CREDIT OPINION
26 August 2026

Update

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RATINGS

RWE AG

Domicile	Essen, Germany
Long Term Rating	Baa2
Type	LT Issuer Rating - Dom Curr
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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RWE AG

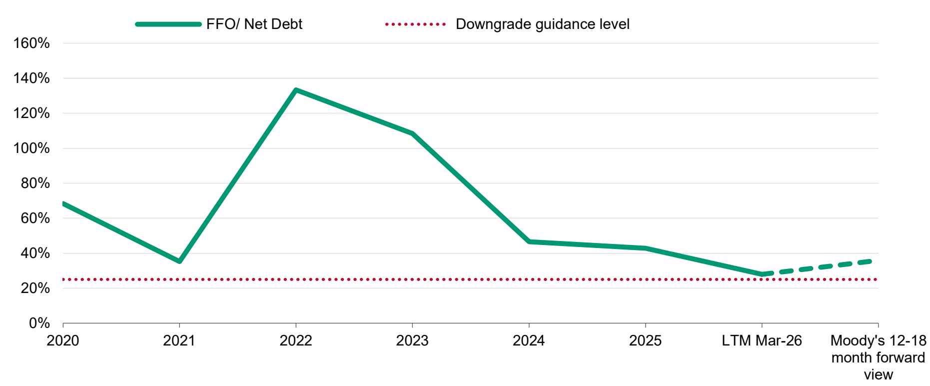
Update following affirmation of Baa2 rating

Summary

RWE AG's Baa2 credit quality is supported by the size and diversification of its generation capacity; the evolution of its business risk profile with a significant share of contracted earnings from a growing renewables (RES) portfolio and flexible (gas-fired and pumped hydro plants; battery storage) capacity with coal-based capacity being phased out; regulated income from its majority stake in electricity transmission system operator (TSO) Amprion GmbH (Amprion; Baa2 stable); and solid financial metrics (exhibit 1), underpinned by a balanced financial policy and robust operating performance.

RWE's credit profile is constrained by its sizeable capital spending programme of €42 billion in net cash investments over 2026-31, which will pressure credit metrics and involves some degree of execution risk; its exposure to inherently volatile trading activities and wholesale commodity prices; and the growing complexity of its capital structure, in particular an increasing share of minorities with associated cash leakage and off-balance sheet project finance debt in certain offshore wind joint ventures (JVs).

Exhibit 1
RWE's funds from operations (FFO)/net debt will remain within our guidance through 2027 at least



All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations. Beginning with the financial accounts 2024, Moody's definition of FFO excludes changes in provisions. Periods are financial year end unless indicated. LTM = Last 12 months.
The forecasts are Moody's opinion and do not represent the views of the issuer.
Sources: Moody's Financial Metrics™ and Moody's Ratings forecasts

Credit strengths

» Large and diversified generation portfolio, focused on RES and flexible generation

» Lower-risk contracted RES earnings account for most of the cash flow

» Flexible capacity complements volatile RES output profile

» Balanced financial policy and commitment to maintaining a solid investment-grade rating

Credit challenges

» Sizeable investment programme, which will strain leverage metrics

» Growing complexity of capital structure with an increasing share of earnings attributable to minorities and significant off-balance debt in offshore wind JVs

» High exposure to commodity prices

Rating outlook

The stable rating outlook reflects our expectation that RWE will be able to maintain key financial metrics in line with our guidance for the rating, namely funds from operations (FFO)/net debt at a level of least at 25%. Moreover, the stable outlook incorporates our expectation that RWE will act to protect its credit quality should this become necessary.

Factors that could lead to an upgrade

Given RWE's focus on growth expenditure with an associated increase of debt, a rating upgrade is not currently anticipated.

Factors that could lead to a downgrade

The Baa2 issuer rating could be downgraded should RWE's FFO/net debt metric persistently fall below 25%, absent a commensurate improvement of its business risk profile.

The guidance for RWE's rating may be tightened if the level of 1) minority interests in the company's capital structure; or 2) debt with a priority claim on cash flows at the company's wind offshore joint ventures or at Amprion increase materially beyond what is currently anticipated.

