521 million).

During the year ended 31 December 2013, an impairment of €270 million was recognized on Spanish onshore wind farms in the Renewables Segment (of which €48 million pertained to property, plant and equipment and €222 million to operating rights reported under intangible assets), mainly due to the deterioration of the regulatory environment in Spain (recoverable amount: €205 million).

Recoverable amounts are determined on the basis of fair values less costs of disposal using valuation models based on planned cash flows. The discount rates amounted to 5.25% in 2015, to 5.75% in 2014 and ranged from 4.5% to 7.5% in 2013. The key planning assumptions for the business segments active in Europe's electricity and gas markets relate to the development of wholesale prices for electricity and natural gas, retail prices of electricity and gas, market shares and regulatory framework conditions. Based on the use of internal planning assumptions, the determined fair values are assigned to Level 3 of the fair value hierarchy.

(6) Other operating expenses

Other operating expenses € million	2015	2014	2013
Maintenance and renewal obligations	711	747	542
Concessions, licenses and other contractual obligations	435	447	489
Structural and adaption measures	4	22	202
Legal and other consulting and data processing services	234	173	232
Disposal of current assets and decreases in values (excluding decreases in the value of inventories and marketable securities)	320	296	297
Disposal of non-current assets including expenses from deconsolidation	26	88	47
Insurance, commissions, freight and similar distribution costs	117	115	183
General administration	115	117	130
Advertising	194	214	161
Expenses from derivative financial instruments	30	6	25
Lease payments for plant and grids as well as rents	126	120	153
Postage and monetary transactions	75	57	70
Fees and membership dues	60	50	40
Exchange rate losses	-	-	29
Other taxes (primarily on property)	57	59	70
Miscellaneous	319	252	358
	2,823	2,763	3,028

During the year ended 31 December 2015, miscellaneous other operating expenses contain overhead costs allocated to the RWE International Group at the amount of €151 million (2014: €159 million, 2013: €165 million).

(7) Income from investments

Income from investments includes all income and expenses which have arisen in relation to operating investments. It is comprised of

income from investments accounted for using the equity method and other income from investments.

Income from investments € million	2015	2014	2013
Income from investments accounted for using the equity method	228	234	215
of which: amortization/impairment losses/reversals on investments accounted for using the equity method	-5	-11	-4
Income from non-consolidated subsidiaries	3	5	11
of which: amortization/impairment losses on non-consolidated subsidiaries	-1	-2	-1
Income from other investments	32	26	29
of which: impairment of shares in other investments	-1	-8	-2
Income from the disposal of investments	221	169	35
Expenses from the disposal of investments	7	8	4
Income from loans to investments	34	26	23
Expenses from loans to investments	18	52	24
Other income from investments	265	166	70
	493	400	285

Expenses from loans to investments relate exclusively to impairment losses.

(8) Financial result

Financial result	2015	2014	2013
€ million			
Interest and similar income	279	356	352
Other financial income	299	89	54
Financial income	578	445	406
Interest and similar expenses	606	685	683
Interest accretion to			
Provisions for pensions and similar obligations (including capitalized surplus of plan assets)	95	127	137
Other provisions	37	104	41
Other finance cost	142	84	112
Finance cost	880	1,000	973
	-302	-555	-567

The financial result is composed of net interest, interest accretion to provisions, other financial income and other finance costs.

Interest accretion to provisions contains the annual amounts of accrued interest. It is reduced by interest income on plan assets for the coverage of pension obligations.

Net interest essentially includes interest income from interest-bearing securities and loans, income and expenses relating to marketable securities, and interest expenses.

During the year ended 31 December 2015, €4 million in borrowing costs were capitalized in connection with the acquisition, construction and production of qualifying assets (2014: €2 million, 2013: €2 million). The underlying capitalization rate ranged from 5.0% to 5.1% (2014: from 4.9% to 5.25%, 2013: from 5.0% to 5.25%).

Net interest	2015	2014	2013
€ million			
Interest and similar income	279	356	352
Interest and similar expenses	606	685	683
	-327	-329	-331

Net interest stems from financial assets and liabilities, which are allocated to the following categories:

Interest result by category	2015	2014	2013
€ million			
Loans and receivables	236	306	298
Financial assets available for sale	43	50	54
Financial liabilities carried at (amortized) cost	-606	-685	-683
	-327	-329	-331

During the year ended 31 December 2015, other financial income includes €279 million in gains realized from the disposal of marketable securities (2014: €68 million, 2013: €37 million). Of the other finance costs, €37 million in 2015 (2014: €9 million, 2013: €5 million) resulted from realized losses on the disposal of marketable securities.

(9) Taxes on income

Taxes on income € million	2015	2014	2013
Current taxes on income	937	596	616
Deferred taxes	-77	-73	-65
	860	523	551

During the year ended 31 December 2015, of the deferred taxes, €36 million is related to temporary differences (2014: €16 million, 2013: -€20 million). Changes in valuation allowances for deferred tax assets amounted to -€115 million (2014: -€113 million, 2013: €422 million).

During the year ended 31 December 2015, current taxes on income contain €49 million in net tax income (2014: income of €54 million, 2013: expenses of -€16 million) relating to prior periods.

Due to the utilization of tax loss carryforwards unrecognized in prior years, current taxes on income were reduced by €1 million during the year ended 31 December 2015 (2014: €1 million, 2013: €1 million). Expenses from deferred taxes declined by €100 million during the year ended 31 December 2015 (2014: €3 million, 2013: €0 million), due to reassessments of and previously unrecognized tax carryforwards.

Income taxes recognized in other comprehensive income € million	2015	2014	2013
Fair valuation of financial instruments available for sale	15	-17	2
Actuarial gains and losses of defined benefit pension plans and similar obligations	-213	391	-98
	-198	374	-96

Tax reconciliation € million	2015	2014	2013
Income before tax	2,798	2,221	1,445
Theoretical tax expense	879	697	454
Differences to foreign tax rates	-55	-48	-154
Tax effects on			
Tax-free domestic dividends	-68	-50	-53
Tax-free foreign dividends	-7	-13	-7
Other tax-free income	-14	-2	-1
Expenses not deductible for tax purposes	258	20	48
Accounting for associates using the equity method (including impairment losses on associates' goodwill)	16	-4	12
Unutilisable loss carryforwards, utilisation of unrecognized loss carryforwards, write-downs on loss carryforwards, recognition of loss carryforwards	-61	43	144
Income on the disposal of investments	-95	-17	-13
Changes in foreign tax rates	-19	-3	-38
Tax effects from prior periods, international income taxes and other effects	26	-100	159
Effective tax expense	860	523	551
Effective tax rate in %	30.7	23.5	38.1

Notes to the Balance Sheet

(10) Intangible assets

Intangible assets	Development costs	Concessions, patent rights, licences and similar rights	Customer relationships and similar rights	Goodwill	Prepayments	Total
€ million						
Cost						
Balance at 1 Jan 2015	987	1,902	3,073	10,501	1	16,464
Additions/disposals due to changes in the scope of combination	0	16	83	271	0	370
Additions	206	49	–	10	5	270
Transfers	–1	3	–	0	0	2
Currency translation adjustments	53	19	162	192	0	426
Disposals	139	30	–	–	0	169
Balance at 31 Dec 2015	1,106	1,959	3,318	10,974	6	17,363
Accumulated amortization/impairment losses						
Balance at 1 Jan 2015	516	1,400	2,853	0	–	4,769
Additions/disposals due to changes in the scope of combination	0	–6	–	–	–	–6
Amortization/impairment losses of the reporting period	234	135	24	–	1	394
Transfers	0	0	–	0	–	0
Currency translation adjustments	24	7	162	0	–	193
Disposals	137	28	–	–	–	165
Reversals	–	0	–	–	–	0
Balance at 31 Dec 2015	637	1,508	3,039	0	1	5,185
Carrying amounts						
Balance at 31 Dec 2015	469	451	279	10,974	5	12,178
Cost						
Balance at 1 Jan 2014	803	1,943	2,899	10,343	2	15,990
Additions/disposals due to changes in the scope of combination	0	–83	–	0	–	–83
Additions	143	42	–	0	1	186
Transfers	0	3	–	–	–2	1
Currency translation adjustments	52	8	174	158	0	392
Disposals	11	11	–	0	–	22
Balance at 31 Dec 2014	987	1,902	3,073	10,501	1	16,464
Accumulated amortization/impairment losses						
Balance at 1 Jan 2014	431	1,312	2,649	0	–	4,392
Additions/disposals due to changes in the scope of combination	0	–14	–	0	–	–14
Amortization/impairment losses of the reporting period	70	113	30	–	–	213
Transfers	–	0	–	–	–	0
Currency translation adjustments	26	–1	174	0	–	199
Disposals	11	10	–	0	–	21
Reversals	–	0	–	–	–	0
Balance at 31 Dec 2014	516	1,400	2,853	0	–	4,769
Carrying amounts						
Balance at 31 Dec 2014	471	502	220	10,501	1	11,695

Intangible assets	Development costs	Concessions, patent rights, licences and similar rights	Customer relationships and similar rights	Goodwill	Prepayments	Total
€ million						
Cost						
Balance at 1 Jan 2013	703	2,149	2,951	10,703	1	16,507
Additions/disposals due to changes in the scope of combination	–	–40	1	–185	–	–224
Additions	111	66	–	–	2	179
Transfers	1	3	–	–	–1	3
Currency translation adjustments	–12	–12	–53	–175	0	–252
Disposals	0	223	0	–	0	223
Balance at 31 Dec 2013	803	1,943	2,899	10,343	2	15,990
Accumulated amortization/impairment losses						
Balance at 1 Jan 2013	350	1,002	2,672	0	–	4,024
Additions/disposals due to changes in the scope of combination	–	–34	0	0	–	–34
Amortization/impairment losses of the reporting period	86	564	31	0	–	681
Transfers	–	1	–	–	–	1
Currency translation adjustments	–5	–4	–54	0	–	–63
Disposals	0	217	0	–	–	217
Reversals	–	–	–	–	–	–
Balance at 31 Dec 2013	431	1,312	2,649	0	–	4,392
Carrying amounts						
Balance at 31 Dec 2013	372	631	250	10,343	2	11,598

During the period ended 31 December 2015, the RWE International Group's total expenditures on research and development amounted to €250 million (2014: €88 million, 2013: €110 million). Development costs of €205 million were capitalized (2014: €143 million, 2013: €112 million).

Goodwill breaks down as follows:

Goodwill	31 Dec 2015	31 Dec 2014	31 Dec 2013
€ million			
Supply/Distribution Networks Germany	3,594	3,387	3,356
Supply Netherlands/Belgium	2,695	2,682	2,682
Supply United Kingdom	2,415	2,269	2,120
Central Eastern and South Eastern Europe	1,516	1,408	1,422
Renewables	754	755	763
	10,974	10,501	10,343

Goodwill is allocated to cash-generating units that represent the lowest level at which the goodwill is monitored for internal management purposes. Until 31 December 2015 internal monitoring and reporting in the supply and distribution networks business in the RWE Group was based on regional criteria.

As of 1 January 2016, the segment structure on the level of RWE Group was changed to a functional structure. In connection with that change, the goodwill was re-allocated to new cash-generating units. The goodwill impairment test in connection with this reorganization did not result in any impairment losses.

For the RWE International Group, internal management starts with the beginning of the operational business activities of the group on 1 April 2016. From that date on the cash-generating units of the RWE International Group correspond to those introduced by RWE Group as of 1 January 2016.

Due to disposals, goodwill decreased by €22 million during the year ended 31 December 2015 (2014: €13 million, 2013: €58 million). In the cash-generating unit "Supply/Distribution Networks Germany", changes in current redemption liabilities from put options resulted in an increase in goodwill without an effect on income in the amount of €197 million (2014: increase of €12 million, 2013: decline of €132 million).

In the third quarter of every fiscal year, an impairment test is performed to determine if there is any need to write down goodwill. In this test, goodwill is allocated to the cash-generating units at the operating segment level. The recoverable amount of the cash-generating unit is determined, which is defined as the higher of fair value less costs to sell or value in use. Fair value is the best estimate of the price that an independent third party would pay to purchase the cash-generating unit as of the balance-sheet date. Value in use reflects the present value of the future cash flows which are expected to be generated with the cash-generating unit.

Fair value is assessed from an external perspective and value in use from a company-internal perspective. Values are determined using a business valuation model, based on planned future cash flows. These cash flows are based on the business plan, as approved by the Executive Board and valid at the time of the impairment test. They pertain to a detailed planning period of up to five years. In certain justifiable cases, a longer detailed planning period is taken as a basis, insofar as it is necessary due to economic or regulatory conditions. The cash flow plans are based on experience as well as on expected market trends in the future. If available, market transactions in the same sector or third-party valuations are taken as a basis for determining fair value. Based on the use of internal planning assumptions, the determined fair values are assigned to level 3 of the fair value hierarchy.

Mid-term business plans are based on country-specific assumptions regarding the development of key economic indicators such as gross domestic product, consumer prices, interest rate levels and nominal wages. These estimates are, amongst others, derived from macroeconomic and financial studies.

The key planning assumptions for the business segments active in Europe's electricity and gas markets relate to the development of wholesale prices for electricity and natural gas, retail prices of electricity and gas, market shares and regulatory framework conditions.

The discount rates used for business valuations are determined on the basis of market data. With regard to cash-generating units, in 2015 they ranged from 4.5% to 5.75% after tax (2014: 5.5% to 7.3%, 2013: 5.75% to 7.6%).

For the extrapolation of future cash flows going beyond the detailed planning horizon, in 2015 constant growth rates of 0.0% to 1.0% were used (2014: 0.0% to 1.0%, 2013: 0.0% to 1.0%). These figures are derived from experience and future expectations for the individual divisions and do not exceed the long-term average growth rates in the markets in which the Group companies are active. In calculating cash flow growth rates, the capital expenditures required to achieve the assumed cash flow growth are subtracted.

In 2015, 2014 and 2013, the recoverable amounts were higher than the carrying amounts of the cash-generating units. These surpluses react especially sensitively to changes in the discount rate, the growth rate and the operating result after taxes in the terminal value.

During the year ended 31 December 2015, the Segment Supply United Kingdom exhibited the smallest surpluses of recoverable amount over the carrying amount. The recoverable amount was €0.7 billion higher than the carrying amount. Impairment would have been necessary if the calculations had used an after-tax discount rate increased by more than 0.8 percentage points to above 6.5%, a growth rate decreased by more than 0.9 percentage points to below 0.1%, or an after-tax operating result reduced by more than €36 million in terminal value.

During the year ended 31 December 2014, the segments Renewables and Supply Netherlands/Belgium exhibited the smallest surplus of recoverable amount over carrying amount. At €1.6 billion, the recoverable amount of the Renewables Segment was higher than the carrying amount. Impairment would have been necessary if the calculations had used an after-tax discount rate increased by more than 1.3 percentage points to above 6.8%, a growth rate decreased by more than 2.4 percentage points to below -1.4%, or an after tax operating result reduced by more than €123 million in terminal value. At €1.4 billion, the recoverable amount of the Supply Netherlands/Belgium Segment was higher than the carrying amount. Impairment would have been necessary if the calculations had used an after-tax discount rate increased by more than 2.8 percentage points to above 8.5%, a growth rate decreased by more than 3.9 percentage points to below -2.9%, or an after-tax operating result reduced by more than €85 million in terminal value.

During the year ended 31 December 2013, the Renewables Segment exhibited the smallest surplus of recoverable amount over carrying amount. Impairment would have been necessary if the calculations had used an after-tax discount rate increased by more than 0.9 percentage points to above 6.9%, a growth rate decreased by more than 1.6 percentage points to below -0.6%, or an after-tax operating result reduced by more than €105 million in terminal value.

(11) Property, plant and equipment

Property, plant and equipment	Land, land rights and buildings incl. buildings on third-party land	Technical plant and machinery	Other equipment, factory and office equipment	Prepayments and plants under construction	Total
€ million					
Cost					
Balance at 1 Jan 2015	2,719	34,937	1,055	3,045	41,756
Additions/Disposals due to changes in the scope of combination	36	317	162	-221	294
Additions	37	1,079	86	555	1,757
Transfers	108	2,622	96	-2,828	-2
Currency translation adjustments	10	192	12	117	331
Disposals	73	831	101	26	1,031
Balance at 31 Dec 2015	2,837	38,316	1,310	642	43,105
Accumulated depreciation/impairment losses					
Balance at 1 Jan 2015	1,416	22,052	784	195	24,447
Additions/Disposals due to changes in the scope of combination	2	-229	6	0	-221
Depreciation/impairment losses in the reporting period	61	1,083	91	5	1,240
Transfers	29	123	33	-185	-
Currency translation adjustments	4	53	10	0	67
Disposals	28	613	95	-	736
Reversals	0	0	0	-	0
Balance at 31 Dec 2015	1,484	22,469	829	15	24,797
Carrying amounts					
Balance at 31 Dec 2015	1,353	15,847	481	627	18,308
Cost					
Balance at 1 Jan 2014	2,690	34,842	1,032	2,972	41,536
Additions/Disposals due to changes in the scope of combination	-4	-749	5	-276	-1,024
Additions	37	992	67	996	2,092
Transfers	41	686	15	-743	-1
Currency translation adjustments	-20	12	6	101	99
Disposals	25	846	70	5	946
Balance at 31 Dec 2014	2,719	34,937	1,055	3,045	41,756
Accumulated depreciation/impairment losses					
Balance at 1 Jan 2014	1,382	22,201	743	230	24,556
Additions/Disposals due to changes in the scope of combination	-2	-543	5	0	-540
Depreciation/impairment losses in the reporting period	59	1,071	96	0	1,226
Transfers	4	30	1	-35	-
Currency translation adjustments	-10	-30	5	0	-35
Disposals	17	675	66	0	758
Reversals	0	2	-	-	2
Balance at 31 Dec 2014	1,416	22,052	784	195	24,447
Carrying amounts					
Balance at 31 Dec 2014	1,303	12,885	271	2,850	17,309

Property, plant and equipment	Land, land rights and buildings incl. buildings on third-party land	Technical plant and machinery	Other equipment, factory and office equipment	Prepayments and plants under construction	Total
€ million					
Cost					
Balance at 1 Jan 2013	2,708	34,657	1,058	2,079	40,502
Additions/Disposals due to changes in the scope of combination	-18	-151	-15	-3	-187
Additions	38	893	79	1,242	2,252
Transfers	18	284	12	-317	-3
Currency translation adjustments	-30	-311	-11	-15	-367
Disposals	26	530	91	14	661
Balance at 31 Dec 2013	2,690	34,842	1,032	2,972	41,536
Accumulated depreciation/impairment losses					
Balance at 1 Jan 2013	1,352	21,637	739	6	23,734
Additions/Disposals due to changes in the scope of combination	-13	-125	-17	-	-155
Depreciation/impairment losses in the reporting period	80	1,060	105	224	1,469
Transfers	-6	4	2	-	-
Currency translation adjustments	-13	-116	-8	0	-137
Disposals	16	259	78	-	353
Reversals	2	0	-	-	2
Balance at 31 Dec 2013	1,382	22,201	743	230	24,556
Carrying amounts					
Balance at 31 Dec 2013	1,308	12,641	289	2,742	16,980

As of 31 December 2015, property, plant and equipment in the amount of €13 million (2014: €75 million, 2013: €93 million) were subject to restrictions from land charges or chattel mortgages. Of the total carrying amount of property, plant and equipment, as of 31 December 2015, €9 million (2014: €4 million, 2013: €3 million)

was attributable to assets procured under finance leases. These assets essentially consist of technical plant and equipment. Disposals of property, plant and equipment resulted from sale or decommissioning.

(12) Investment accounted for using the equity method

Information on material and non-material investments in associates and joint ventures accounted for using the equity method is presented in the following summaries:

Material investments accounted for using the equity method	KELAG-Kärntner Elektrizitäts-AG/Kärntner Energieholding Beteiligungs GmbH (KEH), Klagenfurt/Austria		
	31 Dec 2015	31 Dec 2014	31 Dec 2013
€ million			
Balance sheet ¹			
Non-current assets	1,595	1,478	1,442
Current assets	221	384	530
Non-current liabilities	809	605	882
Current liabilities	221	495	376
Proportional share of equity ²	339	329	314
Consolidation adjustments	198	199	199
Carrying amount	537	528	513
Statement of comprehensive income ¹			
Revenue	1,441	1,494	2,007
Income	83	95	76
Other comprehensive income	-18	-7	-12
Total comprehensive income	65	88	64
Dividends	15	16	14
RWE International shareholding	49%	49%	49%

1 Amounts based on a shareholding of 100% in KEH.

2 Amounts based on the proportional share of equity in KEH and KELAG.

KELAG-Kärntner Elektrizitäts-AG, located in Klagenfurt, Austria, is a leading energy service provider in Austria active in the fields of electricity, district heating and natural gas. RWE International holds a share of 49% in Kärntner Energieholding Beteiligungs GmbH, which is the main shareholder of KELAG.

The consolidation adjustments presented are primarily attributable to the goodwill created in the context of the acquisitions.

Non-material investments accounted for using the equity method	Associates			Joint ventures		
	31 Dec 2015	31 Dec 2014	31 Dec 2013	31 Dec 2015	31 Dec 2014	31 Dec 2013
€ million						
Income (pro-rata)	126	131	150	70	68	29
Other comprehensive income (pro-rata)	-47	8	-18	-14	14	-25
Total comprehensive income (pro-rata)	79	139	132	56	82	4
Carrying amounts	1,227	1,317	1,366	373	534	525

As of 31 December 2015, the RWE International Group holds shares with a book value of €92 million (2014: €104 million, 2013: €149 million) in associates and joint ventures, which are subject to

temporary restrictions or conditions in relation to their distribution of profits, due to provisions of loan agreements.

(13) Other non-current financial assets

Other non-current financial assets € million	31 Dec 2015	31 Dec 2014	31 Dec 2013
Non-consolidated subsidiaries	119	92	117
Other investments	410	385	322
Non-current securities	26	33	39
	555	510	478

Non-current securities primarily consist of fixed-interest marketable securities and shares of listed companies.