Key indicators

Exhibit 2

RWE AG (consolidated)

(in € millions)	2021	2022	2023	2024	2025	LTM Mar-26	Moody's 12-18 month forward view
FFO / Net Debt	35.2%	133.3%	108.4%	46.5%	42.8%	27.9%	33% - 38%
RCF / Net Debt	25.1%	114.5%	95.4%	36.7%	31.5%	21.4%	24% - 30%
(FFO + Interest Expense) / Interest Expense	5.0x	6.6x	6.1x	4.3x	3.4x	3.9x	3.3x - 3.5x

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations. Beginning with the financial accounts 2024, Moody's definition of FFO excludes changes in provisions.
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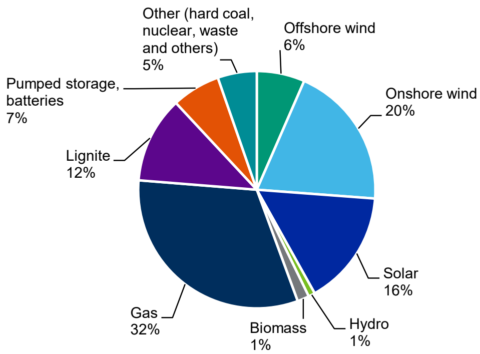
Profile

RWE AG, headquartered in Essen, is a holding company for a group that is mainly involved in power generation. With nearly 122 terawatt hours (TWh) of electricity output (2025 data), it is one of the largest generators in Europe.

As of 30 June 2026, the group operated around 49.5 gigawatts (GW) of generation capacity on a pro rata basis[1], including 22.0 GW of RES (excluding pumped storage hydro), 15.8 GW of gas plants, 7.9 GW of coal and lignite-fired plants, and 3.3 GW of pumped storage hydro and batteries. Following the complete exit from nuclear generation in Germany in April 2023, RWE's residual nuclear capacity amounts to around 0.1 GW, reflecting its share in a Dutch nuclear plant.

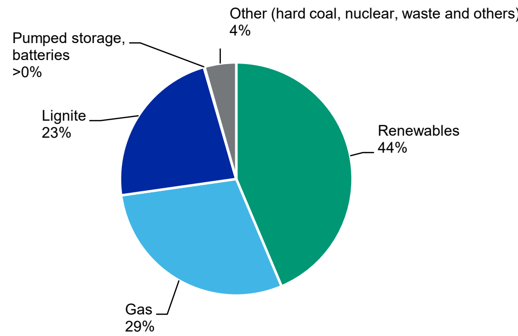
Although RWE is pursuing investment opportunities worldwide, its current geographical footprint is focused on Germany (Aaa stable) with around 15.7 GW; the United States (Aa1 stable) with 13 GW, boosted by the 2023 acquisition of Con Edison Clean Energy Businesses, Inc (CEB); and the United Kingdom (UK, Aa3 stable) with 10.3 GW.

Exhibit 3
RWE has diversified installed capacity ...
Breakdown of installed capacity by fuel type (as of June 2026)



Total installed pro rata capacity of 49.5 GW.
Sources: Company filings and Moody's Ratings

Exhibit 4
... with most of its output being generated by RES
Breakdown of output by technologies/fuels (as of June 2026)



Total output of 123 TWh (accounting view) as of the 12 months that ended June 2026.
Sources: Company filings and Moody's Ratings

RWE is listed on the Frankfurt Stock Exchange. As of 25 August 2026, the company had a market capitalisation of around €45 billion.

Detailed credit considerations

Evolving business risk profile geared towards further growth of RES and flexible generation, supplemented by regulated grid earnings from Amprion

Updated capex plan maintains focus on RES build-out and core markets in Germany, US and UK
At its half-year (HY) 2026 results presentation, RWE announced an increase in planned capital spending (capex), defined as net cash investments, over 2026-31 to €42 billion from previously €35 billion, caused by expected equity contributions to Amprion. The implementation is subject to meeting return benchmarks and maintaining a sound financial profile, reflected in RWE's company-calculated leverage target (net debt/EBITDA) at the lower end of 3.0x-3.5x.

» **Geographical focus**: The plan foresees around €20 billion in Germany (onshore and offshore wind, solar, batteries and gas-fired plants; €7 billion on regulated electricity grids) and €17 billion out of the €42 billion being spent in the US (onshore wind, solar and gas-fired plants).

» **Target installed capacity in 2031**: 65 gigawatts (GW), up from nearly 50 GW as of 30 June 2026, evenly split between RES and flexible generation[2] (today around 45% and 40% of total capacity, respectively), with no coal or lignite generation left in the portfolio (today around 15%).

Underlying drivers for capex growth are RWE's expectations of higher power demand stemming from electrification, for example, in transport and heating; and from data centres, driven mainly by the spread of AI use (please see recent Moody's publications).

Purchase of additional Amprion stake through M31 enhances contribution from regulated earnings
In June 2026, RWE announced the acquisition of a stake of around 47% in M31 Beteiligungsgesellschaft mbH & Co. Energie KG (M31), an investment holding company whose sole asset is a 74.9% stake in Amprion, a regulated German electricity TSO, in which RWE has

held a 25.1% stake since 2011. The transaction price of €3.6 billion was fully funded with equity and resulted in RWE holding in total around 55% in Amprion on a pro rata basis, though accounted for at equity (for details of the transaction, see our issuer comment).

Following the 2025 partnership between RWE and a subsidiary of asset manager Apollo Asset Management, Inc. (Apollo, A2 stable) to raise funds for Amprion's equity needs over the coming years, RWE's economic pro rata stake in Amprion amounts to around 55% (please refer to our issuer comment).

Amprion's sizeable capex plan of more than €42 billion through 2030 will require significant equity contributions to support a sound capital structure (see latest analysis). RWE will bear a proportional share of these contributions, amounting to €7 billion in expenditures. The contribution to RWE's EBITDA will be moderate and likely less than 10% in 2031. From 2027, the Amprion stakes will be housed in a new operating segment called Regulated Grid Infrastructure.

The updated strategy and 2031 targets support our view that RWE is highly focused on maintaining a robust credit quality, investing predominantly and selectively in regulated and contracted businesses while maintaining a solid financial profile.

Offshore wind: Steady earnings growth expected from new projects, underpinned by long-term contracted earnings

RWE's offshore capacity currently is 3.2 GW and is concentrated in the UK (1.9 GW) and Germany (1.2 GW). In 2025, the segment contributed around €1.6 billion to group EBITDA, and RWE's updated guidance for 2027 indicates an increase to €2.0 billion-€2.5 billion, primarily driven by the phase-in of new wind farm capacity over the period, namely Sofia (UK, 1.4 GW), Thor (Denmark [Aaa stable], 0.6 GW) and North Sea Cluster A (Germany, around 0.3 GW). In the six months to June 2026, segment EBITDA amounted to €810 million, up from €643 million in the year-earlier period because of normalised wind conditions. In view of the continued commissioning of turbines of the aforementioned projects and assuming continued good wind conditions, RWE raised its 2026 guidance range by €100 million to €1.65 billion-€2.15 billion.

Offshore wind earnings growth through 2028 will be driven mainly by 3.1 GW of new capacity currently under construction. This includes the remaining turbines for the projects mentioned above, as well as those of OranjeWind (the Netherlands [Aaa stable]; 0.4 GW) and the first turbines of North Sea Cluster B (Germany, 0.45 GW). Beyond 2028 through 2031, the increase in installed capacity will come almost entirely from three UK projects: Dogger Bank South East and West (1.5 GW), Norfolk Vanguard East and West (1.55 GW) and Awel y Mor (0.5 GW). This growth follows their success in Auction Round 7 (AR7), where these projects won 20-year inflation-adjusted contracts-for-difference (CfD). In contrast, RWE recently relinquished all three of its pending US projects (around 5.5 GW seabed leases) pursuant to a $1.22 billion settlement agreed with the US government[3].