(14) Financial receivables

Financial receivables € million	31 Dec 2015		31 Dec 2014		31 Dec 2013	
	Non-current	Current	Non-current	Current	Non-current	Current
Loans to non-consolidated subsidiaries and investments	208	3	157	4	95	68
Collateral for trading activities	–	6	–	6	–	3
Other financial receivables	2,003	10,416	1,301	10,306	1,044	8,902
	2,211	10,425	1,458	10,316	1,139	8,973

As of 31 December 2015, other financial receivables include receivables to the RWE Group in the amount of €11,613 million (2014: €10,859 million, 2013: €9,118 million), from which €1,390 million are presented as non-current (2014: €703 million, 2013: €358 million). As of 31 December 2015, financial receivables to RWE Group

include financial receivables to RWE AG of €4,944 million (2014: €4,532 million, 2013: €3,127 million) and financial receivables to Essent Power B.V. of €5,308 million (2014: €5,532 million, 2013: €1,547 million). The RWE AG's creditworthiness was evaluated by rating agencies (see "Accounting policies – Capital management" and Note 34).

(15) Other receivables and other assets

Other receivables and other assets € million	31 Dec 2015		31 Dec 2014		31 Dec 2013	
	Non-current	Current	Non-current	Current	Non-current	Current
Derivatives	843	675	456	483	371	267
Capitalized surplus of plan assets over benefit obligations	5	–	–	–	–	–
Prepayments for items other than inventories	–	58	–	72	–	81
Miscellaneous other assets	18	1,083	21	923	12	836
	866	1,816	477	1,478	383	1,184
of which: financial assets	850	878	459	656	372	428
of which: non-financial assets	16	938	18	822	11	756

(16) Deferred taxes

Deferred tax assets and liabilities principally stem from the fact that measurements in the IFRS statements differ from those in the tax bases. As of 31 December 2015, €387 million and €236 million of the gross deferred tax assets and liabilities, respectively, will be

realized within twelve months (2014: €420 million and €203 million, 2013: €293 million and €126 million).

The following is a breakdown of deferred tax assets and liabilities by item:

Deferred taxes € million	31 Dec 2015		31 Dec 2014		31 Dec 2013	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Non-current assets	870	1,386	606	1,179	502	1,156
Current assets	77	209	36	184	45	81
Exceptional tax items	10	82	-	100	-	98
Non-current liabilities						
Provisions for pensions	859	31	966	3	653	2
Other non-current provisions	517	24	476	18	513	16
Current liabilities	310	27	384	19	248	45
	2,643	1,759	2,468	1,503	1,961	1,398
Tax loss carryforwards (corporate income tax or comparable foreign income tax)	184	-	68	-	34	-
Gross total	2,827	1,759	2,536	1,503	1,995	1,398
Netting	-855	-855	-731	-731	-578	-578
Net total	1,972	904	1,805	772	1,417	820

As of 31 December 2015, 31 December 2014 and 31 December 2013, RWE International reported deferred tax claims which exceeded the deferred tax liabilities by €219 million, €0 million and €0 million, respectively, in relation to companies that suffered a loss in the current or previous period. The basis for the formation of deferred tax assets is the judgement of the management that it is likely that the companies in question will generate taxable earnings, against which unutilized tax losses and deductible temporary differences can be applied.

The capitalized tax reduction claims from loss carryforwards result from the expected utilization of previously unused tax loss carryforwards in subsequent years.

It is sufficiently certain that these tax carryforwards will be realized. As of 31 December 2015, corporate income tax loss carry forwards and trade tax loss carryforwards for which no deferred tax claims

have been recognized amounted to €826 million and €5 million, respectively (2014: €1,288 million and €21 million, respectively, 2013: €1,894 million and €18 million, respectively). Of these income tax loss carryforwards, as of 31 December 2015 €705 million (2014: €1,213 million, 2013: €1,824 million) will apply to the following 20 years. The other tax loss carryforwards can essentially be used for an unlimited period.

During the year ended 31 December 2015, deferred tax income of €3 million arising from the currency translation of foreign financial statements was offset against equity (2014: €6 million, 2013: €2 million).

During the year ended 31 December 2015, the aggregate current and deferred tax relating to items that are charged or credited directly to equity amounts to €1 million (2014: €116 million, 2013: -€323 million).

(17) Inventories

Inventories € million	31 Dec 2015	31 Dec 2014	31 Dec 2013
Raw materials	134	134	178
Work in progress – goods/services	170	213	171
Finished goods and goods for resale	75	144	92
Prepayments	1	0	3
	380	491	444

(18) Trade accounts receivable

Information on the impairment of trade accounts receivable as well as unimpaired past-due receivables may be found in Note 28.

(19) Marketable securities

As of 31 December 2015, of the marketable securities, €1,258 million were fixed-interest marketable securities (2014: €1,316 million, 2013: €1,088 million) with a maturity of more than three months from the date of acquisition, and €636 million were stocks and

profit-participation certificates (2014: €597 million, 2013: €614 million). Marketable securities are stated at fair value. As of 31 December 2015 the average return on fixed-interest securities was 1.3% (2014: 1.2%, 2013: 2.2%).

(20) Cash and cash equivalents

Cash and cash equivalents € million	31 Dec 2015	31 Dec 2014	31 Dec 2013
Cash and demand positions	549	426	742
Marketable securities and other cash investments (maturity less than three months from the date of acquisition)	1	49	82
	550	475	824

During the years ended 31 December 2015, 2014 and 2013, interest rates on cash and cash equivalents were at market levels.

(21) Equity

A breakdown of equity is shown on page 6.

Accumulated other comprehensive income reflects changes in the fair values of financial instruments available for sale and hedges of the net investment in foreign operations, as well as changes stemming from foreign currency translation adjustments from foreign financial statements.

As of 31 December 2015, the share of accumulated other comprehensive income attributable to investments accounted for using the equity method amounted to €43 million (2014: €39 million, 2013: €28 million).

In 2015, €22 million in differences from currency translation (2014: expenses of €9 million, 2013: income of €10 million) which had originally been recorded in accumulated other comprehensive income were realized as income. Income and expenses of investments accounted for using the equity method which had previously been recognized pro-rata in accumulated other comprehensive income

were realized in the amount of €0 million (2014: income of €6 million, 2013: income/expenses of €0 million).

During the year ended 31 December 2015, **withdrawals and contributions** contained primarily adjustments related to payments received from the disposal of businesses from entities that were excluded from the scope of combination for all reporting periods of €3 million (2014: €8 million, 2013: €1,241 million), cash withdrawals and contributions from RWE AG as a result of various transactions during the reporting periods presented of –€518 million (2014: €1,017 million, 2013: €39 million), adjustments from overhead cost allocations of €107 million (2014: €113 million, 2013: €118 million), adjustments as a result from the application of the separate tax return approach of €50 million (2014: €241 million, 2013: –€269 million) and other stand-alone adjustments of –€34 million (2014: –€59 million, 2013: –€12 million). In addition, during the year ended 31 December 2015, a withdrawal of –€893 million related to the recognition of various assets and liabilities as a result of the acquisition of RWE Finance B.V. (see “General information”).

During the reporting periods presented, withdrawals and contributions of non-controlling interests related to other transactions.

Non-controlling interests. The share ownership of third parties in Group entities is presented in this item.

The income and expense recognized directly in equity (other comprehensive income - OCI) include the following non-controlling interests:

Non-controlling interests in OCI € million	2015	2014	2013
Actuarial gain and losses of defined benefit pension plans and similar obligations	-67	11	-77
Income and expenses recognized directly in equity, not to be reclassified through profit or loss	-67	11	-77
Currency translation adjustment	43	-10	-54
Fair valuation of financial instruments available for sale	-35	13	8
Income and expenses recognized directly in equity, to be reclassified through profit or loss	8	3	-46
	-59	14	-123

The following table summarizes the information of subsidiaries with non-controlling interests which are material for the RWE International Group:

Material non-controlling interests € million	envia Mitteldeutsche Energie AG, Chemnitz			RWE GasNet, s.r.o., Ústí nad Labem/Czech Republic		
	31 Dec 2015	31 Dec 2014	31 Dec 2013	31 Dec 2015	31 Dec 2014	31 Dec 2013
Balance sheet						
Non-current assets	2,811	2,337	2,335	1,532	1,430	1,386
Current assets	304	853	933	154	37	74
Non-current liabilities	480	493	513	504	371	357
Current liabilities	638	787	979	580	619	669
Statement of comprehensive income						
Revenue	2,388	2,410	2,673	473	418	521
Other comprehensive income	-22	-4	-17	14	-5	-29
Total comprehensive income	261	311	134	138	86	137
Cash flows from operating activities	521	403	218	218	183	243
Non-controlling interests	828	792	736	301	167	152
Dividends paid to non-controlling interests	72	73	67	-	21	46
Income attributable to non-controlling interests	117	131	63	62	32	58
Shareholdings of non-controlling interests	41.43 %	41.43 %	41.43 %	49.96 %	34.96 %	34.96 %

(22) Share-based payments

The executives of RWE International SE and subordinate affiliates have been included in an RWE Group share based payment system known as Beat 2010. The expenses associated with these are borne

by the RWE International Group companies which employ the persons holding notional stocks.

	Beat 2010					
	2010 tranche	2011 tranche	2012 tranche	2013 tranche	2014 tranche	2015 tranche
	Vesting period: 4 years	Vesting period: 4 years	Vesting period: 4 years	Vesting period: 4 years	Vesting period: 4 years	Vesting period: 4 years
Grant date	1 Jan 2010	1 Jan 2011	1 Jan 2012	1 Jan 2013	1 Jan 2014	1 Jan 2015
Number of conditionally granted performance shares	407,304	1,007,832	2,765,350	2,035,873	987,310	1,305,770
Term	Five years	Five years	Five years	Five years	Five years	Five years
Pay-out conditions	Possible pay-out on three exercise dates (valuation dates: 31 Dec of the fourth year, 30 June and 31 Dec of the fifth year) if – as of the valuation date – an outperformance compared to at least 25% of the peer group of the STOXX Europe 600 Utilities Index has been achieved, measured in terms of their index weighting as of the issue of the tranche. Measurement of outperformance is carried out using Total Shareholder Return, which takes into account both the development of the share price together with reinvested dividends. Automatic pay-out occurs on the third valuation date; the number of performance shares available for pay-out can be freely chosen on the first and second valuation date.					
Determination of payment	<ol style="list-style-type: none"> 1. Determination of the index weighting of the peer group companies which exhibit a lower Total Shareholder Return than RWE at the valuation date. 2. The total number of performance shares which can be paid out is determined on the basis of a linear payment curve. If the index weighting of 25% is outperformed, 7.5% of the conditionally-granted performance shares can be paid out. Another 1.5% of the performance shares granted can be paid out for each further percentage point above and beyond the index weighting of 25%. 3. Payment corresponds to the number of payable performance shares valued at the average RWE share price during the last 60 exchange trading days prior to the valuation date. The payment for each performance share is limited to twice the value of each performance share as of the grant date. 					
Change in corporate control/merger	<ul style="list-style-type: none"> ▪ If during the waiting period there is a change in corporate control, a compensatory payment is made. This is calculated by multiplying the price paid in the acquisition of the RWE shares by the final number of performance shares which have not been used. The latter shall be determined as per the plan conditions with regard to the time when the bid for corporate control is submitted. ▪ In the event of merger of RWE AG with another company, the performance shares shall expire and a compensatory payment shall be made. First, the fair value of the performance shares as of the time of merger shall be calculated. This fair value is then multiplied by the number of performance shares granted, reduced pro-rata. The reduction factor is calculated as the ratio of the time from the beginning of the total waiting period until the merger takes place to the entire waiting period of the programme, multiplied by the ratio of the performance shares not yet used as of the time of the merger to the total number of performance shares granted at the beginning of the programme. 					
Personal investment	As a prerequisite for participation, plan participants must demonstrably invest one sixth of the gross grant value of the performance shares before taxes in RWE common shares and hold such investment until expiration of the waiting period of the tranche in question.					
Form of settlement	Cash settlement					

The fair values of the performance shares conditionally granted in the Beat programme as of the grant date are shown in the following table:

Performance shares from Beat 2010 €	2010 tranche	2011 tranche	2012 tranche	2013 tranche	2014 tranche	2015 tranche
Fair value per share	25.96	17.01	6.66	8.09	7.44	5.05

These fair values were calculated externally using a stochastic multivariate Black-Scholes standard model via Monte Carlo simulations on the basis of one million scenarios each. In the calculations, due consideration was taken of the maximum payment stipulated in the programme's conditions for each conditionally granted

performance share, the discount rates for the remaining term, the volatilities and the expected dividends of RWE AG and of peer companies.

The number of performance shares developed as follows:

Performance shares from Beat 2010	2010 tranche	2011 tranche	2012 tranche	2013 tranche	2014 tranche	2015 tranche
Outstanding at 1 Jan 2015	–	855,047	2,247,411	1,717,614	894,403	–
Granted	–	–	–	–	–	1,305,770
Change (granted/expired)	–	140,999	159,254	148,926	66,459	191,934
Paid out	–	–	–	–	–	–
Outstanding at 31 Dec 2015	–	714,048	2,088,157	1,568,688	827,944	1,113,836
Payable at the end of 2015	–	–	–	–	–	–
Outstanding at 1 Jan 2014	349,841	925,430	2,453,511	1,863,774	–	–
Granted	–	–	–	–	987,310	–
Change (granted/expired)	349,841	70,383	206,100	146,160	92,907	–
Paid out	–	–	–	–	–	–
Outstanding at 31 Dec 2014	–	855,047	2,247,411	1,717,614	894,403	–
Payable at the end of 2014	–	–	–	–	–	–
Outstanding at 1 Jan 2013	375,345	1,005,698	2,711,006	–	–	–
Granted	–	–	–	2,035,873	–	–
Change (granted/expired)	25,504	80,268	257,495	172,099	–	–
Paid out	–	–	–	–	–	–
Outstanding at 31 Dec 2013	349,841	925,430	2,453,511	1,863,774	–	–
Payable at the end of 2013	–	–	–	–	–	–

The remaining contractual term amounts to four years for the 2015 tranche, three years for the 2014 tranche, two years for the 2013 tranche and one year for the 2012 tranche. The contractual duration for the 2011 tranche expired at the end of 2015. As the pay-out conditions were not fulfilled, there was no pay-out.

During the year ended 31 December 2015, expenses for the share-based payment system totalled €9 million (2014: €3 million, 2013: €0 million). The claims were settled in cash only. As of 31 December 2015, provisions for cash-settled share-based payment programmes amounted to €0 million (2014: €9 million, 2013: €12 million).

(23) Provisions for pensions and similar obligations

The company pension plan consists of defined contribution and defined benefit plans. The defined benefit commitments mainly relate to pension commitments based on final salary.

During the year ended 31 December 2015, €36 million (2014: €67 million, 2013: €64 million) was paid into defined contribution plans. This includes payments made by RWE International for a defined benefit plan in the Netherlands which covers the commitments of various employers. This fund does not provide the participating companies with information allowing for the pro-rata allocation of commitments, plan assets and service cost. In the combined financial statements, the contributions are thus recognized analogously to a defined contribution plan, although this is a defined benefit plan. The pension plan for employees in the Netherlands is administered by Stichting Pensioenfonds ABP (cf. <http://www.abp.nl/>). Contributions to the pension plan are calculated as a percentage rate of employees' salaries and are paid by the employees and employers. The rate of the contributions is determined by ABP. There are no minimum funding requirements. Approximately €11 million will be paid to the ABP pension fund in fiscal year 2016 (2015: €12 million, 2014: €15 million). The contributions are used for all of the beneficiaries. If ABP's funds are insufficient, it can either curtail pension benefits and future post-employment benefits, or increase the contributions of the employer and employees. In the event that RWE International terminates the ABP pension plan, ABP will charge a termination fee. Amongst other things, this depends on the number of participants in the plan, the amount of salary and the age structure of the participants. As of 31 December 2015 there were around 1,700 active participants of RWE International were included in the plan (2014: around 1,800, 2013: around 2,200).

RWE transferred assets to RWE Pensionstreuhand e.V. within the framework of contractual trust arrangements (CTA). There is no minimum funding requirement. From the assets held in trust, funds were transferred to RWE Pensionsfonds AG to cover pension commitments to most of the employees who have already retired. RWE Pensionsfonds AG falls under the scope of the Act on the Supervision of Insurance Undertakings and oversight by the Federal Financial Supervisory Agency (BaFin). Insofar as a regulatory deficit occurs in the pension fund, supplementary payment shall be requested from the employer. Independently of the aforementioned rules, the liability of the employer shall remain in place. The bodies of RWE Pensionstreuhand e.V. and RWE Pensionsfonds AG are responsible for ensuring that the funds under management are used in compliance with the contract and thus fulfill the requirements for recognition as plan assets.

During the year ended 31 December 2015, roughly €534 million was transferred to RWE Pensionstreuhand e.V. for the external financing of the company's pension plans, within the framework of CTAs (2014: €268 million, 2013: €96 million). As the transferred assets are qualified as plan assets in the sense of IAS 19, pensions for provisions and similar obligations were netted against the transferred funds as of 31 December 2015. Provisions declined by a corresponding amount.

RWE's main pension arrangements in the United Kingdom are part of the Electricity Supply Pension Scheme (ESPS), which is an industry-wide pension scheme in which RWE has its own ring-fenced section. In the United Kingdom, corporate defined benefit plans are legally mandated to provide adequate and suitable assets to cover pension provisions. Pension provisions are measured on the basis of conservative assumptions, taking into consideration specific demographic aspects for the members of the plan and assumptions for the market return on the plan assets.

The last valuation of RWE's section of the ESPS was carried out on 31 March 2013 and showed a deficit of £563 million. RWE and the trustees then prepared a plan for annual payments to rectify this deficit. These payments were calculated for the period from 2014 to 2017. The amounts determined were as follows: £93 million for 2014, £186 million for 2015, £156 million for 2016 and £151 million for 2017 of which RWE International's share is £54 million for 2014, £117 million for 2015, £98 million in 2016 and £95 million in 2017. The next valuation had to occur by 31 March 2016. From this point in time, RWE International and the trustees have 15 months to approve the valuation. The RWE section of the ESPS is managed by nine trustees. These are responsible for management of the plan, including investments, pension payments and financing plans.

The deficit payments above are re-charged to the participating RWE companies on the basis of a contractual agreement. In addition, RWE companies make regular payments to cover the ongoing cost of additional ESPS pension earned by current employees each year.

The scheme is being regarded as a defined benefit plan that shares risks between various entities under common control. RWE International accounts for its proportionate share of the defined benefit obligation, plan assets and costs associated with the plan (2015: 56.5%, 2014: 56.5%, 2013: 54.3%), which reflect its proportion of total pensionable salaries in the RWE section of the ESPS.

The following tables disclose information about the UK pension plan as a whole:

Composition of plan assets (fair value) € million	31 Dec 2015		31 Dec 2014		31 Dec 2013	
	Foreign	of which active market	Foreign	of which active market	Foreign	of which active market
Equity instruments, exchange traded funds	877	877	777	777	842	197
Interest-bearing instruments	4,597	2,544	4,500	2,439	3,207	1,617
Real estate	8	–	89	–	180	5
Alternative investments	1,047	124	765	349	641	13
Other	–15	6	69	9	137	12
	6,514	3,551	6,200	3,574	5,007	1,844

Changes in pension provisions € million	Present value of pension commitments	Fair value of plan assets	Total
Balance at 1 Jan 2015	6,975	6,200	775
Current service cost	51	–	51
Interest cost/income	249	229	20
Return on fund assets less interest components	–	–235	235
Gain/loss on change in financial assumptions	–132	–	–132
Experience-based gains/losses	–35	–	–35
Currency translation adjustments	430	381	49
Employee contributions to funded plans	11	11	–
Employer contributions to funded plans	–	309	–309
Benefits paid by funded plans	–374	–374	–
Past service cost	19	–	19
General administration expenses	–	–7	7
Balance at 31 Dec 2015	7,194	6,514	680
of which: foreign	7,194	6,514	680

Changes in pension provisions € million	Present value of pension commitments	Fair value of plan assets	Total
Balance at 1 Jan 2014	5,850	5,007	843
Current service cost	46	–	46
Interest cost/income	254	219	35
Return on fund assets less interest components	–	740	–740
Gain/loss on change in financial assumptions	675	–	675
Experience-based gains/losses	17	–	17
Currency translation adjustments	432	378	54
Employee contributions to funded plans	11	11	–
Employer contributions to funded plans	–	205	–205
Benefits paid by funded plans	–354	–354	–
Past service cost	44	–	44
General administration expenses	–	–6	6
Balance at 31 Dec 2014	6,975	6,200	775
of which: foreign	6,975	6,200	775

Changes in pension provisions € million	Present value of pension commitments	Fair value of plan assets	Total
Balance at 1 Jan 2013	6,320	5,147	1,173
Current service cost	63	–	63
Interest cost/income	245	205	40
Return on fund assets less interest components	–	–87	87
Gain/loss on change in demographic assumptions	–35	–	–35
Gain/loss on change in financial assumptions	–125	–	–125
Experience-based gains/losses	–194	–	–194
Currency translation adjustments	–138	–111	–27
Employee contributions to funded plans	13	13	–
Employer contributions to funded plans	–	171	–171
Benefits paid by funded plans	–326	–326	–
Past service cost	27	–	27
General administration expenses	–	–5	5
Balance at 31 Dec 2013	5,850	5,007	843
of which: foreign	5,850	5,007	843

Past service cost primarily contained an increase in benefit commitments, relating to commitments in the United Kingdom.

For the pension plan as a whole in the United Kingdom, an increase or decrease of one half of a percentage point in the discount rate would reduce or increase pension obligations as of 31 December 2015 by €461 million (2014: €458 million, 2013: €380 million) or €520 million (2014: €519 million, 2013: €429 million), respectively. The same variation in rates of compensation or pension increase would increase the present value of the commitments as of 31 December 2015 by €61 million or €365 million

(2014: €64 million or €367 million, 2013: €53 million or €325 million) or reduce this value by €53 million or €327 million (2014: €55 million or €327 million, 2013: €50 million or €292 million). An increase in life expectancy of one year would increase the present value of commitments by €226 million (2014: €209 million, 2013: €169 million).

Provisions for defined benefit plans are determined using actuarial methods. RWE International Group applies the following assumptions:

Actuarial assumptions in %	31 Dec 2015		31 Dec 2014		31 Dec 2013	
	Germany	Foreign ¹	Germany	Foreign ¹	Germany	Foreign ¹
Discount rate	2.40	3.60	2.10	3.40	3.50	4.30
Compensation increase	2.35	2.10 and 3.50	2.35	2.10 and 3.50	2.75	2.40 and 3.80
Pension increase	1.00, 1.60 and 1.75	2.80	1.00, 1.60 and 1.75	2.80	1.00 and 1.75	3.00

¹ Pertains to benefit commitments to employees of the RWE International Group in the UK

The method of deriving the actuarial interest rate for domestic pension commitments pursuant to IFRS was adjusted at the end of the year 2015. The bond universe was expanded to include bonds with a nominal volume of more than €50 million for remaining maturities of less than 10 years as well. Previously, only bonds with a nominal volume of more than €500 million were taken into account for these maturities. Furthermore, the complex process of identifying and

eliminating outliers was discontinued. Compared to the previous calculation method, this generated an actuarial interest rate of 2.40%, which was 20 basis points higher, and resulted in the recognized pension commitment being roughly €310 million lower. In the following year, this leads to a decline of €7 million in service cost as well as €2 million in interest expenses.