RWE's existing offshore capacity largely benefits from government support schemes, such as Renewables Obligation Certificates in the UK; feed-in tariffs in Germany, as well as CfDs (Triton Knoll, Kaskasi). Going forward, projects such as Sofia will be remunerated through auction-based CfDs or exposed to power price risk (merchant basis), unless the merchant risk is mitigated through power-purchase agreements (PPAs) with utilities or corporates[4] (Thor, OranjeWind and North Sea Clusters), or through hedging.

While offshore wind entails higher execution risk than other RES investments, RWE has set average IRR hurdle rates of above 8.5% for new projects[5] and seeks to lock in most of the costs on projects for which the final investment decision has been taken. In addition, the company reduces its exposure to single projects by selling down significant minority stakes (for example, Thor, North Sea Cluster and Dogger Bank South) or by entering into at-equity consolidated JVs with a 50% partner (Norfolk and OranjeWind projects)[6]. A sell-down of 49% is also planned for the fully-owned Sofia project. Although these sell-downs serve to recycle capital, this comes at the expense of cash flow leakage to minorities and, in the case of partnership JVs, may be accompanied by off-balance sheet project finance debt, as is the case for the Norfolk projects. We consider these features in our guidance for RWE's rating.

RWE is well positioned to successfully balance the risks and returns of its offshore wind business, underpinned by long-term earnings predictability through existing support schemes, CfDs or PPAs. These mechanisms provide a high degree of insulation from wholesale power price volatility. The long-term contracted cash flow under supportive and well-established regulatory regimes benefits RWE's credit quality, although the company remains exposed to volume risk.

Onshore wind and solar: Steady capacity growth to drive higher earnings, subject to resource risk

As of 30 June 2026, RWE's installed capacity of onshore wind (9.7 GW) and solar (7.8 GW) amounted to 17.5 GW, located primarily in the US (11.8 GW), followed by Germany, the UK and Spain (A3 stable), with each having around 800-1,000 megawatts (MW) of installed capacity.

In contrast to offshore wind, this segment is marked by a multitude of smaller projects, with battery storage frequently complementing the build-out of wind and solar. RWE's portfolio will thus continue to be geographically diversified, with relatively short lead times between project development and earnings, especially for solar. Based on capacity currently under construction (3.7 GW) and relatively short development periods after permit approval (12-24 months), we estimate that EBITDA will grow to around €2.5 billion through 2027, from €1.7 billion in 2025. This estimate is the midpoint of RWE's 2027 guidance range of €2.25 billion-€2.75 billion, assuming similar load factors to current installations. For EBITDA in 2026, RWE has confirmed its guidance of €1.75 billion-€2.25 billion, which is supported by half-year earnings of €1.0 billion (same period in 2025: €830 million), driven by capacity growth and normalised wind conditions, somewhat offset by lower achieved prices in Europe and the US resulting from lower hedged prices.

However, resource risk — the availability of wind and solar radiation — is higher than that for offshore wind and can lead to significant output volatility year over year (see our Sector In-Depth report Resource risk brings earnings volatility to renewables from November 2023).

Onshore wind and solar projects have less development risk than offshore wind projects, while flexibility in project implementation allows RWE to fine-tune its capex programme and, potentially, mitigate cost and timing variations in larger offshore wind or flexible generation projects.

Earnings sources taken into consideration for offshore wind also apply to onshore wind and solar. For 2026-28, we estimate that at least 75% of EBITDA of the RES portfolio (including offshore wind) will comprise supported or contracted (mainly CfD and PPAs) earnings. The remaining exposure to merchant price risk will be mitigated through hedging.

Flexible generation, batteries and hydrogen: EBITDA is highly correlated with commodity price volatility, but medium-term capacity payments provide an earnings floor

This segment currently comprises 19.1 GW of installed capacity, mainly gas (15.8 GW), pumped hydro storage (1.6 GW), some biomass (0.8 GW) and other hydro plants (around 450 MW). RWE's battery capacity (1.7 GW) is partly included in the segment Onshore wind and Solar. The business model of this segment rests on the need to balance system supply and demand, a task that has become more difficult with the growing share of intermittent RES.

Segment EBITDA comes from three main sources:

» System services, where RWE receives capacity payments from the transmission system operators (TSO) in the UK and Germany in exchange for making flexible power plants available at short notice under short- to medium-term contracts awarded under capacity auctions

» Intraday and day-ahead optimisation, mainly resulting from short-term RES output volatility, when RWE earns margins from the short-term dispatch of its flexible generation fleet to balance the grid

» Running the asset fleet, whereby RWE profits from the widening of clean spreads in forward markets, partially secured through hedges, as well as from volatility in commodity prices

In 2025, lower price levels and volatility, along with the run-off of favourable hedges, led to segment EBITDA of around €1.4 billion, down from nearly €2 billion in 2024, despite a one-off €225 million boost from a data centre sale in the UK. For 2026, RWE has factored in higher achieved prices and UK capacity market revenue, as well as the €332 million compensation payment from the Dutch government related to generation restrictions of its Eemshaven power plant, all of which are reflected in a guidance range of €1.5 billion-€1.9 billion. The company expects to achieve this earnings level based on half-year earnings of about €1 billion in H1 2026 (including the Dutch payment), up from €600 million in H1 2025. We expect earnings over 2026-28 of at least €1.5 billion, supported by 3.0 GW of new battery capacity currently under construction.

From 2031, long-term contracted earnings could arise from new gas-fired power plants, supported by capacity payments. In July 2026, the German parliament passed the Electricity Supply Security and Capacity Act, paving the way for 12 GW nominal capacity to be tendered in three auctions between September 2026 and May 2027, with final EU State Aid approval expected shortly. RWE is ready to bid more than 3 GW, having secured supply capacity.

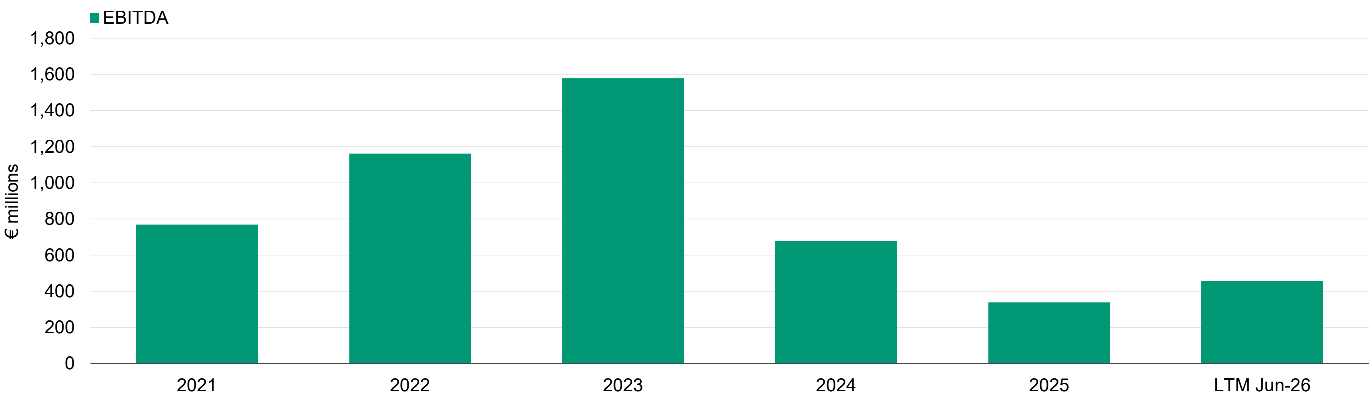
Supply and trading: High earnings volatility, which may be accompanied by working capital swings

RWE has a significant trading business that focuses on proprietary trading; and on maximising earnings from its generation fleet and commodity positions. The company trades both physical and financial products in liquid markets. Trading activities account for most of this segment's gross margin, with the remainder generated by supply. On average, about 75% of the gross margin is likely to come from physical and financial trading, and the remaining 25% from management of gas supply and infrastructure products, and business-to-business operations for large industrial customers and municipalities.