Composition of plan assets (fair value) € million	31 Dec 2015				31 Dec 2014				31 Dec 2013			
	Germany ¹	Of which: active market	Foreign ²	Of which: active market	Germany ¹	Of which: active market	Foreign ²	Of which: active market	Germany ¹	Of which: active market	Foreign ²	Of which: active market
Equity instruments, exchange traded funds	1,588	1,578	495	495	1,391	1,387	439	439	1,228	1,211	457	107
Interest-bearing instruments	2,870	60	2,596	1,437	2,612	1,066	2,546	1,379	2,282	1,033	1,742	878
Real estate	31	0	5	0	58	0	50	0	51	0	98	3
Mixed funds ³	667	352	0	0	589	544	0	0	499	467	0	0
Alternative investments	695	336	592	70	515	3	433	197	474	119	348	7
Other ⁴	226	43	-8	3	302	90	39	5	284	52	74	7
	6,077	2,369	3,680	2,005	5,467	3,090	3,507	2,020	4,819	2,882	2,719	1,002

- 1 Plan assets in Germany primarily pertain to assets of RWE International SE and other Group companies which are managed by RWE Pensionstreuhand e.V. as a trust, as well as to assets of RWE Pensionsfonds AG.
- 2 Foreign plan assets pertain to the assets of a UK pension fund for covering benefit commitments to employees of the RWE International Group in the UK.
- 3 Includes dividend securities and interest-bearing instruments.
- 4 Included claims from corporate tax credits transferred to RWE Pensionstreuhand e.V., reinsurance claims against insurance companies and other fund assets of provident fund.

Composition of plan assets (target investment structure) in %	31 Dec 2015		31 Dec 2014		31 Dec 2013	
	Germany ¹	Foreign ²	Germany ¹	Foreign ²	Germany ¹	Foreign ²
Equity instruments, exchange-traded funds	22.7	13.5	22.2	12.5	23.4	16.8
Interest-bearing instruments	57.2	70.6	57.8	72.6	54.5	64.1
Real estate	2.2	0.1	2.3	1.4	2.3	3.6
Mixed funds ³	10.1	0	10.0	0	10.0	0
Alternative investments	7.8	15.8	7.7	13.5	9.8	15.5
	100.0	100.0	100.0	100.0	100.0	100.0

- 1 Plan assets in Germany primarily pertain to assets of RWE International SE and other Group companies which are managed by RWE Pensionstreuhand e.V. as a trust, as well as to assets of RWE Pensionsfonds AG.
- 2 Foreign plan assets pertain to the assets of a UK pension fund for covering benefit commitments to employees of the RWE International Group in the UK.
- 3 Includes dividend securities and interest-bearing instruments.

The investment policy is based on a detailed analysis of the plan assets and the pension commitments and the relation of these two items to each other, in order to determine the best possible investment strategy (Asset Liability Management Study). Using an optimization process, portfolios are identified which can earn the best targeted results at a defined level of risk. One of these efficient portfolios is selected and the strategic asset allocation is determined; furthermore, the related risks are analysed in detail.

The focus of the strategic investment policy is on domestic and foreign government bonds. In order to increase the average yield, corporate bonds with a higher yield are also included in the portfolio. The ratio of equities in the portfolio is lower than that of bonds. Investment occurs in various regions. The investment position in

equities is intended to earn a risk premium over bond investments over the long term. In order to achieve additional returns which are consistently as high as possible, there is also investment in products which offer relatively regular positive returns over time. This involves products which fluctuate similar to bond investments, but which achieve an additional return over the medium term, such as so-called absolute return products (including funds of hedge funds).

As part of its investment strategy, the British ESPS uses asset liability management and invests in liability matching investments, interest rate swaps and inflation swaps. As of 30 September 2015, 63% of the interest rate risk (2014: 66%; 2013: 59%) and 63% of the inflation risk (2014: 79%; 2013: 68%) was hedged.

Pension provisions for pension commitments changed as follows:

Changes in pension provisions € million	Present value of pension commitments	Fair value of plan assets	Capitalized surplus of plan assets	Total
Balance at 1 Jan 2015	13,570	8,974	–	4,596
Current service cost	198	–	–	198
Interest cost/income	342	247	–	95
Return on fund assets less interest components	–	69	–	–69
Gain/loss on change in financial assumptions	–564	–	–	–564
Experience-based gains/losses	–76	–	–	–76
Currency translation adjustments	243	215	–	28
Employee contributions to funded plans	12	12	–	–
Employer contributions to funded plans	–	726	–	–726
Benefits paid by funded plans	–541	–482	–	–59
Changes in the scope of combination	18	–	–	18
Past service cost	11	–	–	11
General administration expenses	–	–4	–	4
Change in capitalized surplus of plan assets	–	–	5	5
Balance at 31 Dec 2015	13,213	9,757	5	3,461
of which: domestic	9,149	6,077	5	3,077
of which: foreign	4,064	3,680	–	384

Changes in pension provisions € million	Present value of pension commitments	Fair value of plan assets	Total
Balance at 1 Jan 2014	11,120	7,538	3,582
Current service cost	151	–	151
Interest cost/income	415	288	127
Return on fund assets less interest components	–	1,034	–1,034
Gain/loss on change in financial assumptions	2,285	–	2,285
Experience-based gains/losses	–95	–	–95
Currency translation adjustments	240	209	31
Employee contributions to funded plans	7	7	–
Employer contributions to funded plans	–	377	–377
Benefits paid by funded plans	–527	–457	–70
Changes in the scope of combination	–43	–19	–24
Past service cost	17	–	17
General administration expenses	–	–3	3
Balance at 31 Dec 2014	13,570	8,974	4,596
of which: domestic	9,625	5,467	4,158
of which: foreign	3,945	3,507	438

Changes in pension provisions € million	Present value of pension commitments	Fair value of plan assets	Capitalized surplus of plan assets	Total
Balance at 1 Jan 2013	11,248	7,464	32	3,816
Current service cost	175	–	–	175
Interest cost/income	411	274	–	137
Return on fund assets less interest components	–	94	–	–94
Gain/loss on change in demographic assumptions	–19	–	–	–19
Gain/loss on change in financial assumptions	–66	–	–	–66
Experience-based gains/losses	–94	–	–	–94
Currency translation adjustments	–76	–59	–	–17
Employee contributions to funded plans	9	9	–	–
Employer contributions to funded plans	–	185	–	–185
Benefits paid by funded plans	–499	–428	–	–71
Changes in the scope of combination	23	1	–	22
Past service cost	8	–	–	8
General administration expenses	–	–2	–	2
Change in capitalized surplus of plan assets	–	–	–32	–32
Balance at 31 Dec 2013	11,120	7,538	–	3,582
of which: domestic	7,942	4,819	–	3,123
of which: foreign	3,178	2,719	–	459

As of 31 December 2015 the recognized amount of pension provisions totalled €2,230 million for funded pension plans (2014: €2,727 million, 2013: €1,925 million) and €1,231 million for unfunded pension plans (2014: €1,869 million, 2013: €1,657 million).

As in 2014 and 2013, in fiscal year 2015, past service cost primarily contained an increase in benefit commitments, relating to commitments in the United Kingdom.

The present value of pension claims, less the fair value of the plan assets and the capitalized surplus of plan assets, equals the net amount of funded and unfunded pension plans.

On the basis of collateral promises and guarantees, RWE AG will have to reimburse RWE International some of its domestic pension expenditures up to a limited amount. The expected receipts of this arrangement cannot be classified as plan assets. Therefore it must not be presented as part of net pension liability. RWE International recognizes this reimbursement right as a separate asset, included in "Financial receivables".

Changes in reimbursement rights € million	Fair value of reimbursement rights
Balance at 1 Jan 2015	540
Interest income	11
Return on reimbursement rights less interest components	-132
Employer contributions to reimbursement rights	73
Benefits paid	-12
Balance at 31 Dec 2015	480
Of which: domestic	480
Of which: foreign	-

Changes in reimbursement rights € million	Fair value of reimbursement rights
Balance at 1 Jan 2014	616
Interest income	21
Return on reimbursement rights less interest components	-72
Employer contributions to reimbursement rights	-5
Benefits paid	-14
Changes in the scope of combination	-6
Balance at 31 Dec 2014	540
Of which: domestic	540
Of which: foreign	-

Changes in reimbursement rights € million	Fair value of reimbursement rights
Balance at 1 Jan 2013	566
Interest income	20
Return on reimbursement rights less interest components	17
Employer contributions to reimbursement rights	27
Benefits paid	-13
Changes in the scope of combination	-1
Balance at 31 Dec 2013	616
Of which: domestic	616
Of which: foreign	-

Domestic company pensions are subject to an obligation to review for adjustment every three years pursuant to the Act of the Improvement of Company Pensions (Sec 16 of the German Company Pension Act (BetrAVG)). Additionally, some commitments grant annual adjustments of pensions, which may exceed the legally mandated adjustment obligation.

Some domestic pension plans guarantee a certain pension level, taking into account the statutory pension (total retirement earnings schemes). As a result, future reductions in the statutory pension can result in higher pension payments by RWE International.

As of 31 December 2015, the weighted average duration of the pension obligation is 17 years in Germany (2014: 18 years, 2013: 16 years) and 15 years in the United Kingdom (2014: 15 years, 2013: 14 years).

In Germany, as of 31 December 2015, an increase or decrease of one half of a percentage point in the discount rate would result in a reduction of €655 million (2014: €611 million, 2013: €534 million) or an increase of €841 million (2014: €789 million, 2013: €613 million), respectively, in the present value of the obligations of the corporate pension plans. The same variation in rates of compensation or pension increase by one half of a percentage point would increase the present value of the commitments as of 31 Decem-

ber 2015 by €132 million or €524 million (2014: €147 million or €552 million, 2013: €110 million or €457 million) or reduce this value by €124 million or €468 million (2014: €138 million or €493 million, 2013: €104 million or €408 million). For the Group companies in the United Kingdom, such changes in the discount rate would reduce or increase pension obligations as of 31 December 2015 by €260 million (2014: €259 million, 2013: €206 million) or €294 million (2014: €294 million, 2013: €233 million), respectively. The same variation in rates of compensation or pension increase would increase the present value of the commitments as of 31 December 2015 by €34 million or €206 million (2014: €36 million or €208 million, 2013: €29 million or €176 million) or reduce this value by €30 million or €185 million (2014: €31 million or €185 million, 2013: €28 million or €160 million). An increase in life expectancy of one year would increase the present value of commitments as of 31 December 2015 by €368 million (2014: €402 million, 2013: €304 million) in Germany and €128 million (2014: €118 million, 2013: €92 million) in the United Kingdom.

The sensitivity analyses are based on a change in one assumption, with all other assumptions remaining unchanged. Actual developments will probably be different than this. The methods of calculating the aforementioned sensitivities and for calculating the pension provisions are aligned. The dependence of pension provisions on market interest rates is limited by an opposite effect. The background of this is that the commitments stemming from company pension plans are primarily covered by funds, and plan assets in general exhibit negative correlation with the market yields of fixed-interest securities. Consequently, declines in market interest rates are typically reflected in an increase in plan assets, and vice-versa.

Payments for defined benefit plans (contributions and unfunded pension payments) are expected to amount to €350 million in fiscal year 2016 (2015: €780 million, 2014: €435 million).

(24) Other Provisions

Other Provisions	31 Dec 2015			31 Dec 2014			31 Dec 2013		
	Non-current	Current	Total	Non-current	Current	Total	Non-current	Current	Total
€ million									
Staff-related obligations (excluding restructuring)	390	348	738	478	362	840	739	441	1,180
Restructuring obligations	145	74	219	170	105	275	162	169	331
Provisions for taxes	98	185	283	115	169	284	119	218	337
Purchase and sales obligations	82	238	320	105	267	372	120	387	507
Provisions for wind farm decommissioning	337	0	337	396	2	398	242	2	244
Uncertain obligations for other decommissioning	194	24	218	190	25	215	163	25	188
Obligations to deliver certificates for renewable energies	–	580	580	–	454	454	–	359	359
Miscellaneous other provisions	370	1,096	1,466	433	1,229	1,662	493	1,215	1,708
	1,616	2,545	4,161	1,887	2,613	4,500	2,038	2,816	4,854

Roll-forward of other provisions	Balance at 1 Jan 2015	Additions	Unused amounts released	Interest accretion	Changes in the scope of combination, currency adjustments, transfers	Amounts used	Balance at 31 Dec 2015
€ million							
Staff-related obligations (excluding restructuring)	840	306	–48	7	4	–371	738
Restructuring obligations	275	25	–19	6	3	–71	219
Provisions for taxes	284	163	–21	–	–9	–134	283
Purchase and sales obligations	372	92	–48	1	1	–98	320
Provisions for wind farm decommissioning	398	3	–9	–57	2	0	337
Uncertain obligations for other decommissioning	215	0	–1	7	–4	1	218
Obligations to deliver certificates for renewable energies	454	769	0	–	26	–669	580
Miscellaneous other provisions	1,662	302	–316	9	56	–247	1,466
Other Provisions	4,500	1,660	–462	–27	79	–1,589	4,161

Roll-forward of other provisions	Balance at 1 Jan 2014	Additions	Unused amounts released	Interest accretion	Changes in the scope of combination, currency adjustments, transfers	Amounts used	Balance at 31 Dec 2014
€ million							
Staff-related obligations (excluding restructuring)	1,180	338	-39	21	-299	-361	840
Restructuring obligations	331	86	-40	10	5	-117	275
Provisions for taxes	337	132	-23	-	11	-173	284
Purchase and sales obligations	507	121	-49	8	-75	-140	372
Provisions for wind farm decommissioning	244	111	0	30	13	0	398
Uncertain obligations for other decommissioning	188	23	-8	13	0	-1	215
Obligations to deliver certificates for renewable energies	359	569	0	-	27	-501	454
Miscellaneous other provisions	1,708	322	-263	42	77	-224	1,662
Other Provisions	4,854	1,702	-422	124	-241	-1,517	4,500

Roll-forward of other provisions	Balance at 1 Jan 2013	Additions	Unused amounts released	Interest accretion	Changes in the scope of combination, currency adjustments, transfers	Amounts used	Balance at 31 Dec 2013
€ million							
Staff-related obligations (excluding restructuring)	1,202	444	-106	16	-21	-355	1,180
Restructuring obligations	163	213	-13	3	23	-58	331
Provisions for taxes	353	184	-47	-	-9	-144	337
Purchase and sales obligations	440	245	-62	1	-8	-109	507
Provisions for wind farm decommissioning	135	108	-2	4	-1	0	244
Uncertain obligations for other decommissioning	180	4	-2	5	2	-1	188
Obligations to deliver certificates for renewable energies	288	455	0	-	-5	-379	359
Miscellaneous other provisions	1,775	257	-136	12	-5	-195	1,708
Other Provisions	4,536	1,910	-368	41	-24	-1,241	4,854

Provisions for staff-related obligations mainly consist of provisions for pre-retirement part-time work arrangements, outstanding vacation and service jubilees and performance-based pay components. Based on current expectations, the majority of utilisation is anticipated to occur in the years 2016 to 2025.

Provisions for restructuring pertain mainly to measures for socially acceptable payroll downsizing. From the current perspective, the majority of utilisation is anticipated to occur in the years 2016 to 2025.

Provisions for taxes primarily consist of income taxes.

Provisions for purchase and sales obligations primarily relate to contingent losses from pending transactions.

Based on current expectations **provisions for wind farm decommissioning** will mostly be utilized in the period from 2020 to 2037 and **uncertain obligations for other decommissioning** will mostly be utilized in the period from 2016 to 2060.

(25) Financial liabilities

Financial liabilities € million	31 Dec 2015		31 Dec 2014		31 Dec 2013	
	Non-current	Current	Non-current	Current	Non-current	Current
Bonds	11,649	864	26	–	25	–
Bank debt	226	155	189	113	207	171
Other financial liabilities	3,416	2,665	11,571	4,574	13,401	2,701
	15,291	3,684	11,786	4,687	13,633	2,872

On 18 December 2015, RWE AG sold 100% of its shares of RWE Finance B.V., 's-Hertogenbosch, Netherlands, to RWE International Group. As RWE Finance B.V. does not constitute a business in accordance with IFRS 3, the transaction was accounted for as an asset

deal. As a consequence, the bonds payable were recognized at their fair values as of the transaction date. The following overview shows the key data on the major bonds as of 31 December 2015:

Bonds payable Issuer	Outstanding amount	Carrying amount € million	Coupon in %	Maturity
RWE Finance B.V.	€850 million	864	6.25	April 2016
RWE Finance B.V.	€980 million	1,097	5.125	July 2018
RWE Finance B.V.	€1,000 million	1,172	6.625	January 2019
RWE Finance B.V.	€750 million	772	1.875	January 2020
RWE Finance B.V.	£570 million	887	6.5	April 2021
RWE Finance B.V.	€1,000 million	1,261	6.5	August 2021
RWE Finance B.V.	£500 million	751	5.5	July 2022
RWE Finance B.V.	£488 million	732	5.625	December 2023
RWE Finance B.V.	€800 million	853	3.0	January 2024
RWE Finance B.V.	£760 million	1,152	6.25	June 2030
RWE Finance II B.V.	€600 million	741	5.75	February 2033
RWE Finance B.V.	£600 million	761	4.75	January 2034
RWE Finance B.V.	£1,000 million	1,470	6.125	July 2039
Bonds payable		12,513		

As of 31 December 2015, other financial liabilities include loans and liabilities to the RWE Group of €5,097 million (2014: €15,698 million, 2013: €15,599 million), of which €3,006 million are presented as non-current (2014: €11,292 million, 2013: €13,068 million). In December 2015, a portion of the existing loans and liabilities to the RWE Group, included in the other financial liabilities, was replaced by bonds as a result of the sale of RWE Finance B.V., 's-Hertogenbosch, Netherlands, to the RWE International Group.

As of 31 December 2015, €9,967 million of the non-current financial liabilities were interest-bearing liabilities (2014: €46 million, 2013: €110 million). The increase of the interest-bearing liabilities in 2015 mainly results from the RWE Finance B.V. transaction mentioned above.

As of 31 December 2015, €56 million (2014: €41 million, 2013: €43 million) of the financial liabilities were secured by mortgages, and €8 million (2014: €45 million, 2013: €57 million) by similar rights.

(26) Trade accounts payable

Trade accounts payable are presented as current because they are part of the working capital used in the normal operating cycle even

if they are due to be settled more than twelve months after the reporting period.

(27) Other liabilities

Other liabilities € million	31 Dec 2015		31 Dec 2014		31 Dec 2013	
	Non-current	Current	Non-current	Current	Non-current	Current
Tax liabilities	–	658	–	649	–	690
Social security liabilities	6	68	8	43	9	36
Derivatives	984	1,106	707	913	543	739
Advances and contributions in aid of construction and building connection	1,198	168	1,254	146	1,313	177
Miscellaneous other liabilities	240	2,831	305	2,641	321	2,697
	2,428	4,831	2,274	4,392	2,186	4,339
of which: financial debt	1,018	2,960	765	2,571	614	2,309
of which: non-financial debt	1,410	1,871	1,509	1,821	1,572	2,030

The principal component of social security liabilities are the amounts payable to social security institutions.

to financial debt in the form of current purchase price obligations from rights granted to tender non-controlling interests (put options).

As of 31 December 2015, €1,395 million (2014: €1,198 million, 2013: €1,186 million) of the miscellaneous other liabilities, related

Other information

(28) Reporting on financial instruments

Financial instruments are divided into non-derivative and derivative. Non-derivative financial assets essentially include other non-current financial assets, accounts receivable, marketable securities and cash and cash equivalents. Financial instruments in the category "Available for sale" are recognized at fair value, and other non-derivative financial assets at amortized cost. On the liabilities side, non-derivative financial instruments principally include liabilities recorded at amortized cost.

The fair value of financial instruments "Available for sale" which are reported under other financial assets and securities is the published exchange price, insofar as the financial instruments are traded on an active market. The fair value of non-quoted debt and equity instruments is determined on the basis of discounted expected cash flows. Current market interest rates corresponding to the remaining maturity or maturity are used for discounting.

Derivative financial instruments are recognized at their fair values as of the balance-sheet date, insofar as they fall under the scope of IAS 39. Exchange-traded products are measured using the published closing prices of the relevant exchange. Non-exchange traded products are measured on the basis of publicly available broker quotations or, if such quotations are not available, on generally accepted valuation methods. In doing so, RWE International Group draws on prices on active markets as much as possible. If such are not availa-

ble, company-specific planning estimates are used in the management process. These estimates encompass all of the market factors which other market participants would take into account in the course of price determination. Assumptions pertaining to the energy sector for fiscal years 2015, 2014 and 2013 were made within the scope of a comprehensive process with the involvement of both in-house and external experts.

Measurement of the fair value of a group of financial assets and financial liabilities is conducted on the basis of the net risk exposure per business partner, in accordance with IFRS 13.48.

The following overview presents the classification of financial instruments measured at fair value in the fair value hierarchy prescribed by IFRS 13. In accordance with IFRS 13, the individual levels of the fair value hierarchy are defined as follows:

- Level 1: Measurement using (unadjusted) prices of identical financial instruments formed in active markets;
- Level 2: Measurement on the basis of input parameters which are not the prices from Level 1, but which can be observed for the financial instrument either directly (i.e. as price) or indirectly (i.e. derived from prices);
- Level 3: Measurement using factors which cannot be observed on the basis of market data.

Fair value hierarchy € million	Total 2015	Level 1	Level 2	Level 3	Total 2014	Level 1	Level 2	Level 3	Total 2013	Level 1	Level 2	Level 3
Other financial assets	555	43	27	485	510	39	33	438	478	44	71	363
Derivatives (assets)	1,518	0	1,491	27	939	0	908	31	638	0	622	16
of which: used for hedging purposes	18	–	18	–	17	–	17	–	17	–	17	–
Securities	1,894	1,894	0	–	1,913	1,913	0	–	1,702	1,701	1	–
Derivatives (liabilities)	2,090	0	2,060	30	1,620	0	1,620	0	1,282	1	1,279	2
of which: used for hedging purposes	1	–	1	–	0	–	0	–	18	–	18	–

The development of the fair values of Level 3 financial instruments is presented in the following table:

Level 3 financial instruments: Development in 2015	Balance at 1 Jan 2015	Changes in the scope of combination, currency adjustments, and other	Changes		Balance at 31 Dec 2015
			Recognized in profit or loss	With a cash effect	
€ million					
Other financial assets	438	-13	7	53	485
Derivatives (assets)	31	-	27	-31	27
Derivatives (liabilities)	0	0	30	0	30

Level 3 financial instruments: Development in 2014	Balance at 1 Jan 2014	Changes in the scope of combination, currency adjustments, and other	Changes			Balance at 31 Dec 2014
			Recognized in profit or loss	OCI	With a cash effect	
€ million						
Other financial assets	363	93	18	2	-38	438
Derivatives (assets)	16	1	31	-	-17	31
Derivatives (liabilities)	2	-	0	-	-2	0

Level 3 financial instruments: Development in 2013	Balance at 1 Jan 2013	Changes in the scope of combination, currency adjustments, and other	Changes		Balance at 31 Dec 2013
			Recognized in profit or loss	With a cash effect	
€ million					
Other financial assets	370	-31	7	17	363
Derivatives (assets)	32	55	15	-86	16
of which: used for hedging purposes	-	54	-	-54	-
Derivatives (liabilities)	23	32	0	-53	2
of which: used for hedging purposes	-	32	-	-32	0

Amounts recognized in profit or loss generated through Level 3 financial instruments were recognized in the following line items in the income statement:

Level 3 financial instruments: Amounts recognized in profit or loss	Total 2015	Of which: attributable to financial instruments held at the balance-sheet date	Total 2014	Of which: attributable to financial instruments held at the balance-sheet date	Total 2013	Of which: attributable to financial instruments held at the balance-sheet date
€ million						
Revenue	27	27	31	31	16	16
Cost of materials	-30	-30	-1	-1	-1	-1
Other operating income/expenses	8	8	23	15	8	8
Income from investments	-1	-2	-4	1	-1	0
	4	3	49	46	22	23

Level 3 derivative financial instruments essentially consist of weather derivatives for the hedging of fluctuations in customer demand due to changing temperature patterns. The valuation of such depends on the development of the temperature in particular. All other things being equal, rising temperatures cause the fair values to increase and vice-versa. Assumptions that the future tempera-

tures for the remaining contractual period of the derivatives will deviate from the historically observed long-term average temperatures can only be made for very short periods. Therefore the fair values are primarily determined on the basis of temperatures actually measured over the contractual period of the derivatives already elapsed.

The following impairments were recognized on financial assets which fall under the scope of IFRS 7 and are reported under the balance-sheet items stated below:

Impairments on financial assets € million	Other non-current financial assets	Financial receivables	Trade accounts receivable	Other receivables and other assets	Total
Balance at 1 Jan 2015	29	205	477	10	721
Additions	3	18	101	1	123
Transfers	0	-154	131	-1	-24
Currency translation adjustments	0	0	14	0	14
Disposals	3	33	148	0	184
Balance at 31 Dec 2015	29	36	575	10	650

Impairments on financial assets € million	Other non-current financial assets	Financial receivables	Trade accounts receivable	Other receivables and other assets	Total
Balance at 1 Jan 2014	29	166	494	10	699
Additions	5	54	110	0	169
Transfers	11	3	-4	0	10
Currency translation adjustments	-1	0	2	0	1
Disposals	15	18	125	0	158
Balance at 31 Dec 2014	29	205	477	10	721

Impairments on financial assets € million	Other non-current financial assets	Financial receivables	Trade accounts receivable	Other receivables and other assets	Total
Balance at 1 Jan 2013	48	141	478	8	675
Additions	-2	25	74	2	99
Transfers	-4	21	0	0	17
Currency translation adjustments	-1	0	-9	0	-10
Disposals	12	21	49	0	82
Balance at 31 Dec 2013	29	166	494	10	699

As of the cut-off date, there were unimpaired, past due receivables falling under the scope of IFRS 7 in the following amounts:

Receivables, past due and not impaired	Gross amount as of 31 Dec 2015	Receivables, past due, impaired	Receivables not impaired, past due by:				
			less than 30 days	31 to 60 days	61 to 90 days	91 to 120 days	over 120 days
€ million							
Financial receivables	12,672	15	–	–	–	–	0
Trade accounts receivable	5,126	625	304	59	34	24	170
Other receivables and other assets	1,734	8	0	0	0	0	0
	19,532	648	304	59	34	24	170

Receivables, past due and not impaired	Gross amount as of 31 Dec 2014	Receivables, past due, impaired	Receivables not impaired, past due by:				
			less than 30 days	31 to 60 days	61 to 90 days	91 to 120 days	over 120 days
€ million							
Financial receivables	11,979	99	–	–	–	–	0
Trade accounts receivable	6,185	879	258	51	27	29	130
Other receivables and other assets	1,124	7	0	0	0	0	1
	19,288	985	258	51	27	29	131

Receivables, past due and not impaired	Gross amount as of 31 Dec 2013	Receivables, past due, impaired	Receivables not impaired, past due by:				
			less than 30 days	31 to 60 days	61 to 90 days	91 to 120 days	over 120 days
€ million							
Financial receivables	10,277	39	–	–	–	–	0
Trade accounts receivable	7,580	1,205	280	69	44	28	84
Other receivables and other assets	810	8	0	0	0	0	1
	18,667	1,252	280	69	44	28	85

Financial assets and liabilities can be broken down into categories with the following carrying amounts:

Carrying amounts by category € million	31 Dec 2015	31 Dec 2014	31 Dec 2013
Financial assets recognized at fair value through profit or loss	1,500	923	620
of which: held for trading	1,500	923	620
Financial assets available for sale	2,449	2,423	2,180
Loans and receivables	17,903	18,132	18,182
Financial liabilities recognized at fair value through profit or loss	2,088	1,620	1,265
of which: held for trading	2,088	1,620	1,265
Financial liabilities carried at (amortized) cost	23,942	21,802	22,187

The carrying amounts of financial assets and liabilities within the scope of IFRS 7 basically correspond to their fair values. For financial liabilities, the only deviations are for bonds, bank debt and other financial liabilities. As of 31 December 2015, the carrying amount of these was €18,975 million (2014: €16,473 million, 2013: €16,505 million), while the fair value amounted to €20,234 million (2014: €18,556 million, 2013: €17,488 million). Of this, €12,794 million (2014: €0 million, 2013: €0 million) was related to Level 1 and €7,440 million (2014: €18,556 million, 2013: €17,488 million) to Level 2 of the fair value hierarchy. For financial assets, deviations between carrying amounts and market values

predominantly stem from financial receivables due from RWE companies. As of 31 December 2015, the carrying amount of these was €12,636 million (2014: €11,774 million, 2013: €10,112 million), while the fair value amounted to €12,728 million (2014: €11,849 million, 2013: €10,169 million). In all years they were related to Level 2 of the fair value hierarchy.

The following net results from financial instruments as per IFRS 7 were recognized in the income statement, depending on the category:

Net gain/loss by category € million	2015	2014	2013
Financial assets and liabilities recognized at fair value through profit or loss	203	299	205
of which: held for trading	203	299	205
Financial assets available for sale	535	301	156
Loans and receivables	-60	-7	23
Financial liabilities carried at (amortized) cost	-545	-547	-760

The net result as per IFRS 7 essentially includes interest, dividends and results from the measurement of financial instruments at fair value.

During the year ended 31 December 2015, changes of €53 million (2014: €109 million, 2013: €74 million) after taxes in the value of

financial assets available for sale were recognized in accumulated other comprehensive income. Above and beyond this, €237 million in changes in the value of financial instruments available for sale, which had originally been in other comprehensive income, were reclassified to income (2014: €51 million, 2013: €27 million).

The following is an overview of the financial assets and financial liabilities which are netted out in accordance with IAS 32 or are

subject to enforceable master netting agreements or similar agreements:

Netting of financial assets and financial liabilities as of 31 Dec 2015	Gross amounts recognised	Amounts set off	Net amounts recognized	Related amounts not set off		Net total
				Financial instruments	Cash collateral received/pledged	
€ million						
Derivatives (assets)	930	-143	787	-	-	787
Derivatives (liabilities)	394	-143	251	-	-	251

Netting of financial assets and financial liabilities as of 31 Dec 2014	Gross amounts recognised	Amounts set off	Net amounts recognized	Related amounts not set off		Net total
				Financial instruments	Cash collateral received/pledged	
€ million						
Derivatives (assets)	860	-139	721	-	-	721
Derivatives (liabilities)	283	-138	145	-	-	145

Netting of financial assets and financial liabilities as of 31 Dec 2013	Gross amounts recognised	Amounts set off	Net amounts recognized	Related amounts not set off		Net total
				Financial instruments	Cash collateral received/pledged	
€ million						
Derivatives (assets)	419	-137	282	-	-	282
Derivatives (liabilities)	172	-136	36	-	-	36

As a utility with international operations, the RWE International Group is exposed to market, credit and liquidity risks in its ordinary business activity. In the reporting periods for the combined financial statements, the risks of the RWE International Group were managed by RWE AG. RWE AG limits these risks via a systematic groupwide risk management. The range of action, responsibilities and controls are defined in binding internal directives. In connection with the planned initial public offering of the shares of RWE International SE, these risk management processes may differ from the structures described below.

Market risks stem from changes in exchange rates and share prices as well as interest rates and commodity prices, which can have an influence on business results.

In the reporting periods of the combined financial statements, the Value at Risk (VaR) method was used to determine and monitor the maximum expected loss arising from changes in market prices with a specific level of probability during specific periods. Historical price volatility is taken as a basis in the calculations. All VaR figures are based on a confidence interval of 95% and a holding period of one day.

Due to the RWE International Group's international profile, exchange rate management is a key issue. Different currencies like GBP, USD or CZK are important currencies for the RWE International Group. In the reporting periods of the combined financial statements, the companies of the RWE International Group were required to hedge their foreign currency risks via transactions with RWE AG. Only RWE AG itself may maintain open foreign currency positions, subject to predefined limits. Therefore, RWE International was not exposed to material currency risks.

Interest rate risks stem primarily from financial debt and the interest bearing investments. Increases in interest rates can result in declines in the prices of securities from RWE International's holdings; this pertains primarily to fixed-rate instruments. Financing costs also increase along with the level of interest rates. The RWE International Group was largely financed by the RWE Group in the 2015, 2014 and 2013 reporting periods. Interest rate risks were managed solely on RWE Group level. RWE International companies were fully integrated in this interest rate management and did not manage interest rate risks themselves. The sensitivity of interest expenses to increases in market interest rates on RWE International level measured as Cash-flow at Risk (confidence interval of 95% and a holding period of one

year) as of 31 December 2015 amounted to –€3.3 million (2014: –€16.0 million; 2013: €1.4 million). With regard to the interest rate risk from interest bearing investments, RWE International companies mandated RWE AG to manage the interest rate risk from interest bearing investments. Opportunities and risks from changes in the values of securities were controlled by a professional fund management system of RWE AG. As of 31 December 2015, the VaR for the interest rate risk from interest bearing investments in the RWE International Group amounted to €5.4 million (2014: €2.8 million, 2013: €4.1 million).

RWE International companies also mandated RWE AG to manage opportunities and risks from changes in the values of shares in the RWE International portfolio. RWE AG controlled these funds by a professional fund management system. As of 31 December 2015, the VaR for risks related to the RWE International share portfolio amounted to €2.4 million (2014: €6.4 million; 2013: €6.3 million).

For commodity operations, risk management directives have been established by the department Group Controlling of RWE AG. These regulations stipulate that derivatives may be used, amongst others, to hedge price risks and increase margins. RWE International Group companies do not use derivatives for trading purposes.

One of the most important instruments to limit market risk is the utilization of hedging transactions. The instruments most commonly used are forwards and options with foreign currency, interest rate swaps, interest rate currency swaps and forwards, options, futures and swaps with commodities.

Maturities of derivatives related to interest rates, currencies, equities, indices and commodities for the purpose of hedging are based on the maturities of the underlying transactions and are thus primarily short term and medium term in nature. Hedges of foreign currency risks of foreign investments have maturities of up to 23 years.

All derivative financial instruments are recognized as assets or liabilities and are measured at fair value. When interpreting their positive and negative fair values, it should be taken into account that these financial instruments are generally matched with underlying transactions that carry offsetting risks.

Hedges of net investment in a foreign operation pursuant to IAS 39 are used to hedge the foreign currency risks of net investments in foreign entities whose functional currency is not the euro. RWE International uses bonds (loans in 2014 and 2013) with various terms in the appropriate currencies and currency swaps and forwards as hedging instruments. If there are changes in the exchange rates of currencies in which the bonds or loans used for hedging are denominated or changes in the fair value of interest rate currency swaps and forwards, this is recorded under foreign currency translation adjustments in other comprehensive income. As of 31 Decem-

ber 2015, the fair value of the bonds amounted to €1,984 million (the fair value of the loans amounted to €2,143 million in 2014 and €2,028 million in 2013) and the fair value of the swaps and forwards amounted to €18 million (2014: €16 million, 2013: –€4 million).

During the year ended 31 December 2015, income of €0 million (2014: €3 million, 2013: €0 million) was recognized on the income statement in relation to the ineffective portions of hedges of net investment in foreign operations.

Credit risks. In the fields of finance and commodities, the RWE International Group primarily has credit relationships with banks and other trading partners with good creditworthiness. The resulting counterparty risks are reviewed upon conclusion of the contract and constantly monitored. Such risks are limited by defining limits for trading with contractual partners and, if necessary, by requiring additional collateral, such as cash collateral. Credit risks in commodities and financial operations are monitored on a daily basis.

In the retail business, the RWE International Group is exposed to credit risk, because it is possible that customers will fail to meet their financial obligations. Such risks are identified in regular analyses of the creditworthiness of the major customers, and appropriate countermeasures are taken, if necessary.

The Group also employs credit insurance, financial guarantees, bank guarantees and other forms of security to protect against credit risks in its financial activities and retail business.

The maximum balance-sheet default risk is derived from the carrying values of the receivables stated in the balance sheet. If default risks materialize, they are recognized through impairments. The default risks for derivatives correspond to their positive fair values. Risks can also stem from financial guarantees and loan commitments for external creditors. As of 31 December 2015, these obligations amounted to €126 million (2014: €160 million, 2013: €59 million). As of 31 December 2015, default risks were balanced against credit collateral, financial guarantees, bank guarantees and other collaterals amounting to €90 million (2014: €74 million, 2013: €114 million). There were no material defaults in fiscal years 2015, 2014 and 2013.

Liquidity risk is the risk that liquidity reserves will prove to be insufficient to meet financial obligations in a timely manner. As a rule, RWE Group companies centrally refinance with RWE AG. In the reporting periods for the combined financial statements, RWE International Group is therefore largely financed by the RWE Group and invests excess liquidity with RWE AG or its subsidiaries using the RWE Group's cash pooling and cash management system. Within the cashpooling liquidity need and surplus of RWE's entities is balanced. RWE's cash management system ensures that all payments of the RWE Group are conducted in time.

The RWE Group holds sufficient liquidity to ensure the fulfillment of all planned payment obligations of the RWE International Group at maturity. As of 31 December 2015, holdings of cash and cash equivalents and current marketable securities of the RWE Group amounted to €9,959 million (2014: €7,581 million, 2013: €6,696 million). Additionally, as of 31 December 2015, RWE AG had a fully committed, unused syndicated credit line of €4 billion (2014: €4 billion, 2013: €4 billion) at its disposal. As of 31 December 2015, US\$0.1 billion (2014: US\$0 billion, 2013: US\$0 billion) of the US\$5 billion commercial paper programme (2014: US\$5 billion, 2013: US\$5 billion) was used. In addition, the RWE Group can

finance itself by using its €30 billion debt issuance programme; as of 31 December 2015, outstanding bonds from this programme amounted to €11.3 billion (2014: €0 billion, 2013: €0 billion). Accordingly, the medium-term liquidity risk for the RWE International Group can be classified as low.

In 2016, capital market debt (less portions of the bonds bought back) with a nominal volume of approximately €0.9 billion (2015: €0.0 billion, 2014: €0.0 billion) and bank debt of €0.2 billion (2015: €0.1 billion, 2014: €0.2 billion) is due for the RWE International Group. Additionally, short-term debt must also be repaid.

Financial liabilities falling under the scope of IFRS 7 are expected to result in the following (undiscounted) payments in the coming years:

Repayments and interest payments on financial liabilities € million	Carrying amount 31 Dec 2015	Repayments			Interest payments		
		2016	2017 to 2020	From 2021	2016	2017 to 2020	From 2021
Bonds payable	12,513	850	2,730	7,738	619	1,649	4,073
Bank debt	381	155	150	76	5	11	6
Other financial liabilities	6,081	2,665	1,793	1,623	115	365	417
Derivative financial liabilities	2,090	910	1,180	–	–	–	–
Redemption liabilities from put options	1,395	1,395	–	–	–	–	–
Miscellaneous other financial liabilities	4,974	4,939	19	16	–	–	–

Repayments and interest payments on financial liabilities € million	Carrying amount 31 Dec 2014	Repayments			Interest payments		
		2015	2016 to 2019	From 2020	2015	2016 to 2019	From 2020
Bonds payable	26	26	0	–	–	–	–
Bank debt	302	112	119	71	5	13	5
Other financial liabilities	16,145	4,574	2,040	9,531	609	1,858	1,955
Derivative financial liabilities	1,620	748	871	1	–	–	–
Redemption liabilities from put options	1,198	1,198	–	–	–	–	–
Miscellaneous other financial liabilities	5,331	5,275	15	41	–	–	–

Repayments and interest payments on financial liabilities € million	Carrying amount 31 Dec 2013	Repayments			Interest payments		
		2014	2015 to 2018	From 2019	2014	2015 to 2018	From 2019
Bonds payable	25	25	0	–	0	0	–
Bank debt	378	171	132	75	6	14	9
Other financial liabilities	16,102	2,701	3,927	9,474	579	1,944	2,226
Derivative financial liabilities	1,282	739	543	–	–	–	–
Redemption liabilities from put options	1,186	1,186	–	–	–	–	–
Miscellaneous other financial liabilities	5,685	5,632	12	41	–	–	–

In addition, as of 31 December 2015, there were financial guarantees for external creditors in the amount of €1 million (2014: €0 million, 2013: €0 million), which are to be allocated to the first year of

repayment. Additionally, RWE International Group companies have provided loan commitments amounting to €125 million (2014: €160 million, 2013: €59 million), which are callable in 2016.

(29) Contingent liabilities and financial commitments

As of 31 December 2015, the amount of capital commitments totalled €325 million (2014: €488 million, 2013: €577 million). In addition, unrecognized commitments to provide loans or other financial support to joint ventures amounted to €125 million in 2015 (2014: €0 million, 2013: €0 million).

Commitments from operating leases refer largely to rent and lease contracts for storage and administration buildings. Minimum lease payments have the following maturity structure:

Operating leases	Nominal value		
	31 Dec 2015	31 Dec 2014	31 Dec 2013
€ million			
Due within 1 year	219	213	201
Due after 1 to 5 years	620	534	431
Due after 5 years	967	901	418
	1,806	1,648	1,050

(30) Segment reporting

For the reporting periods of the combined financial statements, the segment reporting is based on the internal reporting to the chief operating decision maker of the RWE International Group from the beginning of the operational business activities of the RWE International Group on 1 April 2016. The internal reporting and management of the RWE International Group is based on regional and functional principles. The Group is divided into seven operating segments.

In the operating segments “Grid and Infrastructure Germany” and “Grid and Infrastructure Eastern Europe”, the German electricity and gas distribution networks as well as the distribution networks in Central Eastern and South Eastern Europe are reported. The operating segments show similar economic characteristics. They are responsible for the planning, operation and maintenance as well as for the development and reconstruction of the distribution networks. Due to EU directives and regulations, the regulatory environment which is the key value driver for the financial performance of the segments is comparable. The operating segments are therefore combined to the reportable segment “Grid and Infrastructure”. This segment also includes non-controlling interests like the Austria-based KELAG as well as other infrastructure, in particular gas storages and water supply.

The operating segments “Retail Germany”, “Retail United Kingdom”, “Retail Netherlands/Belgium” and “Retail Eastern Europe” are in charge of the supply of electricity, gas, heat and energy services to B2B and B2C customers in Germany, the Netherlands and Belgium, the United Kingdom as well as Central Eastern and South Eastern Europe. They have comparable processes and organizations e.g.

RWE International has long-term contractual purchase commitments for supplies of gas which are mostly based on long-term take-or-pay-contracts. Furthermore, RWE International has long-term financial commitments for purchases of electricity. As of 31 December 2015, the minimum payment obligations stemming from major electricity purchase contracts totalled €3,563 million (2014: €3,486 million, 2013: €2,639 million), of which €454 million is due within one year (2014: €266 million, 2013: €311 million). Payment obligations stemming from the major long-term gas purchase contracts amounted to €1,530 million as of 31 December 2015 (2014: €1,969 million, 2013: €2,190 million), of which €284 million is due within one year (2014: €294 million, 2013: €270 million).

RWE International and its subsidiaries are involved in official, regulatory and anti-trust proceedings, litigation and arbitration proceedings related to their operations and are affected by the results of such. In some cases, out-of-court claims are also filed. However, RWE International does not expect any material negative repercussions from these proceedings on the RWE International Group’s economic or financial position.

for sourcing, portfolio management, customer acquisition and customer care. Business fundamentals show high similarity due to EU legislation and EU market integration. Value drivers are the same, financial performance is influenced by the same factors such as competitive intensity. As the operating segments therefore show similar economic characteristics, they are combined to the reportable segment “Retail”.

The segment “Renewables” covers the generation of electricity from wind (onshore and offshore), water and – to a limited extent – biomass with the major activities in Germany, the United Kingdom, the Netherlands, Spain and Poland.

“Other, consolidation” covers consolidation effects, RWE International SE and the activities of other business areas which are not presented separately. These activities include the internal group services provided by RWE IT and RWE Consulting. Moreover, overhead costs that were allocated to the RWE International Group are presented here.