Exhibit 5

Supply and trading earnings can be volatile

Adjusted EBITDA



Periods are financial year end unless indicated. LTM = Last 12 months. EBITDA in 2022 includes a negative €748 million non-recurring effect from gas supplies in the context of the cessation of Russian gas pipeline imports.
Sources: Company filings and Moody's Ratings

By nature, supply and trading can be very volatile, and therefore, RWE guides to earnings in the range of €100 million-€500 million per annum through 2027. The trading activities may increase the volatility of RWE's operating cash flow because of associated working capital swings.

Capex requirements for supply and trading as an "asset-light" business are typically low. We expect annual gross capex over 2026-28 to peak this year, mainly related to RWE's 10% share in the liquefied natural gas (LNG) import terminal, which is likely to be operational by the end of this year; and the company's role as a sponsor of an adjacent ammonia import facility in Brunsbuettel (Germany), and the hydrogen storage project Gronau-Epe.

Phaseout technologies (coal, lignite and nuclear): Long-term cash outflow from mining provisions is partly funded by government subsidies

Since 2024, RWE's residual coal, lignite and nuclear capacities have been designated as "phaseout technologies", underlining the company's intention to exit the activities by 2030. In terms of nuclear energy, the company's remaining exposure is a 30% share in the Dutch plant EPZ (around 150 MW). The company's hard coal capacities amount to 2.1 GW, primarily from the Dutch plants Eemshaven A and B (together 1.3 GW), which are to be converted to biomass, and RWE's 40% stake (0.8 GW) in the German plant GKM (32% co-owner EnBW Energie Baden-Wuerttemberg AG, Baa1 stable), which is scheduled for phaseout by 2028.

Lignite, with around 5.8 GW, accounts for the largest capacity share, and these units will be closed by March 2030, in accordance with a 2022 agreement between RWE and the German government. The agreement included €2.6 billion in compensation payments from the government to account for the accelerated exit (instead of a possible latest end date of 2038), which was approved under state aid rules by the EU Commission in December 2023. RWE received around €1.3 billion as of 30 June 2026.

In light of this exit strategy, in 2023 RWE announced its plan to operate lignite generation with the aim of achieving cash neutrality over 2024-2030, implying that revenue will be used to cover fuel, carbon, other operating costs and capex, but excluding mine closure costs. The lignite activities are not planned to contribute to group EBITDA. The re-cultivation costs associated with the open-cast lignite mines in Germany are accounted for in mining provisions that amounted to around €5.4 billion as of year-end 2025. Apart from compensation payments from the German government, RWE conceptually assigns its 15% stake in the German utility E.ON SE (Baa2 stable) as a cover to offset the mining obligations (market value of E.ON's shares held by RWE was around €7 billion as of 25 August 2026).

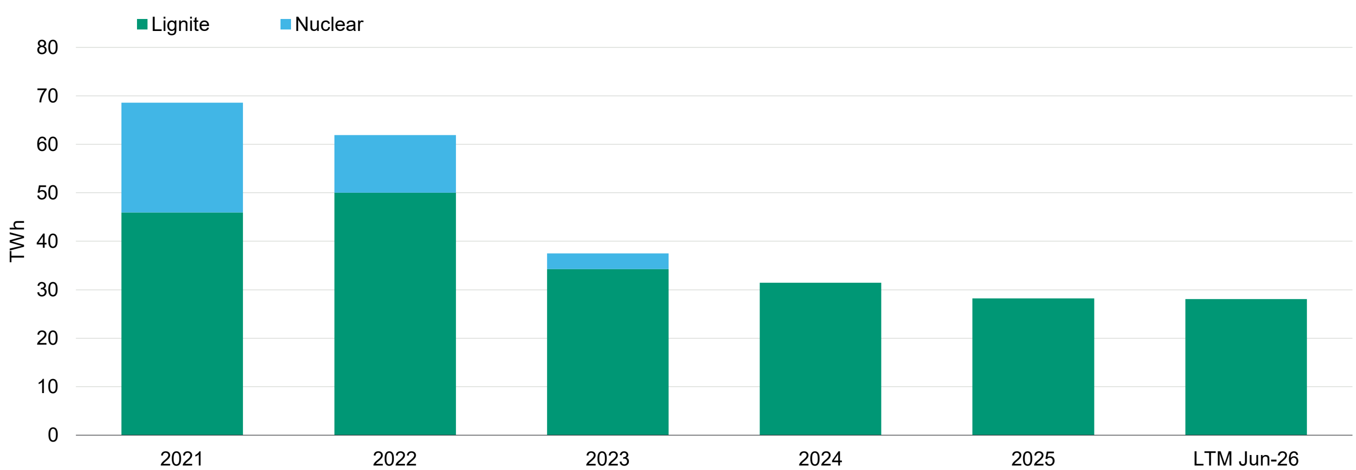
Because of RWE's growing earnings from supported and contracted RES operations, and the extended timeline for cash outflow related to mining provisions, we view a potential sale of E.ON shares as credit neutral. This assessment incorporates our assumption that proceeds will predominantly be invested in activities with predictable contracted or regulated earnings.