Segment reporting Divisions 2015 € million	Grid and Infrastructure	Retail	Renewables	Other, consolidation	RWE International Group
External revenue (incl. natural gas tax/electricity tax)	10,176	34,491	710	191	45,568
Intra-group revenue	3,049	577	448	-4,074	-
Total revenue	13,225	35,068	1,158	-3,883	45,568
Operating result	1,930	830	488	-198	3,050
Operating income from investments	294	19	102	-	415
Operating income from investments accounted for using the equity method	217	12	-2	1	228
Operating depreciation and amortization	948	158	330	35	1,471
Total impairment losses	70	173	34	-	277
EBITDA	2,878	988	818	-163	4,521
Carrying amount of investments accounted for using the equity method	1,924	77	135	1	2,137
Capital expenditures on intangible assets, property, plant and equipment	1,305	287	404	28	2,024

Segment reporting Divisions 2014 € million	Grid and Infrastructure	Retail	Renewables	Other, consolidation	RWE International Group
External revenue (incl. natural gas tax/electricity tax)	9,819	35,145	520	197	45,681
Intra-group revenue	3,225	674	305	-4,204	-
Total revenue	13,044	35,819	825	-4,007	45,681
Operating result	1,904	907	253	-205	2,859
Operating income from investments	301	8	-3	-	306
Operating income from investments accounted for using the equity method	229	8	-4	1	234
Operating depreciation and amortization	957	162	271	48	1,438
Total impairment losses	134	1	29	3	167
EBITDA	2,861	1,069	524	-157	4,297
Carrying amount of investments accounted for using the equity method	2,196	83	99	1	2,379
Capital expenditures on intangible assets, property, plant and equipment	1,131	212	677	40	2,060

Segment reporting Divisions 2013 € million	Grid and Infrastructure	Retail	Renewables	Other, consolidation	RWE International Group
External revenue (incl. natural gas tax/electricity tax)	9,376	38,341	660	212	48,589
Intra-group revenue	3,516	795	256	-4,567	-
Total revenue	12,892	39,136	916	-4,355	48,589
Operating result	1,938	931	200	-225	2,844
Operating income from investments	299	8	-44	-	263
Operating income from investments accounted for using the equity method	251	7	-42	-1	215
Operating depreciation and amortization	852	182	248	68	1,350
Total impairment losses	184	1	624	0	809
EBITDA	2,790	1,113	448	-157	4,194
Carrying amount of investments accounted for using the equity method	2,249	52	105	-2	2,404
Capital expenditures on intangible assets, property, plant and equipment	1,117	158	975	52	2,302

Regions 2015 € million	EU			Rest of Europe	Other	RWE International Group
	Germany	UK	Other EU			
External revenue (excl. natural gas tax/electricity tax) ¹	26,323	9,624	7,480	23	6	43,456
Intangible assets, property, plant and equipment	14,373	6,374	9,592	–	147	30,486

1 Broken down by the region in which the service was provided.

Regions 2014 € million	EU			Rest of Europe	Other	RWE International Group
	Germany	UK	Other EU			
External revenue (excl. natural gas tax/electricity tax) ¹	26,742	9,290	7,403	69	2	43,506
Intangible assets, property, plant and equipment	14,125	6,447	8,296	–	136	29,004

1 Broken down by the region in which the service was provided.

Regions 2013 € million	EU			Rest of Europe	Other	RWE International Group
	Germany	UK	Other EU			
External revenue (excl. natural gas tax/electricity tax) ¹	27,133	9,281	9,583	29	3	46,029
Intangible assets, property, plant and equipment	14,222	5,848	8,381	–	127	28,578

1 Broken down by the region in which the service was provided.

Products € million	RWE Group		
	2015	2014	2013
External revenue ¹	43,456	43,506	46,029
of which: electricity	31,354	31,137	32,000
of which: gas	10,394	10,165	11,805

1 Excluding natural gas tax/electricity tax.

Notes on segment data. Revenue between the segments is reported as RWE International intra-group revenue. Internal supply of goods and services is settled at arm's lengths conditions. The

operating result is used for internal management. The following table presents the reconciliation of EBITDA to the operating result and to income before tax:

Reconciliation of income items € million	2015	2014	2013
EBITDA	4,521	4,297	4,194
– Operating depreciation and amortization	–1,471	–1,438	–1,350
Operating result	3,050	2,859	2,844
+ Non-operating result	50	–83	–832
+ Financial result	–302	–555	–567
Income before tax	2,798	2,221	1,445

Income and expenses that are unusual from an economic perspective, or stem from exceptional events, prejudice the assessment of operating activities. They are reclassified to the non-operating result. Typically the non-operating result can include book gains or losses from the disposal of investments or non-current assets not required for operations, impairment of the goodwill of fully consolidated companies, as well as effects of the fair valuation of certain derivatives.

The non-operating result increased from –€832 million during the year ended 31 December 2013 by €749 million to –€83 million during the year ended 31 December 2014 and by €133 million to €50 million during the year ended 31 December 2015. This increase was largely due to impairments, in particular, due to an impairment of about €270 million that was recognized on Spanish onshore wind farms in the Renewables Segment during the year ended 31 December 2013 and an impairment of €260 million that was recognized on a German offshore wind farm in the Renewables Segment during the year ended 31 December 2013.

(31) Notes to the cash flow statement

The cash flow statement classifies cash flows according to operating, investing and financing activities. Cash and cash equivalents in the cash flow statement correspond to the amount stated in the balance sheet. Cash and cash equivalents consist of cash on hand, demand deposits and fixed-interest marketable securities with a maturity of three months or less from the date of acquisition.

Amongst other things, cash flows from operating activities during the year ended 31 December 2015 include:

- cash flows from interest income of €260 million (2014: €330 million, 2013: €320 million) and cash flows used for interest expenses of €606 million (2014: €686 million, 2013: €684 million)
- €862 million (2014: €861 million, 2013: €408 million) in taxes on income paid (less refunds)
- income from investments, corrected for items without an effect on cash flows, in particular from accounting using the equity method, amounted to €241 million (2014: €267 million, 2013: €286 million)

(32) Information on concessions

In the fields of electricity, gas and water supply, there are a number of easement agreements and concession contracts between RWE International Group companies and the governmental authorities in the areas RWE International Group supplies.

Easement agreements are used in the electricity and gas business to regulate the use of public rights of way for laying and operating lines for public energy supply. These agreements are generally limited to a term of 20 years. After expiry, there is a legal obligation to

transfer ownership of the local distribution facilities to the new operator, for appropriate compensation.

Water concession agreements contain provisions for the right and obligation to provide water and wastewater services, to operate the associated infrastructure, such as water utility plants, as well as to implement capital expenditures. Concessions in the water business generally have terms of up to 25 years.

Cash flows from financing activities during the year ended 31 December 2015 include purchases of €0 million (2014: €58 million, 2013: €0 million) and sales of €170 million (2014: €29 million, 2013: €279 million) of shares in subsidiaries and other business units which did not lead to a change in control. During the year ended 31 December 2015, net changes in equity (incl. non-controlling interests) included a payment of €547 million for the acquisition of 100% of the shares of RWE Supply & Trading Netherlands B.V. from a subsidiary of RWE AG (see "Scope of combination – Business combinations").

As of 31 December 2015 restrictions on the disposal of cash and cash equivalents amounted to €19 million (2014: €14 million, 2013: €14 million).

(33) Related party disclosures

Within the framework of its ordinary business activities, the RWE International Group has business relationships with numerous companies. These include the parent company RWE AG and its subsidiaries, associates and joint ventures as well as associates and joint ventures of the RWE International Group which are classified as related parties.

Business and finance transactions were concluded with RWE AG, its subsidiaries, associates and joint ventures as well as with major associates and joint ventures of the RWE International Group, resulting in the following items in RWE International's combined financial statements:

Key items from transactions with related parties	RWE AG			Subsidiaries, associates and joint ventures of RWE Group			Associates of RWE International Group			Joint ventures of RWE International Group		
	2015	2014	2013	2015	2014	2013	2015	2014	2013	2015	2014	2013
€ million												
Income	71	19	323	5,058	5,674	5,476	216	216	239	15	32	0
Expenses	1,136	2,643	1,932	19,833	22,028	24,405	43	36	59	–	1	8
Receivables	5,063	5,178	3,835	7,147	6,684	6,768	56	31	11	86	102	0
Liabilities	5,405	11,202	11,260	1,505	6,660	6,653	4	2	7	11	32	1

In addition to the amounts presented in the table above, during the year ended 31 December 2015, RWE International Group recorded contributions and withdrawals from RWE Group companies of

–€1,285 million (2014: €1,320 million, 2013: €1,117 million) directly in invested equity (see Note 21).

The key items from transactions with related parties mainly stem from supply and service as well as financial transactions with RWE Group companies. During the reporting periods of the combined financial statements, the RWE International Group was largely financed by the RWE Group and invested excess liquidity with RWE AG or RWE Group companies using the RWE Group's cash pooling and cash management system. As of 31 December 2015, receivables include loans and financial receivables to the RWE Group at the amount of €11,613 million (2014: €10,859 million, 2013: €9,118 million). During the year ended 31 December 2015, the underlying interest rates of the loans and financial receivables to the RWE Group ranged from 0.15% to 6.65% (2014: 0.15% to 6.00%, 2013: 0.15% to 6.00%) and the underlying terms ranged from 1 to 35 years (2014: 1 to 36 years, 2013: 1 to 37 years). As of 31 December 2015, loans and financial liabilities to the RWE Group amounted to €5,140 million (2014: €15,698 million, 2013: €15,599 million). During the year ended 31 December 2015, the underlying interest rates of the loans and financial liabilities to the RWE Group ranged from 0.12% to 7.06% (2014: 0.81% to 7.06%, 2013: 0.93% to 7.06%) and the underlying terms ranged from 1 to 16 years (2014: 1 to 17 years, 2013: 1 to 18 years). Generally, based on RWE Group policies, loans between companies of the RWE Group (including RWE International companies) are not secured or guaranteed.

RWE International Group companies entered into contracts with RWE Group companies, in particular RWE Supply & Trading, to purchase or supply commodities, mainly electricity and gas. In addition, services were provided from RWE Group companies to the RWE International Group as well as from the RWE International Group to RWE Group companies based on service level agreements. During the year ended 31 December 2015, supply transactions/services and other transactions respectively led to income in the amount of €4,872 million and €54 million, respectively (2014: €5,311 million and €122 million, respectively, 2013: €5,257 million and €287 million, respectively) and expenses of €19,082 million and €1,737 million, respectively (2014: €21,334 million and €3,102 million, respectively, 2013: €23,627 million and €2,418 million, respectively).

During the year ended 31 December 2015, finance transactions led to income in the amount of €203 million (2014: €260 million, 2013: €255 million) and expenses of €150 million (2014: €236 million, 2013: €292 million).

There were also financial links with joint ventures which resulted in income of €4 million (2014: €4 million, 2013: €0 million). As of 31 December 2015, financial receivables accounted for €71 million of the receivables from joint ventures (2014: €91 million, 2013: €0 million).

All transactions were completed at arm's length conditions, i.e. on principle the conditions of these transactions did not differ from those with other enterprises. As of 31 December 2015, €10,903 million of the receivables (2014: €11,200 million, 2013: €10,256 million) and €3,918 million of the liabilities (2014: €6,603 million, 2013: €4,849 million) fall due within one year. As of 31 December 2015, other obligations from executory contracts amounted to €23,578 million (2014: €29,044 million, 2013: €34,877 million).

Above and beyond this, the RWE International Group did not execute any material transactions with related companies or persons.

During the reporting periods of the combined financial statements, RWE International did not exist as a separate group and thus there were no key management personnel for this group. The following disclosures show the compensation of the Executive Board and the Supervisory Board of RWE AG based on the allocation keys that were used for the allocation of overhead costs including management compensation to RWE International.

On this basis, the total compensation of the Executive Board of RWE AG during the year ended 31 December 2015 amounted to €6,510,000 (2014: €6,383,000, 2013: €7,635,000), plus pension service cost of €333,000 (2014: €272,000, 2013: €338,000).

The short-term compensation components of the Executive Board during the year ended 31 December 2015 amounted to €5,076,000 (2014: €5,238,000, 2013: €4,923,000). In addition to this, long-term compensation components during the year ended 31 December 2015 amounted to €432,000 (2014: €143,000, 2013: €503,000) and share-based compensation components (see Note 22) amounted to €1,002,000 (2014: €1,002,000, 2013: €2,209,000).

During the year ended 31 December 2015, the compensation of the Supervisory Board based on the allocation keys amounted to €1,557,000 (2014: €1,562,000, 2013: €1,411,000). During the year ended 31 December 2015, Supervisory Board members also received a total of €151,000 (2014: €124,000, 2013: €95,000) in compensation from subsidiaries for the exercise of mandates. The employee representatives on the Supervisory Board have labour contracts with the respective Group companies. Remuneration occurs in accordance with the relevant contractual conditions.

(34) Events after the end of 2015

In the period between 1 January 2016 and the date when the combined financial statements were authorized for issue by the Executive Board of RWE International SE (30 June 2016), the following material events occurred:

In July 2015, RWE International gained control of WestEnergie GmbH, an investment that had previously been accounted for using the equity method, due to the expiry of a renouncement of a voting right. The company primarily operates electricity and gas distribution networks. At 31 December 2015, the initial accounting of the business combination had not been finalized due to the complex structure of the transaction. The accounting treatment, including the result of first-time inclusion was finalized with effect from 31 March 2016. The assumed assets and liabilities are presented in the following table:

Balance-sheet items € million	IFRS carrying amounts (fair values) at first-time inclusion
Non-current assets	152
Current assets	24
Non-current liabilities	38
Current liabilities	36
Net assets	102
Non-controlling interests	-1
Cost (not affecting cash)	121
Goodwill	20

The fair value of the old shares amounted to €121 million. The first-time inclusion resulted in income of €34 million, which is recognized as part of the "Other operating income" on the income statement. The fair value of the receivables included in non-current and current assets amounted to €24 million.

The measurement of non-controlling interests was based on the pro-rated net assets of the company at first-time inclusion. The goodwill essentially represents the expected future usage and synergy effects.

At the end of February 2016, RWE International reached an agreement with the Hungarian gas utility TIGÁZ, which belongs to the Italian ENI Group, to acquire its industrial and corporate customers. These customers were transferred to RWE International's subsidiary MÁSZ with effect from 1 April 2016. RWE International's share of the unregulated Hungarian gas market thus climbed to about 10%.

In the first quarter of 2016, impairments of €204 million were recognized for the gas storage facilities of the Grid and Infrastructure Segment (recoverable amount: €0.1 billion), primarily due to changes in price expectations. The fair value less costs to sell was determined using a company valuation model based on cash flow budgets and a discount rate of 5.25%.

In May and June 2016, the two leading rating agencies Moody's and Standard & Poor's lowered the long-term credit rating for the senior bonds of RWE to Baa3 with a stable outlook and BBB- with a negative outlook respectively.

During the first six months of 2016, the RWE International Group was formed by transferring legal entities between other RWE Group companies and the RWE International Group in a legal reorganization process. For these business combinations under common control, the predecessor accounting approach has been applied. This means that the assets and liabilities of the businesses included in the combined financial statements correspond to the historically reported amounts in the IFRS consolidated financial statements of the RWE Group (predecessor values). Therefore, no new goodwill was recognized. Any consideration given or received is recognized directly in equity.

The following transactions took place:

- March 2016: Merger ("Verschmelzung") of Essent SPV N.V., 's-Hertogenbosch, Netherlands and RWE Downstream AG, Essen, Germany. As a result of this merger, RWE International SE was established.
- March 2016: Contribution ("Einbringung") of RWE IT GmbH, Essen, Germany to RWE International SE.
- March 2016: Contribution of GBV Einundzwanzigste Gesellschaft für Beteiligungsverwaltung mbH, which was renamed to GfP Gesellschaft für Pensionsverwaltung mbH, Essen, Germany, to RWE International SE.
- April 2016: Merger of RWE Innogy GmbH, Essen, Germany, and RWE International SE. As a consideration, 5.1% of the shares of RWE International SE were granted to RWE AG and 94.9% to RWE Downstream Beteiligungs GmbH.
- April 2016: Merger of RWE Effizienz GmbH, Dortmund, Germany, and RWE International SE.
- April 2016: Merger of RWE Vertrieb AG, Dortmund, Germany, and RWE International SE.
- April 2016: Contribution of the participation in RWE Deutschland AG, Essen, Germany, to RWE International SE. As a consideration, RWE International SE granted to the former shareholders RWE AG and RWE Downstream Beteiligungs GmbH 121 and 879 new shares respectively at the nominal amount of €1.
- April 2016: Acquisition of RWE Npower Group plc, Swindon, United Kingdom, by RWE Gas International N.V. for a purchase price of £1,438 million.

- May 2016: Merger of GBV Zweiundzwanzigste Gesellschaft für Beteiligungsverwaltung mbH, Essen, Germany, and RWE International SE.
- May 2016: Acquisition of RWE Group Business Services Polska Sp. z.o.o., Krakow, Poland, by RWE International SE for a purchase price of €6 million.
- May 2016: Merger of RWE Energiedienstleistungen GmbH, Dortmund, Germany, and RWE International SE.
- May 2016: Contribution in kind (“Sacheinlage”) of the following entities to RWE International SE:
 - RWE East s.r.o., Prague, Czech Republic
 - RWE Hrvatska d.o.o., Zagreb, Croatia
 - RWE Polska S.A., Warsaw, Poland
 - RWE Polska Generation Sp. z.o.o., Warsaw, Poland
 - RWE Slovensko s.r.o., Bratislava, Slovakia
 - RWE New Energy Ltd., Dubai, United Arab Emirates
 - RWE New Ventures LLC, Wilmington, USA
 - MITGAS Mitteldeutsche Gasversorgung GmbH, Halle (Saale), Germany
 - SpreeGas Gesellschaft für Gasversorgung und Energiedienstleistung mbH, Cottbus, Germany
 - Pfalzwerke AG, Ludwigshafen, Germany
 - easyOptimize GmbH, Essen, Germany
 - RWE-EnBW Magyarorszag Energiaszolgalato Kft., Budapest, Hungary

The portfolio of these entities was transferred to RWE International SE against the granting of shares (“Anteilsgewährung”) at the amount of €1,000.
- May 2016: Contribution of the following entities to RWE International SE:
 - Budapesti Elektromos Művek Nyrt., Budapest, Hungary
 - enviaM Beteiligungsgesellschaft mbH, Chemnitz, Germany
 - envia Mitteldeutsche Energie AG, Chemnitz, Germany
 - Eszak-magyarorszagi Aramszolgalato Nyrt., Miskolc, Hungary
 - Kärntner Energieholding Beteiligungs GmbH, Klagenfurt, Austria
 - KELAG-Kärntner Elektrizitäts-AG, Klagenfurt, Austria
 - Lechwerke AG, Augsburg, Germany
 - VSE AG, Saarbrücken, Germany
 - Vychodoslovenska energetika Holding a.s., Košice, Slovakia

The portfolio of these entities was transferred to RWE International SE against the granting of shares at the amount of €1,000 and the payment of €3,923 million.
- May 2016: Contribution of 77.58% of the shares of Süwag Energie AG, Frankfurt am Main, Germany, to RWE International SE against the granting of shares at the amount of €1,000. RWE International SE has recognized the shares in Süwag Energie AG at the amount of €350 million.
- May 2016: Contribution of 51.0% of the shares of RL Beteiligungsverwaltung mit beschränkter Haftung oHG, Gundremmingen, Germany, to RWE International SE.
- May 2016: Contribution of RWE Consulting GmbH, Essen, Germany, to RWE International SE.
- May 2016: Acquisition of 1% of the shares of RWE Slovensko s.r.o., Bratislava, Slovakia, by RWE Gas International N.V.
- June 2016: Acquisition of 49% of the shares of RWE Power International Middle East, Dubai, United Arab Emirates, by RWE Consulting GmbH for a purchase price of €31,220.
- June 2016: Gain of control of RWE Rheinhessen Beteiligungsgesellschaft mbH, Essen, Germany, by contractual agreement.
- June 2016: Acquisition of RWE Benelux Holding B.V., ‘s-Hertogenbosch, Netherlands, by RWE Gas International N.V. for a purchase price of €1,256 million.
- June 2016: Contribution of RWE Aqua GmbH, Mülheim an der Ruhr, Germany, to RWE International SE against the granting of shares at the amount of €5,000.
- June 2016: Acquisition of RWE SWITCH GmbH, Essen, Germany, by RWE International SE for a purchase price of €25,000.
- June 2016: Acquisition of RWE Gastronomie GmbH, Essen, Germany, by RWE International SE for a purchase price of €275,000.

Moreover, 19.99% of the shares of Dii GmbH, München, Germany, were contributed to RWE International SE in May 2016.

(35) Companies included in the combination scope

The companies included in the combination scope are listed in the

following tables. The shown shareholding in percentage refers to the RWE Group:

Fully consolidated companies	Shareholding in %		
	2015	2014	2013
2. CR Immobilien-Vermietungsgesellschaft mbH & Co. Objekt MEAG Halle KG, Halle	– ¹	– ¹	– ¹
Aktivabedrijf Wind Nederland B.V., Zwolle/Netherlands	100	100	100
An Suidhe Wind Farm Limited, Swindon/United Kingdom	100	100	100
Andromeda Wind S.r.l., Bolzano/Italy	51	51	51
Artelis S.A., Luxembourg/Luxembourg	53	53	53
A/V/E GmbH, Halle (Saale)	76	76	76
Batsworthy Cross Wind Farm Limited, Swindon/United Kingdom	100	–	–
Bayerische Bergbahnen-Beteiligungs-Gesellschaft mbH, Gundremmingen	100	100	100
Bayerische Elektrizitätswerke GmbH, Augsburg	100	100	100
Bayerische-Schwäbische Wasserkraftwerke Beteiligungsgesellschaft mbH, Gundremmingen	62	62	62
Bilbster Wind Farm Limited, Swindon/United Kingdom	100	100	100
Bristol Channel Zone Limited, Swindon/United Kingdom	100	100	100
BTB-Blockheizkraftwerks, Träger- und Betreiber-gesellschaft mbH Berlin, Berlin	100	100	100
Budapesti Elektromos Muvek Nyrt., Budapest/Hungary	55	55	55
Carnedd Wen Wind Farm Limited, Swindon/United Kingdom	100	100	100
Cegecom S.A., Luxembourg/Luxembourg	100	100	100
Channel Energy Limited, Swindon/United Kingdom	100	100	100
CR-Immobilien-Vermietungsgesellschaft mbH & Co. KG Cottbus, Cottbus	– ¹	– ¹	– ¹
ELE Verteilnetz GmbH, Gelsenkirchen	100	100	100
Elektrizitätswerk Landsberg GmbH, Landsberg am Lech	100	100	100
ELMU DSO Holding Korlátolt Felelősségű Társaság, Budapest/Hungary	100	–	–
ELMU Halozati Eloszto Kft., Budapest/Hungary	100	100	100
ELMU-ÉMÁSZ Energiaszolgáltató Zrt., Budapest/Hungary	100	–	–
ELMU-ÉMÁSZ Halozati Szolgáltató Kft., Budapest/Hungary	100	100	100
ELMU-ÉMÁSZ Ügyfélszolgálati Kft., Budapest/Hungary	100	100	100
ÉMÁSZ DSO Holding Korlátolt Felelősségű Társaság, Miskolc/Hungary	100	–	–
ÉMÁSZ Halozati Kft., Miskolc/Hungary	100	100	100
Emscher Lippe Energie GmbH, Gelsenkirchen	50 ¹	50 ¹	50
ENB Energienetze Berlin GmbH, Berlin	100	100	100
Energiedirect B.V., Waalre/Netherlands	100	100	100
Energies France S.A.S. – Group – (pre-consolidated)	–	–	–
Centrale Hydroelectrique d'Oussiat S.A.S., Paris/France	100	100	100
Energies Charentus S.A.S., Paris/France	100	100	100
Energies France S.A.S., Paris/France	100	100	100
Energies Maintenance S.A.S., Paris/France	100	100	100
Energies Saint Remy S.A.S., Paris/France	100	100	100
Energies VAR 1 S.A.S., Paris/France	100	100	100
Energies VAR 2 S.A.S., Paris/France	–	100	100
Energies VAR 3 S.A.S., Paris/France	100	100	100
RWE Innogy Développement France S.A.S., Paris/France	–	100	100
SAS Île de France S.A.S., Paris/France	100	100	100
Energiewacht N.V., Veendam/Netherlands	100	50	50
energis GmbH, Saarbrücken	72	72	64

1 Control by virtue of company contract.

2 No control by virtue of company contract.

3 Significant influence via indirect investments.

Fully consolidated companies	Shareholding in %		
	2015	2014	2013
energis-Netzgesellschaft mbH, Saarbrücken	100	100	100
Enerservice Maastricht B.V., Maastricht/Netherlands	–	100	100
envia AQUA GmbH, Chemnitz	–	–	100
envia Mitteldeutsche Energie AG, Chemnitz	59	59	59
envia SERVICE GmbH, Cottbus	100	100	100
envia TEL GmbH, Markkleeberg	100	100	100
envia THERM GmbH, Bitterfeld-Wolfen	100	100	100
enviaM Beteiligungsgesellschaft Chemnitz GmbH, Chemnitz	100	100	100
enviaM Beteiligungsgesellschaft mbH, Essen	100	100	100
eprimo GmbH, Neu-Isenburg	100	100	100
Essent Belgium N.V., Antwerp/Belgium	100	100	100
Essent CNG Cleandrive B.V., 's-Hertogenbosch/Netherlands	100	–	–
Essent Energie Verkoop Nederland B.V., 's-Hertogenbosch/Netherlands	100	100	100
Essent Energy Group B.V., Arnhem/Netherlands	100	100	100
Essent IT B.V., Arnhem/Netherlands	100	100	100
Essent Meetdatabedrijf B.V., 's-Hertogenbosch/Netherlands	100	100	100
Essent Nederland B.V., Arnhem/Netherlands	100	100	100
Essent New Energy B.V., 's-Hertogenbosch/Netherlands	100	100	100
Essent N.V., 's-Hertogenbosch/Netherlands	100	100	100
Essent Personeel Service B.V., Arnhem/Netherlands	100	100	100
Essent Retail Bedrijven B.V., Arnhem/Netherlands	100	100	100
Essent Retail Energie B.V., 's-Hertogenbosch/Netherlands	100	100	100
Essent Retail Participations B.V., 's-Hertogenbosch/Netherlands	100	100	100
Essent Sales Portfolio Management B.V., 's-Hertogenbosch/Netherlands	100	100	100
Essent Service B.V., Arnhem/Netherlands	–	100	100
Essent Wind Nordsee Ost Planungs- und Betriebsgesellschaft mbH, Helgoland	100	100	100
Eszak-magyarorszag Amszolgtató Nyrt., Miskolc/Hungary	54	54	54
EuroSkyPark GmbH, Saarbrücken	51	51	51
EVIP GmbH, Bitterfeld-Wolfen	100	100	100
EWV Energie- und Wasser-Versorgung GmbH, Stolberg	54	54	54
FAMIS Gesellschaft für Facility Management und Industrieservice mbH, Saarbrücken	63	63	63
Fri-El Anzi Holding S.r.l., Bolzano/Italy	51	51	51
Fri-El Anzi S.r.l., Bolzano/Italy	100	100	100
Fri-El Guardionara Holding S.r.l., Bolzano/Italy	51	51	51
Fri-El Guardionara S.r.l., Bolzano/Italy	100	100	100
Geas Energiewacht B.V., Enschede/Netherlands	100	50	50
Georgia Biomass Holding LLC, Savannah/USA	100	100	100
Georgia Biomass LLC, Savannah/USA	100	100	100
Green Gecco GmbH & Co. KG, Essen	51	51	51
GWG Grevenbroich GmbH, Grevenbroich	60	60	60
Immobilien-Vermietungsgesellschaft Schumacher GmbH & Co. Objekt Kundenzentren KG, Halle	– ¹	– ¹	– ¹
Industriepark LH Verteilnetz GmbH, Chemnitz	–	100	100
Inhome Energy Care N.V., Houthalen-Helchteren/Belgium	100	100	–

1 Control by virtue of company contract.

2 No control by virtue of company contract.

3 Significant influence via indirect investments.

Fully consolidated companies	Shareholding in %		
	2015	2014	2013
INVESTERG – Investimentos em Energias, SGPS, Lda. – Group – (pre-consolidated)	–	–	–
INVESTERG – Investimentos em Energias, Sociedade Gestora de Partici pações Sociais, Lda., São João do Estoril/Portugal	100	100	100
LUSITERG – Gestão e Produção Energética, Lda., São João do Estoril/Portugal	74	74	74
Jihomoravská plynárenská, a.s., Brno/Czech Republic	–	–	100
JMP DS, s.r.o, Brno/Czech Republic	–	–	100
KA Contracting SK s.r.o., Banská Bystrica/Slovakia	100	100	100
Knabs Ridge Wind Farm Limited, Swindon/United Kingdom	100	100	100
Krzecin Sp. z o.o., Warsaw/Poland	100	100	100
KW Eemsmond B.V., Zwolle/Netherlands	–	100	100
Lechwerke AG, Augsburg	90	90	90
Leitungspartner GmbH, Düren	100	100	100
LEW Anlagenverwaltung GmbH, Gundremmingen	100	100	100
LEW Beteiligungsgesellschaft mbH, Gundremmingen	100	100	100
LEW Netzservice GmbH, Augsburg	100	100	100
LEW Service & Consulting GmbH, Augsburg	100	100	100
LEW TelNet GmbH, Neusäß	100	100	100
LEW Verteilnetz GmbH, Augsburg	100	100	100
Little Cheyne Court Wind Farm Limited, Swindon/United Kingdom	59	59	59
Magyar Áramszolgáltatató Kft., Budapest/Hungary	100	100	100
Metzler enviaM MI178, Chemnitz	100	100	100
Metzler F55 LEW (EWA), Augsburg	100	100	100
Metzler G55 Süwag (STEWA), Frankfurt am Main	100	100	100
Metzler J55 ELE (TKE), Gelsenkirchen	100	100	100
Metzler K55 VSE (SALUTE), Saarbrücken	100	100	100
Metzler MI-G50 RWE AG, Essen	100	–	–
MEWO Wohnungswirtschaft GmbH & Co. KG, Halle (Saale)	–	–	100
MITGAS Mitteldeutsche Gasversorgung GmbH, Halle (Saale)	75	75	75
Mitteldeutsche Netzgesellschaft Gas mbH, Kabelsketal	100	100	100
Mitteldeutsche Netzgesellschaft Strom mbH, Halle (Saale)	100	100	100
Mittlere Donau Kraftwerke AG, Munich	40 ¹	40 ¹	40 ¹
ML Wind LLP, Swindon/United Kingdom	51	51	51
NEW AG, Mönchengladbach	40 ¹	40 ¹	44 ¹
NEW Netz GmbH, Geilenkirchen	100	100	100
NEW Niederrhein Energie und Wasser GmbH, Mönchengladbach	100	100	100
NEW NiederrheinWasser GmbH, Viersen	100	100	100
NEW Service GmbH, Mönchengladbach	100	100	100
NEW Tönisvorst GmbH, Tönisvorst	98	95	95
NEW Viersen GmbH, Viersen	100	100	100
Nordsee Windpark Beteiligungs GmbH, Essen	100	–	–
Npower Business and Social Housing Limited, Swindon/United Kingdom	100	100	100
Npower Commercial Gas Limited, Swindon/United Kingdom	100	100	100
Npower Direct Limited, Swindon/United Kingdom	100	100	100
Npower Financial Services Limited, Swindon/United Kingdom	100	100	100

1 Control by virtue of company contract.

2 No control by virtue of company contract.

3 Significant influence via indirect investments.

Fully consolidated companies	Shareholding in %		
	2015	2014	2013
Npower Gas Limited, Swindon/United Kingdom	100	100	100
Npower Limited, Swindon/United Kingdom	100	100	100
Npower Northern Limited, Swindon/United Kingdom	100	100	100
Npower Yorkshire Limited, Swindon/United Kingdom	100	100	100
Npower Yorkshire Supply Limited, Swindon/United Kingdom	100	100	100
NRW Pellets GmbH, Erndtebrück	100	100	90
Octopus Electrical Limited, Swindon/United Kingdom	100	100	100
OIE Aktiengesellschaft, Idar-Oberstein	100	100	100
Park Wiatrowy Nowy Staw Sp. z o.o., Warsaw/Poland	100	100	100
Park Wiatrowy Opalenica Sp. z o.o., Warsaw/Poland	100	100	–
Park Wiatrowy Suwalki Sp. z o.o., Warsaw/Poland	100	100	100
Park Wiatrowy Tychowo Sp. z o.o., Warsaw/Poland	100	100	100
Piecki Sp. z o.o., Warsaw/Poland	51	51	51
Plus Shipping Services Limited, Swindon/United Kingdom	100	100	100
Powerhouse B.V., Almere/Netherlands	100	100	100
PS Energy UK Limited, Swindon/United Kingdom	100	–	–
regionetz GmbH, Eschweiler	100	100	100
Rheinkraftwerk Albrück-Dogern Aktiengesellschaft, Waldshut-Tiengen	77	77	77
Rhein-Sieg Netz GmbH, Siegburg	100	100	–
rhenag Beteiligungs GmbH, Cologne	100	100	100
rhenag Rheinische Energie Aktiengesellschaft, Cologne	67	67	67
Rhyl Flats Wind Farm Limited, Swindon/United Kingdom	50 ¹	50 ¹	50 ¹
RL Besitzgesellschaft mbH, Gundremmingen	100	100	100
RL Beteiligungsverwaltung beschr. haft. OHG, Gundremmingen	100	100	100
RUMM Limited, Ystrad Mynach/United Kingdom	100	–	–
RWE Aqua GmbH, Mülheim an der Ruhr	100	100	100
RWE Benelux Holding B.V., 's-Hertogenbosch/Netherlands	100	100	100
RWE Česká republika a.s., Prague/Czech Republic	100	100	100
RWE Consulting GmbH, Essen	100	100	100
RWE Deutschland Aktiengesellschaft, Essen	100	100	100
RWE Distribuční služby, s.r.o., Brno/Czech Republic	100	100	100
RWE East, s.r.o., Prague/Czech Republic	100	100	100
RWE Effizienz GmbH, Dortmund	100	100	100
RWE Energetyka Trzemeszno Sp. z o.o., Wrocław/Poland	100	100	100
RWE Energie S.R.L., Bucharest/Romania	100	100	100
RWE Energie, s.r.o., Prague/Czech Republic	100	100	100
RWE Energiedienstleistungen GmbH, Dortmund	100	100	100
RWE Energija d.o.o., Zagreb/Croatia	100	100	100
RWE Energo, s.r.o., Prague/Czech Republic	100	100	100
RWE FiberNet GmbH, Essen	100	100	100
RWE Finance B.V., 's-Hertogenbosch/Netherlands	100	–	–
RWE Finance II B.V., 's-Hertogenbosch/Netherlands	100	–	–
RWE Gas International N.V., 's-Hertogenbosch/Netherlands	100	100	100
RWE Gas Slovensko, s.r.o., Kosice/Slovakia	100	100	100

1 Control by virtue of company contract.

2 No control by virtue of company contract.

3 Significant influence via indirect investments.

Fully consolidated companies	Shareholding in %		
	2015	2014	2013
RWE Gas Storage, s.r.o., Prague/Czech Republic	100	100	100
RWE GasNet, s.r.o., Ústí nad Labem/Czech Republic	100	100	100
RWE Gasspeicher GmbH, Dortmund	100	100	100
RWE Gastronomie GmbH, Essen	100	100	100
RWE GBS UK Limited, Swindon/United Kingdom	100	100	100
RWE Grid Holding, a.s., Prague/Czech Republic	50 ¹	65	65
RWE Group Business Services Benelux B.V., Arnhem/Netherlands	100	100	–
RWE Group Business Services CZ, s.r.o., Prague/Czech Republic	100	100	100
RWE Group Business Services Polska Sp. z o.o., Krakow/Poland	100	100	100
RWE Hrvatska d.o.o., Zagreb/Croatia	100	100	100
RWE Hungaria Tanacsado Kft., Budapest/Hungary	100	100	100
RWE Innogy AERSA S.A.U.- Group – (pre-consolidated)	–	–	–
Danta de Energías, S.A., Soria/Spain	99	99	99
Explotaciones Eólicas de Aldehuelas, S.L., Soria/Spain	95	95	95
General de Mantenimiento 21, S.L.U., Barcelona/Spain	100	100	100
Hidroeléctrica del Trasvase, S.A., Barcelona/Spain	60	60	60
RWE Innogy AERSA, S.A.U., Barcelona/Spain	100	100	100
RWE Innogy Benelux B.V., 's-Hertogenbosch/Netherlands	100	100	100
RWE Innogy Beteiligungs GmbH, Essen	100	100	100
RWE Innogy Brise Windparkbetriebsgesellschaft mbH, Hanover	100	100	100
RWE Innogy GmbH, Essen	100	100	100
RWE Innogy Grebbin Windparkbetriebsgesellschaft mbH, Obere Warnow (OT Grebbin)	–	–	100
RWE Innogy GYM 1 Limited, Swindon/United Kingdom	–	100	100
RWE Innogy GYM 2 Limited, Swindon/United Kingdom	100	100	100
RWE Innogy GYM 3 Limited, Swindon/United Kingdom	100	100	100
RWE Innogy GYM 4 Limited, Swindon/United Kingdom	100	100	100
RWE Innogy Italia S.p.A., Mailand/Italy	100	100	100
RWE Innogy Kaskasi GmbH, Hamburg	100	100	100
RWE Innogy Lüneburger Heide Windparkbetriebsgesellschaft mbH, Walsrode	100	100	100
RWE Innogy Mistral Windparkbetriebsgesellschaft mbH, Hanover	100	100	100
RWE Innogy Sandbostel Windparkbetriebsgesellschaft mbH, Sandbostel	–	100	100
RWE Innogy Schmarloh Windparkbetriebsgesellschaft mbH, Barntrup	100	100	100
RWE Innogy Stallingborough Limited, Swindon/United Kingdom	100	100	100
RWE Innogy UK Holdings Limited, Swindon/United Kingdom	100	100	100
RWE Innogy UK Limited, Swindon/United Kingdom	100	100	100
RWE Innogy Windpark Bedburg GmbH & Co. KG, Bedburg	51	51	100
RWE Innogy Windpark GmbH, Essen	100	100	100
RWE Innogy Windpower Hannover GmbH, Hanover	100	100	100
RWE Innogy Windpower Netherlands B.V., 's-Hertogenbosch/Netherlands	100	100	100
RWE Interní služby, s.r.o., Prague/Czech Republic	–	–	100
RWE IT Czech s.r.o., Prague/Czech Republic	100	100	100
RWE IT GmbH, Essen	100	100	100
RWE IT Magyarország Kft., Budapest/Hungary	100	100	100
RWE IT Poland Sp. z o.o., Warsaw/Poland	–	100	100

1 Control by virtue of company contract.

2 No control by virtue of company contract.

3 Significant influence via indirect investments.

Fully consolidated companies	Shareholding in %		
	2015	2014	2013
RWE Key Account CZ, s.r.o., Prague/Czech Republic	–	–	100
RWE Kundenservice GmbH, Bochum	–	–	100
RWE Ljubljana d.o.o., Ljubljana/Slovenien	100	–	–
RWE Metering GmbH, Mülheim an der Ruhr	100	100	100
RWE Netzservice GmbH, Siegen	100	100	100
RWE Npower Group plc, Swindon/United Kingdom	100	100	100
RWE Offshore Logistics Company GmbH, Hamburg	100	100	100
RWE Offshore Wind Nederland B.V., 's-Hertogenbosch/Netherlands	100	100	100
RWE Plin d.o.o., Zagreb/Croatia	100	100	–
RWE Polska Contracting Sp. z o.o., Wrocław/Poland	100	100	100
RWE Polska S.A., Warsaw/Poland	100	100	100
RWE Renewables Polska Sp. z o.o., Warsaw/Poland	100	100	100
RWE Rheinessen Beteiligungs GmbH, Essen	– ¹	– ¹	– ¹
RWE RWN Beteiligungsgesellschaft Mitte mbH, Essen	100	100	100
RWE Seabreeze I GmbH & Co. KG, Bremerhaven	–	100	100
RWE Seabreeze II GmbH & Co. KG, Essen	100	100	100
RWE Slovensko s.r.o., Bratislava/Slovakia	100	100	100
RWE Solutions Ireland Limited, Dublin/Ireland	100	100	100
RWE Stoen Operator Sp. z o.o., Warsaw/Poland	100	100	100
RWE Supply & Trading Netherlands B.V., 's-Hertogenbosch/Netherlands	–	100	100
RWE SWITCH GmbH, Essen	100	100	100
RWE Vertrieb Aktiengesellschaft, Dortmund	100	100	100
RWE Zákaznické služby, s.r.o., Ostrava/Czech Republic	100	100	100
RWW Rheinisch-Westfälische Wasserwerksgesellschaft mbH, Mülheim an der Ruhr	80	80	80
Saarwasserkraftwerke GmbH, Essen	100	100	100
SARIO Grundstücks- Vermietungsgesellschaft mbH & Co Objekt Würzburg KG, Würzburg	– ¹	– ¹	– ¹
Scarcroft Investments Limited, Swindon/United Kingdom	100	100	100
Schwäbische Entsorgungsgesellschaft mbH, Gundremmingen	–	100	100
Severomoravská plynárenská, a.s., Ostrava/Czech Republic	–	–	100
Stadtwärme Kamp-Lintfort GmbH, Kamp-Lintfort	100	100	100
STADTWERKE DÜREN GMBH, Düren	50 ¹	50 ¹	75
Stadtwerke Kamp-Lintfort GmbH, Kamp-Lintfort	51	51	51
Südwestsächsische Netz GmbH, Crimmitschau	100	100	100
Süwag Beteiligungs GmbH, Frankfurt am Main	–	100	100
Süwag Energie AG, Frankfurt am Main	78	78	78
Süwag Grüne Energien und Wasser GmbH, Frankfurt am Main	100	100	100
Süwag Vertrieb AG & Co. KG, Frankfurt am Main	100	100	100
Süwag Wasser GmbH, Frankfurt am Main	–	–	100
Syna GmbH, Frankfurt am Main	100	100	100
Taciewo Sp. z o.o., Warsaw/Poland	100	100	100
The Hollies Wind Farm Limited, Swindon/United Kingdom	100	100	100
Triton Knoll Offshore Wind Farm Ltd., Swindon/United Kingdom	–	100	100
Überlandwerk Krumbach GmbH, Krumbach	75	75	75
Verteilnetz Plauen GmbH, Plauen	100	100	100

1 Control by virtue of company contract.

2 No control by virtue of company contract.

3 Significant influence via indirect investments.

Fully consolidated companies	Shareholding in %		
	2015	2014	2013
VKB-GmbH, Neunkirchen	50 ¹	50 ¹	50 ¹
Volta Limburg B.V., Schinnen/Netherlands	100	100	89
Volta Service B.V., Schinnen/Netherlands	100	–	–
VSE Aktiengesellschaft, Saarbrücken	50 ¹	50 ¹	50 ¹
VSE Net GmbH, Saarbrücken	100	100	100
VSE Verteilnetz GmbH, Saarbrücken	100	100	100
VWS Verbundwerke Südwestsachsen GmbH, Lichtenstein	98	98	98
Východočeská plynárenská, a.s., Prague/Czech Republic	–	–	100
Východoslovenská distribučná, a.s., Kosice/Slovakia	100	–	–
Východoslovenská energetika a.s., Kosice/Slovakia	100	–	–
Východoslovenská energetika Holding a.s., Kosice/Slovakia	49 ¹	49 ¹	49 ¹
Wendelsteinbahn GmbH, Brannenburg	100	100	100
Wendelsteinbahn Verteilnetz GmbH, Brannenburg	100	100	100
WestEnergie GmbH, Geilenkirchen	100	99	50
Westerwald-Netz GmbH, Betzdorf-Alsdorf	100	100	–
Westnetz GmbH, Dortmund	100	100	100
Windpark Kattenberg B.V., Zwolle/Netherlands	100	100	–
Windpark Westereems B.V., Zwolle/Netherlands	–	100	100
Windpark Zuidwester B.V., 's-Hertogenbosch/Netherlands	100	100	100
WINKRA Hörup Windparkbetriebsgesellschaft mbH, Hörup	100	100	100
WINKRA Lengerich Windparkbetriebsgesellschaft mbH, Gersten	100	100	100
WINKRA Sommerland Windparkbetriebsgesellschaft mbH, Sommerland	100	100	100
WINKRA Süderdeich Windparkbetriebsgesellschaft mbH, Süderdeich	100	100	100
WKN Windkraft Nord GmbH & Co. Windpark Wönkhausen KG, Hanover	100	100	100
WTTP B.V., Arnhem/Netherlands	100	100	100
YE Gas Limited, Swindon/United Kingdom	100	100	100

1 Control by virtue of company contract.

2 No control by virtue of company contract.

3 Significant influence via indirect investments.

Joint operations	Shareholding in %		
	2015	2014	2013
EnergieRegion Taunus – Goldener Grund – GmbH & Co. KG, Bad Camberg	49	49	–
Gas-Netzgesellschaft Kolpingstadt Kerpen GmbH & Co. KG, Kerpen	49	49	–
Greater Gabbard Offshore Winds Ltd, Reading/United Kingdom	50	50	50
Netzgesellschaft Kreisstadt Bergheim GmbH & Co. KG, Bergheim	49	49	–