The re-balancing of RWE's generation portfolio towards low-carbon technologies; the exit path from lignite, underpinned by legal and contractual arrangements; and the decreasing importance of coal and lignite-fired generation for the company's earnings have led us to change the environmental risk score for carbon transition and the environmental issuer profile score to 3 from 4, respectively, in August 2026 (see also ESG considerations).

Exhibit 6

Lignite output has declined as electricity prices have come down and concerns about security of gas supply have receded

Output (in TWh)



Periods are financial year end unless indicated. LTM = Last 12 months.
Sources: Company filings and Moody's Ratings

Leverage metrics will likely meet rating guidance through 2028 despite large capex

At the half-year results presentation, RWE raised its 2026 full-year guidance for adjusted EBITDA by €550 million to €5.75 billion-€6.35 billion (not including earnings from phaseout technologies), up from the €5.1 billion achieved in 2025. The main drivers are the one-off effect from Dutch government compensation and higher expected wind volumes than those in 2025.

Assuming power prices remain largely aligned with current forward prices through 2028, we estimate that annual Moody's-adjusted FFO will be €4.8 billion-€5.2 billion over this period. The main driver of cash earnings will be the growth of RES capacity. Given RWE's updated 2031 strategy, with net cash investments of around €7 billion per annum, and assuming average annual dividends (including minority interests) of around €1.3 billion, the company is likely to remain free cash flow negative over the coming years.

Moody's-adjusted net debt is further driven by adjustments for nuclear decommissioning liabilities; and unfunded pension obligations (around €1.0 billion as of H1 2026). As both items are recorded at their net present values, they are subject to some volatility depending mainly on the evolution of discount rates. As of 30 June 2026, nuclear provisions were around €4.4 billion, with an estimated annual cash outflow of €550 million-€650 million, as the plants are fully decommissioned. Although the development of net debt is also influenced by the cash inflows and outflows associated with margin and collateral payments, we do not include these in our FFO calculations, because they do not contribute to RWE's earnings.

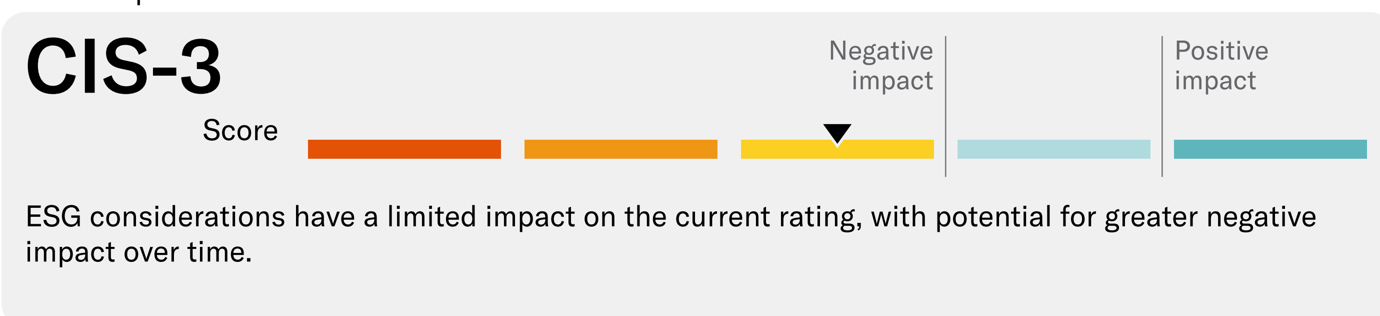
We expect RWE to meet our guidance levels of FFO/net debt of at least 25% through 2028, despite increasing debt to fund investment. While capex is sizeable, its distribution across multiple projects allows the company some flexibility to cancel or defer investments without suffering a significant drop in earnings. Furthermore, the company has intentionally guided to net cash investments rather than gross capex, because this opens the possibility to farm down or entirely sell assets. Finally, we continue to view positively the company's commitment to maintaining a solid investment-grade credit rating and its track record of a balanced financial policy, as exemplified by the funding of the M31 stake entirely with equity.