1 Control by virtue of company contract.

2 No control by virtue of company contract.

3 Significant influence via indirect investments.

Associates and joint ventures accounted for using the equity method	Shareholding in %		
	2015	2014	2013
AS 3 Beteiligungs GmbH, Essen	51 ²	51 ²	51 ²
ATBERG – Eólicas do Alto Tâmega e Barroso, Lda., Ribeira de Pena/Portugal	40	40	40
AVA Abfallverwertung Augsburg Gesellschaft mit beschränkter Haftung, Augsburg	–	25	25
AVU Aktiengesellschaft für Versorgungs-Unternehmen, Gevelsberg	50	50	50
BEW Netze GmbH, Wipperfürth	61 ²	61 ²	61 ²
Budapesti Disz- es Közvilagítási Korlátolt Felelőségi Társaság, Budapest/Hungary	50	50	50
C-Power N.V., Oostende/Belgium	27	27	27
Dortmunder Energie- und Wasserversorgung GmbH (DEW 21), Dortmund	40	40	47
EGG Holding B.V., 's-Hertogenbosch/Netherlands	50	50	50
Energie Nordeifel GmbH & Co. KG, Kall	33	50	50
EnergieServicePlus GmbH, Düsseldorf	49	–	–
Energieversorgung Guben GmbH, Guben	45	45	45
Energieversorgung Hürth GmbH, Hürth	25	25	25
Energieversorgung Oberhausen AG, Oberhausen	10 ³	10 ³	10 ³
ENNI Energie & Umwelt Niederrhein GmbH, Moers	20	20	20
Esta V.O.F., Ridderkerk/Netherlands	50	–	–
EWR Aktiengesellschaft, Worms	2 ³	2 ³	2 ³
EWR Dienstleistungen GmbH & Co. KG, Worms	50	50	50
EWR GmbH – Energie und Wasser für Remscheid, Remscheid	20	20	20
Fovarosi Gazmuvek Zrt., Budapest/Hungary	–	–	50
Freiberger Stromversorgung GmbH (FSG), Freiberg	30	30	30
FSO GmbH & Co. KG, Oberhausen	50	50	50
Galloper Wind Farm Holdco Limited, Swindon/United Kingdom	25	–	–
Gas- und Wasserwerke Bous-Schwalbach GmbH, Bous	49	49	49
Gwynt Y Môr Offshore Wind Farm Limited, Swindon/United Kingdom	50	60	60
HIDROERG – Projectos Energéticos, Lda., Lisbon/Portugal	32	32	32
Innogy Renewables Technology Fund I GmbH & Co. KG, Essen	78 ²	78 ²	78 ²
Innogy Venture Capital GmbH, Essen	75 ²	75 ²	75 ²
Kärntner Energieholding Beteiligungs GmbH, Klagenfurt/Austria	49	49	49
KELAG-Kärntner Elektrizitäts-AG, Klagenfurt/Austria	13 ³	13 ³	13 ³
Kemkens B.V., Oss/Netherlands	49	49	49
KEW Kommunale Energie- und Wasserversorgung AG, Neunkirchen	29	29	29
Konsortium Energieversorgung Opel beschränkt haftende oHG, Karlstein	67 ²	67 ²	67 ²
MAINGAU Energie GmbH, Obertshausen	47	47	47
medl GmbH, Mülheim an der Ruhr	49	49	49
Nebelhornbahn-Aktiengesellschaft, Oberstdorf	27	27	27
Pfalzwerke Aktiengesellschaft, Ludwigshafen	27	27	27
PRENU Projektgesellschaft für Rationelle Energienutzung in Neuss mbH, Neuss	50	50	50
Projecta 14 GmbH, Saarbrücken	50	50	50
Propan Rheingas GmbH & Co KG, Brühl	30	30	30
Przedsiębiorstwo Wodociągów i Kanalizacji Sp. z o.o., Dabrowa Górnicza/Poland	–	–	34
Rain Biomasse Wärmegeellschaft mbH, Rain	75 ²	75 ²	75 ²
Recklinghausen Netzgesellschaft mbH & Co. KG, Recklinghausen	50	50	50
Regionalgas Euskirchen GmbH & Co. KG, Euskirchen	43	43	43
RheinEnergie AG, Cologne	20	20	20

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3 Significant influence via indirect investments.

Associates and joint ventures accounted for using the equity method	Shareholding in %		
	2015	2014	2013
Rhein-Main-Donau AG, Munich	22	22	22
Sampi Anlagen-Vermietungs GmbH & Co. Objekt Meerbusch KG, Mainz	–	–	100 ²
SHW/RWE Umwelt Aqua Vodogradnja d.o.o., Zagreb/Croatia	50	50	50
Siegener Versorgungsbetriebe GmbH, Siegen	25	25	25
SpreeGas Gesellschaft für Gasversorgung und Energiedienstleistung mbH, Cottbus	33	33	33
SSW Stadtwerke St. Wendel GmbH & Co. KG, St. Wendel	50	50	50
Stadtwerke Aschersleben GmbH, Aschersleben	35	35	35
Stadtwerke Bernburg GmbH, Bernburg (Saale)	45	45	45
Stadtwerke Bitterfeld-Wolfen GmbH, Bitterfeld-Wolfen	40	40	40
Stadtwerke Bühl GmbH, Bühl	–	30	30
Stadtwerke Duisburg Aktiengesellschaft, Duisburg	20	20	20
Stadtwerke Dülmen Dienstleistungs- und Beteiligungs-GmbH & Co. KG, Dülmen	50	50	50
Stadtwerke Emmerich GmbH, Emmerich am Rhein	25	25	25
Stadtwerke Essen Aktiengesellschaft, Essen	29	29	29
Stadtwerke Geldern GmbH, Geldern	49	49	49
Stadtwerke GmbH Bad Kreuznach, Bad Kreuznach	25	25	25
Stadtwerke Kirn GmbH, Kirn	49	49	49
Stadtwerke Lingen GmbH, Lingen (Ems)	40	40	40
Stadtwerke Meerane GmbH, Meerane	24	24	24
Stadtwerke Meinerzhagen GmbH, Meinerzhagen	–	–	27
Stadtwerke Merseburg GmbH, Merseburg	40	40	40
Stadtwerke Merzig GmbH, Merzig	50	50	50
Stadtwerke Neuss Energie und Wasser GmbH, Neuss	25	25	25
Stadtwerke Radevormwald GmbH, Radevormwald	50	50	50
Stadtwerke Ratingen GmbH, Ratingen	25	25	25
Stadtwerke Reichenbach/Vogtland GmbH, Reichenbach im Vogtland	24	24	24
Stadtwerke Saarlouis GmbH, Saarlouis	49	49	49
Stadtwerke Velbert GmbH, Velbert	50	50	50
Stadtwerke Weißenfels GmbH, Weißenfels	24	24	24
Stadtwerke Willich GmbH, Willich	25	25	25
Stadtwerke Zeitz GmbH, Zeitz	24	24	24
Stromnetz Günzburg GmbH & Co. KG, Günzburg	49	49	49
Südwestfalen Energie und Wasser AG, Hagen	–	–	19
SVS-Versorgungsbetriebe GmbH, Stadtlohn	30	30	38
SWTE Netz GmbH & Co. KG, Ibbenbüren	98 ²	33	–
TE Plomin d.o.o., Plomin/Croatia	–	50	50
Triton Knoll Offshore Wind Farm Limited, Swindon/United Kingdom	50	–	–
Wasser- und Energieversorgung Kreis St. Wendel GmbH, St. Wendel	28	28	28
wbm Wirtschaftsbetriebe Meerbusch GmbH, Meerbusch	40	40	40
Zagrebacke otpadne vode d.o.o., Zagreb/Croatia	48	48	48
Zagrebacke otpadne vode-upravljanje i pogon d.o.o., Zagreb/Croatia	31	31	33
Zephyr Investments Limited, Swindon/United Kingdom	33	33	33
Zwickauer Energieversorgung GmbH, Zwickau	27	27	27

1 Control by virtue of company contract.

2 No control by virtue of company contract.

3 Significant influence via indirect investments.

The following subsidiaries are not fully consolidated due to their immateriality. They are accounted for in accordance with IAS 39:

Immaterial subsidiaries	Shareholding in %		
	2015	2014	2013
2. CR Immobilien-Vermietungsgesellschaft mbH & Co. Objekt Naumburg KG, Naumburg	– ¹	– ¹	– ¹
Allt Dearg Wind Farm Limited, Swindon/United Kingdom	100	100	100
AQUAVENT Gesellschaft für Umwelttechnik und regenerierbare Energien mbH, Lützen	100	–	–
Ardoch Over Enoch Windfarm Limited, Glasgow/United Kingdom	100	100	100
AVB GmbH, Lützen	100	–	–
Ballindalloch Muir Wind Farm Limited, Swindon/United Kingdom	100	100	100
Beteiligungsgesellschaft Werl mbH, Essen	100	100	–
bildungszentrum energie GmbH, Halle (Saale)	100	100	100
Bioenergie Bad Wimpfen GmbH & Co. KG, Bad Wimpfen	51	51	51
Bioenergie Bad Wimpfen Verwaltungs-GmbH, Bad Wimpfen	100	100	100
Bioenergie Kirchspiel Anhausen GmbH & Co. KG, Anhausen	51	51	51
Bioenergie Kirchspiel Anhausen Verwaltungs-GmbH, Anhausen	100	100	100
Biogas Schwalmtal GmbH & Co. KG, Schwalmtal	66	66	66
Bioplyn Rozhanovce, s.r.o., Kosice/Slovakia	51	–	–
Biogasanlage Schwalmtal GmbH, Schwalmtal	99	99	99
Brims Ness Tidal Power Limited, Swindon/United Kingdom	100	100	100
Burgar Hill Wind Farm Limited, Swindon/United Kingdom	100	100	100
Carr Mor Windfarm Limited, Glasgow/United Kingdom	100	100	100
Carsphairn Windfarm Limited, Glasgow/United Kingdom	100	100	100
Causeymire Two Wind Farm Limited, Swindon/United Kingdom	100	100	100
COMCO MCS S.A., Luxembourg/Luxembourg	95	95	95
Craigenlee Wind Farm Limited, Swindon/United Kingdom	100	100	100
Culbin Farm Wind Farm Limited, Swindon/United Kingdom	100	100	100
Doggerbank Project 1A RWE Limited, Swindon/United Kingdom	100	100	100
Doggerbank Project 1B RWE Limited, Swindon/United Kingdom	100	100	100
Doggerbank Project 2A RWE Limited, Swindon/United Kingdom	100	100	100
Doggerbank Project 2B RWE Limited, Swindon/United Kingdom	100	100	100
Doggerbank Project 3A RWE Limited, Swindon/United Kingdom	100	100	100
Doggerbank Project 3B RWE Limited, Swindon/United Kingdom	100	100	100
Doggerbank Project 4A RWE Limited, Swindon/United Kingdom	100	100	100
Doggerbank Project 4B RWE Limited, Swindon/United Kingdom	100	100	100
Doggerbank Project 5A RWE Limited, Swindon/United Kingdom	100	100	100
Doggerbank Project 5B RWE Limited, Swindon/United Kingdom	100	100	100
Doggerbank Project 6A RWE Limited, Swindon/United Kingdom	100	100	100
Doggerbank Project 6B RWE Limited, Swindon/United Kingdom	100	100	100
ECS – Elektrárna Cechy-Stred, a.s., v likvidaci, Prague/Czech Republic	–	51	51
easyOptimize GmbH, Essen	100	–	–
EDON Group Costa Rica S.A., San Jose/Costa Rica	100	100	100
Energetyka Wschod Sp. z o.o., Wroclaw/Poland	100	100	100
Energetyka Zachod Sp. z o.o., Wroclaw/Poland	100	100	100

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2 No control by virtue of company contract.

3 Significant influence via indirect investments.

Immaterial subsidiaries	Shareholding in %		
	2015	2014	2013
Energiegesellschaft Leimen GmbH & Co. KG, Leimen	75	75	75
Energiegesellschaft Leimen Verwaltungsgesellschaft mbH, Leimen	75	75	75
energienatur Gesellschaft für Erneuerbare Energien mbH, Siegburg	71	100	100
Energieversorgung Timmendorfer Strand GmbH & Co. KG, Timmendorfer Strand	51	51	–
Enrevolution GmbH, Bochum	100	–	–
enviaM Erneuerbare Energien Verwaltungsgesellschaft mbH, Markkleeberg	100	100	100
enviaM Neue Energie Management GmbH, Halle (Saale)	100	–	–
Eólica de Sarnago, S.A., Soria/Spain	73	73	50
ESK GmbH, Dortmund	100	100	100
favis GmbH, Essen	100	100	–
Fernwärme Saarlouis-Steinrausch Investitionsgesellschaft mbH, Saarlouis	95	95	95
'Finelectra' Finanzgesellschaft für Elektrizitäts-Beteiligungen AG, Hausen/Switzerland	100	100	100
Fundacja RWE w Polsce, Warsaw/Poland	100	100	100
GBV Einundzwanzigste Gesellschaft für Beteiligungsverwaltung mbH, Essen	100	100	100
GBV Zweiundzwanzigste Gesellschaft für Beteiligungsverwaltung mbH, Essen	100	100	100
GKB Gesellschaft für Kraftwerksbeteiligungen mbH, Cottbus	100	100	100
GkD Gesellschaft für kommunale Dienstleistungen mbH, Siegburg	100	100	100
Green Gecco Verwaltungs GmbH, Essen	51	51	51
GWG Kommunal GmbH, Grevenbroich	100	100	100
GWS Netz GmbH, Schwalbach	100	100	–
HaseNetz Verwaltungs GmbH, Gehrde	100	–	–
HCL Netze GmbH & Co. KG, Herzebrock-Clarholz	100	–	–
HCL Netze Verwaltung GmbH, Herzebrock-Clarholz	100	–	–
Hospitec Facility Management im Krankenhaus GmbH, Saarbrücken	100	100	100
Infraestructuras de Aldehuelas, S.A., Barcelona/Spain	100	100	100
Infrastrukturgesellschaft Netz Lübz mbH, Hanover	100	100	100
Kiln Pit Hill Wind Farm Limited, Swindon/United Kingdom	100	100	100
KWS Kommunal-Wasserversorgung Saar GmbH, Saarbrücken	100	100	100
Lech Energie Gersthofen GmbH & Co. KG, Gersthofen	100	–	–
Lech Energie Verwaltung GmbH, Augsburg	100	–	–
Lemonbeat GmbH, Dortmund	100	–	–
Lochelbank Wind Farm Limited, Swindon/United Kingdom	100	100	100
Lößnitz Netz GmbH & Co. KG, Lößnitz	100	100	100
Lößnitz Netz Verwaltungs GmbH, Lößnitz	100	100	100
Meterplus Limited, Swindon/United Kingdom	100	100	100
MEWO Wohnungswirtschaft Verwaltungs-GmbH, Halle (Saale)	–	–	100
Middlemoor Wind Farm Limited, Swindon/United Kingdom	100	100	100
Mitteldeutsche Netzgesellschaft Gas HD mbH, Halle (Saale)	100	100	–
Mitteldeutsche Netzgesellschaft mbH, Chemnitz	100	100	100
MNG Stromnetze GmbH & Co. KG, Lüdinghausen	100	100	–
MNG Stromnetze Verwaltungs GmbH, Lüdinghausen	100	100	–
Netzmanagement Grimma GmbH, Grimma	–	–	100
Netzgesellschaft Südwestfalen mbH & Co. KG, Netphen	100	–	–

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3 Significant influence via indirect investments.

Immaterial subsidiaries	Shareholding in %		
	2015	2014	2013
Netzwerke Saarwellingen GmbH, Saarwellingen	100	100	100
NEW b_gas Eicken GmbH, Schwalmtal	100	100	100
NEW Impuls GmbH, Grefrath	67	67	67
NEW Re GmbH, Mönchengladbach	75	75	75
NEW Schwalm-Nette GmbH, Viersen	100	100	100
NEW Schwalm-Nette Netz GmbH, Viersen	100	100	100
North Kintyre Wind Farm Limited, Swindon/United Kingdom	100	100	100
Novar Two Wind Farm Limited, Swindon/United Kingdom	100	100	100
Npower Northern Supply Limited, Swindon/United Kingdom	100	100	100
NRF Neue Regionale Fortbildung GmbH, Halle (Saale)	100	100	100
Oschatz Netz GmbH & Co. KG, Oschatz	100	100	100
Oschatz Netz Verwaltungs GmbH, Oschatz	100	100	100
Park Wiatrowy Dolice Sp. z o.o., Warsaw/Poland	100	100	100
Park Wiatrowy Elk Sp. z o.o., Warsaw/Poland	100	100	100
Park Wiatrowy Gaworzyce Sp. z o.o., Warsaw/Poland	100	100	100
Park Wiatrowy Msciwojów Sp. z o.o., Warsaw/Poland	100	100	100
Park Wiatrowy Prudziszki Sp. z o.o., Warsaw/Poland	100	100	100
Park Wiatrowy Smigiel I Sp. z o.o., Warsaw/Poland	100	100	100
Park Wiatrowy Znin Sp. z o.o., Warsaw/Poland	100	100	100
Projecta 15 GmbH, Saarbrücken	100	100	100
Projecta 5 – Entwicklungsgesellschaft für kommunale Dienstleistungen mbH, Saarbrücken	100	100	100
Rebyl Limited, Swindon/United Kingdom	–	100	100
Rheinland Westfalen Energiepartner GmbH, Essen	100	100	100
rhenagbau GmbH, Cologne	100	100	100
Rowantree Wind Farm Ltd., Swindon/United Kingdom	100	100	–
RWE Downstream AG, Essen	100	–	–
RWE Eurotest GmbH, Dortmund	100	100	100
RWE Gas Transit, s.r.o., Prague/Czech Republic	–	–	100
RWE Innogy d.o.o. za korištenje obnovljivih izvora energije, Sarajevo/Bosnia and Herzegovina	100	100	100
RWE Innogy Galloper 1 Limited, Swindon/United Kingdom	100	100	100
RWE Innogy Galloper 2 Limited, Swindon/United Kingdom	100	100	100
RWE Innogy Serbia d.o.o., Belgrade/Serbia	100	100	100
RWE Innogy Windpark Bedburg Verwaltungs GmbH, Bedburg	51	51	100
RWE Innogy Windpark Eschweiler GmbH & Co. KG, Essen	100	–	–
RWE Innogy Windpark Eschweiler Verwaltungs GmbH, Essen	100	–	–
RWE Innogy Windpark Jüchen Verwaltungs GmbH, Essen	–	–	100
RWE New Energy Ltd., Dubai/UAE	100	100	–
RWE New Ventures LLC, Wilmington/USA	100	–	–
RWE POLSKA Generation Sp. z o.o., Warsaw/Poland	100	100	100
RWE Seabreeze I Verwaltungs GmbH, Bremerhaven	–	100	100
RWE Seabreeze II Verwaltungs GmbH, Bremerhaven	100	100	100
RWE Stiftung für Energie und Gesellschaft gGmbH, Essen	100	100	100
RWE Teplárna Náchod, s.r.o., Náchod/Czech Republic	100	–	–

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3 Significant influence via indirect investments.

Immaterial subsidiaries	Shareholding in %		
	2015	2014	2013
RWE Wärme Berlin GmbH, Berlin	100	100	100
RWE-EnBW Magyarország Energiaszolgáltató Korlátolt Felelősségű Társaság, Budapest/Hungary	70	70	70
SASKIA Informations-Systeme GmbH, Chemnitz	–	–	90
Scharbeutzer Energie- und Netzgesellschaft mbH & Co. KG, Scharbeutz	51	51	–
SchlauTherm GmbH, Saarbrücken	75	75	75
Securum AG, Zug/Switzerland	–	100	100
SF Balanced 1, Mönchengladbach	–	–	100
Snowgoat Glen Wind Farm Limited, Swindon/United Kingdom	100	100	100
Spezialfond EBAG – Cofonds (Allianz Global Investors), Mönchengladbach	–	–	100
SSE RENEWABLES (GALLOPER) NO. 1 LIMITED, Swindon/United Kingdom	100	–	–
SSE RENEWABLES (GALLOPER) NO. 2 LIMITED, Swindon/United Kingdom	100	–	–
Stadtwerke Geseke Netze GmbH & Co. KG, Geseke	100	–	–
Stadtwerke Geseke Netze Verwaltung GmbH, Geseke	100	–	–
Stadtwerke Korschenbroich GmbH, Mönchengladbach	100	100	100
Stadtwerke Waltrop Netz Verwaltung GmbH, Waltrop	100	–	–
Stroupster Wind Farm Limited, Swindon/United Kingdom	100	100	100
Süwag Vertrieb Management GmbH, Frankfurt am Main	100	100	100
Taff-Ely Wind Farm Project Limited, Swindon/United Kingdom	–	–	100
Tarskavaig Wind Farm Limited, Swindon/United Kingdom	100	100	100
T.B.E. TECHNISCHE BERATUNG ENERGIE für wirtschaftliche Energieanwendung GmbH, Duisburg	100	100	100
TEPLO Rumburk s.r.o., Rumburk/Czech Republic	–	100	98
Thermolux S.a.r.l., Luxembourg/Luxembourg	100	100	100
Thyssengas-Unterstützungskasse GmbH, Dortmund	100	100	100
TWS Technische Werke der Gemeinde Saarwellingen GmbH, Saarwellingen	51	51	51
VEM Neue Energie Muldental GmbH & Co. KG, Markkleeberg	100	–	–
Verwaltungsgesellschaft Energieversorgung Timmendorfer Strand mbH, Timmendorfer Strand	51	51	–
Verwaltungsgesellschaft Scharbeutzer Energie- und Netzgesellschaft mbH, Scharbeutz	51	51	–
VKN Saar Geschäftsführungsgesellschaft mbH, Ens Dorf	51	51	51
VKN Saar Gesellschaft für Verwertung von Kraftwerksnebenprodukten und Ersatzbrennstoffen mbH & Co. KG, Ens Dorf	51	51	51
VSE – Windpark Merchingen GmbH & Co. KG, Saarbrücken	100	100	100
VSE – Windpark Merchingen Verwaltungs GmbH, Saarbrücken	100	100	100
VSE Call centrum, s.r.o., Kosice/Slovakia	100	–	–
VSE Ekoenergia, s.r.o., Kosice/Slovakia	100	–	–
VSE-Stiftung gGmbH, Saarbrücken	100	100	100
Wärmeversorgung Schwaben GmbH, Augsburg	100	100	100
Windenergie Briesensee GmbH, Neu Zauche	72	100	–
Windkraft Hochheim GmbH & Co. KG, Hochheim	100	–	–
Windpark Nohfelden-Eisen GmbH, Nohfelden	100	–	–
Windpark Verwaltungsgesellschaft mbH, Lützen	100	–	–

1 Control by virtue of company contract.

2 No control by virtue of company contract.

3 Significant influence via indirect investments.

The following associates and joint ventures are not accounted for using the equity method due to their immateriality. They are accounted for in accordance with IAS 39:

Immaterial associates and joint ventures	Shareholding in %		
	2015	2014	2013
Awotec Gebäude Servicegesellschaft mbH, Saarbrücken	48	48	48
Bäderbetriebsgesellschaft St. Ingbert GmbH, St. Ingbert	49	49	49
BC-Eromu Kft., Miskolc/Hungary	–	–	74
Breer Gebäudedienste Heidelberg GmbH, Heidelberg	45	45	45
Breitband-Infrastrukturgesellschaft Cochem-Zell mbH, Cochem	21	21	21
Brockloch Rig Windfarm Limited, Glasgow/United Kingdom	–	–	50
Biogas Mönchengladbach-Süd GmbH & Co. KG, Mönchengladbach	–	–	50
Brüggen.E-Netz Verwaltungs-GmbH, Brüggen	25	100	–
Brüggen.E-Netz GmbH & Co. KG, Brüggen	25	–	–
CUT! Energy GmbH, Essen	–	–	49
CZT Valašské Mezíříčí s.r.o., Valašské Mezíříčí/Czech Republic	20	20	20
DES Dezentrale Energien Schmalkalden GmbH, Schmalkalden	33	33	30
Doggerbank Project 1 Bizco Limited, Reading/United Kingdom	25	25	25
Doggerbank Project 2 Bizco Limited, Reading/United Kingdom	25	25	25
Doggerbank Project 3 Bizco Limited, Reading/United Kingdom	25	25	25
Doggerbank Project 4 Bizco Limited, Reading/United Kingdom	25	25	25
Doggerbank Project 5 Bizco Limited, Reading/United Kingdom	25	25	25
Doggerbank Project 6 Bizco Limited, Reading/United Kingdom	25	25	25
Dorsten Netz GmbH & Co. KG, Dorsten	49	49	–
EfD Energie-für-Dich GmbH, Potsdam	49	–	–
ELE-GEW Photovoltaikgesellschaft mbH, Gelsenkirchen	49	49	49
ELE-RAG Montan Immobilien Erneuerbare Energien GmbH, Bottrop	50	50	50
ELE-Scholven-Wind GmbH, Gelsenkirchen	30	30	30
Enercraft Energiemanagement OHG haftungsbeschränkt, Frankfurt am Main	50	50	50
Energie BOL GmbH, Ottersweier	50	50	50
Energie Mechnich GmbH & Co. KG, Mechnich	49	49	–
Energie Mechnich Verwaltungs-GmbH, Mechnich	49	49	100
Energie Nordeifel Beteiligungs-GmbH, Kall	33	50	50
Energie Rur-Erft GmbH & Co. KG, Essen	29	–	–
Energie Rur-Erft Verwaltungs-GmbH, Essen	29	50	–
Energie Schmallenberg GmbH, Schmallenberg	44	44	44
Energiepartner Dörth GmbH, Dörth	49	49	49
Energiepartner Elsdorf GmbH, Elsdorf	40	40	40
Energiepartner Hermeskeil GmbH, Hermeskeil	20	20	20
Energiepartner Kerpen GmbH, Kerpen	49	49	49
Energiepartner Projekt GmbH, Essen	49	49	49
Energiepartner Solar Kreuztal GmbH, Kreuztal	40	40	40
Energiepartner Wesseling GmbH, Wesseling	30	30	30
Energie-Service-Saar GmbH, Völklingen	50	50	50
Energieversorgung Bad Bentheim GmbH & Co. KG, Bad Bentheim	25	25	–
Energieversorgung Bad Bentheim Verwaltungs-GmbH, Bad Bentheim	25	25	100

1 Control by virtue of company contract.

2 No control by virtue of company contract.

3 Significant influence via indirect investments.

Immaterial associates and joint ventures	Shareholding in %		
	2015	2014	2013
Energieversorgung Beckum GmbH & Co. KG, Beckum	34	34	34
Energieversorgung Beckum Verwaltungs-GmbH, Beckum	34	34	34
Energieversorgung Horstmar/Laer GmbH & Co. KG, Horstmar	49	–	–
Energieversorgung Kranenburg Netze GmbH & Co. KG, Kranenburg	25	–	–
Energieversorgung Kranenburg Netze Verwaltungs GmbH, Kranenburg	25	100	–
Energieversorgung Marienberg GmbH, Marienberg	49	49	49
Energieversorgung Niederkassel GmbH & Co. KG, Niederkassel	49	49	100
Energieversorgung Niederkassel Verwaltung GmbH, Niederkassel	–	–	100
Energieversorgung Oelde GmbH, Oelde	25	25	25
Energotel, a.s., Bratislava/Slovakia	20	–	–
ENERVENTIS GmbH & Co. KG, Saarbrücken	33	33	33
Eólica de la Mata, S.A., Soria/Spain	–	26	26
Eólica de Sarnago, S.A., Soria/Spain	73	73	50
Erdgasversorgung Industriepark Leipzig Nord GmbH, Leipzig	50	50	50
EWC Windpark Cuxhaven GmbH, Munich	50	50	50
EWV Baesweiler GmbH & Co. KG, Baesweiler	45	45	45
EWV Baesweiler Verwaltungs GmbH, Baesweiler	45	45	45
FAMOS – Facility Management Osnabrück GmbH, Osnabrück	49	49	49
Fernwärmeversorgung Zwönitz GmbH, Zwönitz	50	50	50
Forewind Limited, Swindon/United Kingdom	25	25	25
FSO Verwaltungs-GmbH, Oberhausen	50	50	50
Galloper Wind Farm Limited, Reading/United Kingdom	–	50	50
Gasgesellschaft Kerken Wachtendonk mbH, Kerken	49	49	49
Gas-Netzgesellschaft Kolpingstadt Kerpen Verwaltungs-GmbH, Kerpen	49	49	–
Gasnetzgesellschaft Wörrstadt mbH & Co. KG, Saulheim	49	49	49
Gasnetzgesellschaft Wörrstadt Verwaltung mbH, Wörrstadt	49	49	49
Gasversorgung Delitzsch GmbH, Delitzsch	–	–	49
Gemeindewerke Bad Sassendorf Netze GmbH & Co. KG, Bad Sassendorf	25	–	–
Gemeindewerke Bad Sassendorf Netze Verwaltung GmbH, Bad Sassendorf	25	100	–
Gemeindewerke Bissendorf Netz GmbH & Co. KG, Bissendorf	49	49	–
Gemeindewerke Bissendorf Netz Verwaltungs-GmbH, Bissendorf	49	49	–
Gemeindewerke Everswinkel GmbH, Everswinkel	45	45	45
Gemeindewerke Namborn GmbH, Namborn	49	49	49
Gemeindewerke Schwalbach GmbH, Schwalbach	–	100	49
GfB, Gesellschaft für Baudenkmalpflege mbH, Idar-Oberstein	20	20	20
Gichtgaskraftwerk Dillingen GmbH & Co. KG, Saarbrücken	25	25	25
Green Bioenergie Cereshof GmbH, Selfkant	–	–	49
GISA GmbH, Halle (Saale)	24	24	75
GNEE Gesellschaft zur Nutzung erneuerbarer Energien mbH Freisen, Freisen	49	49	–
GREEN GECCO Beteiligungsgesellschaft mbH & Co. KG, Troisdorf	21	21	21
GREEN GECCO Beteiligungsgesellschaft-Verwaltungs GmbH, Troisdorf	21	21	21
GREEN Gesellschaft für regionale und erneuerbare Energie mbH, Stolberg	49	49	49
Green Solar Herzogenrath GmbH, Herzogenrath	45	45	45
Greenergetic GmbH, Bielefeld	20	–	–

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3 Significant influence via indirect investments.

Immaterial associates and joint ventures	Shareholding in %		
	2015	2014	2013
Greenplug GmbH, Hamburg	49	49	49
GWE-energis Netzgesellschaft mbH & Co. KG, Eppelborn	50	50	50
GWE-energis-Geschäftsführungs-GmbH, Eppelborn	50	50	50
Hochsauerland Netze GmbH & Co. KG, Meschede	25	25	–
Hochsauerland Netze Verwaltung GmbH, Meschede	25	100	–
Homepower Retail Limited, Swindon/United Kingdom	50	50	50
Hungáriavíz Vagyonkezelő Zrt., Budapest/Hungary	–	–	49
Infrastrukturgemeinschaft Windpark Losheim GbR, Losheim	–	–	40
IWW Rheinisch-Westfälisches Institut für Wasserforschung gemeinnützige GmbH, Mülheim an der Ruhr	30	30	30
juwi Wind Germany 123 GmbH & Co. KG, Wörrstadt	33	–	–
Kavernengesellschaft Staßfurt mbH, Staßfurt	50	50	50
KAWAG AG & Co. KG, Pleidelsheim	49	49	49
KAWAG Netze GmbH & Co. KG, Abstatt	49	49	49
KAWAG Netze Verwaltungsgesellschaft mbH, Abstatt	49	49	49
KDT Kommunale Dienste Tholey GmbH, Tholey	49	49	49
KEN Geschäftsführungsgesellschaft mbH, Neunkirchen	50	50	50
KEN GmbH & Co. KG, Neunkirchen	46	46	46
KEVAG Telekom GmbH, Koblenz	50	50	50
Klärschlamm Entsorgung Hesselberg Service GmbH, Unterschwaningen	49	49	49
KlickEnergie GmbH & Co. KG, Neuss	65	65	65
KlickEnergie Verwaltungs-GmbH, Neuss	65	65	65
K-net GmbH, Kaiserslautern	25	25	25
Kommunale Dienste Marpingen GmbH, Marpingen	49	49	49
Kommunale Netzgesellschaft Steinheim a. d. Murr GmbH & Co. KG, Steinheim a. d. Murr	49	49	–
Kommunalwerk Rudersberg GmbH & Co. KG, Rudersberg	50	50	50
Kommunalwerk Rudersberg Verwaltungs-GmbH, Rudersberg	50	50	50
Kraftwerk Wehrden GmbH, Völklingen	33	33	33
KSP Kommunaler Service Püttlingen GmbH, Püttlingen	40	40	40
KVK Kompetenzzentrum Verteilnetze und Konzessionen GmbH, Cologne	75	75	–
MBS Ligna Therm GmbH i. L., Hofheim am Taunus	–	33	33
Moravske Hidroelektrane d.o.o., Belgrade/Serbia	51	51	51
Murrhardt Netz AG & Co. KG, Murrhardt	49	–	–
Naturstrom Betriebsgesellschaft Oberhonnefeld mbH, Koblenz	25	25	25
Netzanbindung Tewel OHG, Cuxhaven	25	25	25
Netzgesellschaft Bühlertal GmbH & Co. KG, Bühlertal	50	50	50
Netzgesellschaft Elsdorf GmbH & Co. KG, Elsdorf	49	49	–
Netzgesellschaft Elsdorf Verwaltungs-GmbH, Elsdorf	49	49	–
Netzgesellschaft Grimma GmbH & Co. KG, Grimma	49	49	100
Netzgesellschaft Korb GmbH & Co. KG, Korb	50	50	50
Netzgesellschaft Korb Verwaltungs-GmbH, Korb	50	50	50
Netzgesellschaft Kreisstadt Bergheim Verwaltungs-GmbH, Bergheim	49	49	–
Netzgesellschaft Lauf GmbH & Co. KG, Lauf	50	50	50
Netzgesellschaft Leutenbach GmbH & Co. KG, Leutenbach	50	50	50

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Immaterial associates and joint ventures	Shareholding in %		
	2015	2014	2013
Netzgesellschaft Leutenbach Verwaltungs-GmbH, Leutenbach	50	50	50
Netzgesellschaft Maifeld GmbH & Co. KG, Polch	49	–	–
Netzgesellschaft Maifeld Verwaltungs GmbH, Polch	49	100	–
Netzgesellschaft Ottersweier GmbH & Co. KG, Ottersweier	50	50	50
Netzgesellschaft Rheda-Wiedenbrück GmbH & Co. KG, Rheda-Wiedenbrück	49	49	49
Netzgesellschaft Rheda-Wiedenbrück Verwaltungs-GmbH, Rheda-Wiedenbrück	49	49	49
NiersEnergieNetze GmbH & Co. KG, Kevelaer	51	51	51
NiersEnergieNetze Verwaltungs-GmbH, Kevelaer	51	51	51
Objektverwaltungsgesellschaft Dampfkraftwerk Bernburg mbH, Hanover	–	58	58
Novenerg limited liability company for energy activities, Zagreb/Croatia	50	–	–
Offshore Trassenplanungs-GmbH OTP i.L., Hanover	50	50	50
Peißenberger Wärmegesellschaft mbH, Peißenberg	50	50	50
prego services GmbH, Saarbrücken	50	50	37
Propan Rheingas GmbH, Brühl	28	28	28
Recklinghausen Netz-Verwaltungsgesellschaft mbH, Recklinghausen	49	49	49
Renergie Stadt Wittlich GmbH, Wittlich	30	30	30
rhenag – Thüga Rechenzentrum GbR, Cologne	50	50	50
RIWA GmbH Gesellschaft für Geoinformationen, Kempten	33	33	33
RurEnergie GmbH, Düren	30	30	25
RWE Power International Middle East LLC, Dubai/UAE	49	49	49
Sandersdorf-Brehna Netz GmbH & Co. KG, Sandersdorf-Brehna	49	49	49
Selm Netz GmbH & Co. KG, Selm	25	–	–
SolarProjekt Mainaschaff GmbH, Mainaschaff	50	50	50
SolarProjekt Rheingau-Taunus GmbH, Bad Schwalbach	50	50	50
SPX, s.r.o., Zilina/Slovakia	33	–	–
SSW Stadtwerke St. Wendel Geschäftsführungsgesellschaft mbH, St. Wendel	50	50	50
Stadtentwässerung Schwerte GmbH, Schwerte	48	48	48
Städtische Werke Borna GmbH, Borna	37	37	37
Städtisches Wasserwerk Eschweiler GmbH, Eschweiler	25	25	25
Stadtwerke – Strom Plauen GmbH & Co. KG, Plauen	49	49	49
Stadtwerke Ahaus GmbH, Ahaus	36	36	36
Stadtwerke Aue GmbH, Aue	24	24	24
Stadtwerke Dillingen/Saar GmbH, Dillingen	49	49	49
Stadtwerke Dülmen Verwaltungs-GmbH, Dülmen	50	50	50
Stadtwerke Gescher GmbH, Gescher	42	42	42
Stadtwerke Goch Netze GmbH & Co. KG, Goch	25	–	–
Stadtwerke Goch Netze Verwaltungsgesellschaft mbH, Goch	25	100	–
Stadtwerke Haan GmbH, Haan	25	25	–
Stadtwerke Langenfeld GmbH, Langenfeld	20	20	20
Stadtwerke Lübbecke GmbH, Lübbecke	–	–	25
Stadtwerke Oberkirch GmbH, Oberkirch	33	33	33
Stadtwerke Roßlau Fernwärme GmbH, Dessau-Roßlau	49	49	49
Stadtwerke Schwarzenberg GmbH, Schwarzenberg/Erzgeb.	28	28	28
Stadtwerke Steinfurt GmbH, Steinfurt	38	38	48

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Immaterial associates and joint ventures	Shareholding in %		
	2015	2014	2013
Stadtwerke Unna GmbH, Unna	24	24	24
Stadtwerke Vlotho GmbH, Vlotho	25	25	25
Stadtwerke Wadern GmbH, Wadern	49	49	49
Stadtwerke Waltrop Netz GmbH & Co. KG, Waltrop	25	–	–
Stadtwerke Weilburg GmbH, Weilburg	20	20	20
Stadtwerke Werl GmbH, Werl	25	25	25
STEAG Windpark Ullersdorf GmbH & Co. KG, Jamlitz	21	–	–
Stromnetz Diez GmbH & Co. KG, Diez	25	25	25
Stromnetz Diez Verwaltungsgesellschaft mbH, Diez	25	25	25
Stromnetz Euskirchen GmbH & Co. KG, Euskirchen	25	–	–
Stromnetz Günzburg Verwaltungs GmbH, Günzburg	49	49	49
Stromnetz Hofheim GmbH & Co. KG, Hofheim	49	49	–
Stromnetz Hofheim Verwaltungs GmbH, Hofheim	49	49	–
Stromnetz Verbandsgemeinde Katzenelnbogen GmbH & Co. KG, Katzenelnbogen	49	49	49
Stromnetz Verbandsgemeinde Katzenelnbogen Verwaltungsgesellschaft mbH, Katzenelnbogen	49	49	49
Stromnetz VG Diez GmbH & Co. KG, Altendiez	49	49	49
Stromnetz VG Diez Verwaltungsgesellschaft mbH, Altendiez	49	49	49
Stromnetzgesellschaft Gescher GmbH & Co. KG, Gescher	25	–	–
Strom-Netzgesellschaft Kolpingstadt Kerpen GmbH & Co. KG, Kerpen	49	49	–
Strom-Netzgesellschaft Kolpingstadt Kerpen Verwaltungs-GmbH, Kerpen	49	49	–
Stromnetzgesellschaft Neuenhaus mbH & Co. KG, Neuenhaus	49	–	–
Stromnetzgesellschaft Neuenhaus Verwaltungs-GmbH, Neuenhaus	49	49	–
Stromnetzgesellschaft Neunkirchen-Seelscheid mbH & Co. KG, Neunkirchen-Seelscheid	49	49	49
Stromnetzgesellschaft Schwalmtal mbH & Co. KG, Schwalmtal	51	51	–
Stromverwaltung Schwalmtal GmbH, Schwalmtal	51	51	100
SWL-energis Netzgesellschaft mbH & Co. KG, Lebach	50	50	50
SWL-energis-Geschäftsführungs-GmbH, Lebach	50	50	50
SWT trilan GmbH, Trier	26	26	26
SWTE Netz Verwaltungsgesellschaft mbH, Ibbenbüren	33	33	–
Technische Werke Naumburg GmbH, Naumburg	47	47	49
Teplarna Kyjov, a.s., Kyjov/Czech Republic	–	32	32
TEPLO Votice s.r.o., Votice/Czech Republic	20	20	20
Thermago Berliner Siedlung GmbH, Mainz	45	51	–
TNA Talsperren- und Grundwasser-Aufbereitungs- und Vertriebsgesellschaft mbH, Saarbrücken	23	23	23
Toledo PV A.E.I.E., Madrid/Spain	33	33	33
TRANSELEKTRO, s.r.o., Kosice/Slovakia	26	–	–
TVK Eromu Termelo es Szolgáltató Korlátolt Felelősségű Társaság, Tiszaujvaros/Hungary	–	74	74
TWE Technische Werke der Gemeinde Ens Dorf GmbH, Ens Dorf	49	49	49
TWL Technische Werke der Gemeinde Losheim GmbH, Losheim	50	50	50
TWM Technische Werke der Gemeinde Merchweiler GmbH, Merchweiler	49	49	49
TWN Trinkwasserverbund Niederrhein GmbH, Grevenbroich	33	33	33
TWRS Technische Werke der Gemeinde Rehlingen-Siersburg GmbH, Rehlingen	35	35	35
Umspannwerk Putlitz GmbH & Co. KG, Frankfurt am Main	25	25	25
Untere Iller Aktiengesellschaft, Landshut	40	40	40

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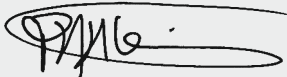
Immaterial associates and joint ventures	Shareholding in %		
	2015	2014	2013
Untermain EnergieProjekt AG & Co. KG, Kelsterbach	49	49	49
Untermain Erneuerbare Energien Verwaltungs-GmbH, Raunheim	25	25	25
Verteilnetze Energie Weißenhorn GmbH & Co. KG, Weißenhorn	35	35	35
Verwaltungsgesellschaft Dorsten Netz mbH, Dorsten	49	49	100
Verwaltungsgesellschaft Energie Weißenhorn GmbH, Weißenhorn	35	35	35
Verwaltungsgesellschaft GW Dillingen mbH, Saarbrücken	25	25	25
Voltaris GmbH, Maxdorf	50	50	50
Wärmeversorgung Mücheln GmbH, Mücheln	49	49	49
Wärmeversorgung Wachau GmbH, Markkleeberg OT Wachau	49	49	49
Wärmeversorgung Würselen GmbH, Würselen	49	49	49
Wasserver- und Abwasserentsorgungsgesellschaft 'Thüringer Holzland' mbH, Hermsdorf	–	49	49
Wasserverbund Niederrhein Gesellschaft mit beschränkter Haftung, Krefeld	42	42	42
Wasserversorgung Main-Taunus GmbH, Frankfurt am Main	49	49	49
Wasserzweckverband der Gemeinde Nalbach, Nalbach	49	49	49
WEV Warendorfer Energieversorgung GmbH, Warendorf	25	25	25
Windenergie Frehne GmbH & Co. KG, Marienfließ	41	41	41
Windenergie Merzig GmbH, Merzig	20	20	–
Windenergiepark Heidenrod GmbH, Heidenrod	51	51	51
Windkraft Jerichow – Mangelsdorf I GmbH Co. KG, Jerichow	50	–	–
Windpark Jüchen GmbH & Co. KG, Essen	21	21	54
Windpark Losheim-Britten GmbH, Losheim am See	50	50	100
Windpark Mengerskirchen GmbH, Mengerskirchen	25	25	–
Windpark Oberthal GmbH, Oberthal	35	35	100
Windpark Perl GmbH, Perl	54	54	100
WINDTEST Grevenbroich GmbH, Grevenbroich	38	38	38
WLN Wasserlabor Niederrhein GmbH, Mönchengladbach	45	45	45
WVG-Warsteiner Verbundgesellschaft mbH, Warstein	25	25	35
WVL Wasserversorgung Losheim GmbH, Losheim	50	50	50
WWS Wasserwerk Saarwellingen GmbH, Saarwellingen	49	49	49
WWW Wasserwerk Wadern GmbH, Wadern	49	49	49

1 Control by virtue of company contract.

2 No control by virtue of company contract.

3 Significant influence via indirect investments.

Essen, 30 June 2016
The Executive Board



Terium



Günther



Tigges



Müller



Herrmann



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