At its strategy progress update in August 2026, RWE confirmed its target net leverage, measured as RWE-adjusted net debt/EBITDA, at the lower end of the 3.0x-3.5x range through 2031. The actual leverage for 2025 was 2.2x, and we estimate the year-end value may be slightly above the ratio for the 12 months to June 2026, when it was around 2.5x. In its calculation of net leverage, the company excludes liabilities related to its coal operations[7], having set aside assets intended to cover these liabilities. These include RWE's stake in E.ON and the compensation claim against the German government. The leverage calculation also does not include EBITDA derived from its coal and nuclear operations.

ESG considerations

RWE AG's ESG credit impact score is CIS-3

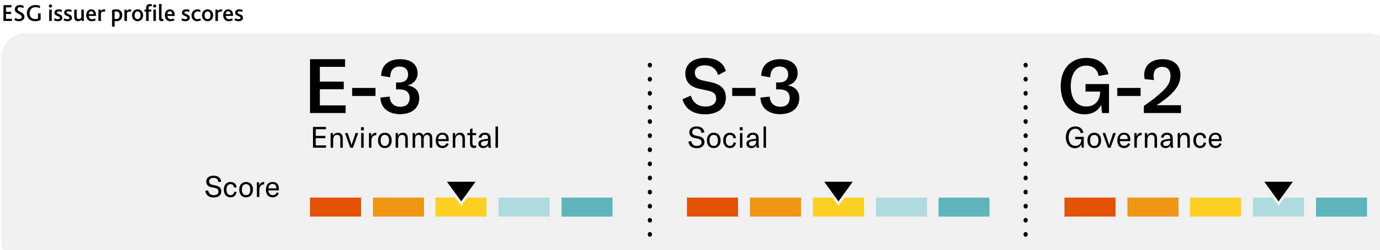
Exhibit 7
ESG credit impact score



Source: Moody's Ratings

RWE is **CIS-3**, indicating that its ESG attributes are overall considered to have a limited impact on the current rating, with some potential for future negative impact, for example from the execution of the company's sizable investment program related to decarbonising its generation portfolio. The scoring reflects moderately negative environmental and social risks and neutral to low governance risks.

Exhibit 8
ESG issuer profile scores



Source: Moody's Ratings

Environmental
RWE is **E-3**, reflecting some residual carbon transition risk associated with the company's exposure to coal-fired generation in Germany, but mitigated by legal agreements with the federal and the relevant state governments to fully exit coal by March 2030 (instead of 2038) and EU-approved subsidies to address the associated accelerated start of the mandatory lignite mine recultivation. Regarding its closed nuclear plants, RWE does not have any obligations in relation to interim and final storage of nuclear waste but is responsible for the decommissioning of the plants which is in progress. The profile score also captures the substantial investments that RWE has been undertaking (and will continue) in renewable and flexible generation in order to replace its nuclear and coal fired generation. Given some exposure of the power plants and their grid connections to weather-related incidents, the company is also somewhat exposed to physical climate risk. We view risks associated with water management and natural capital as low.

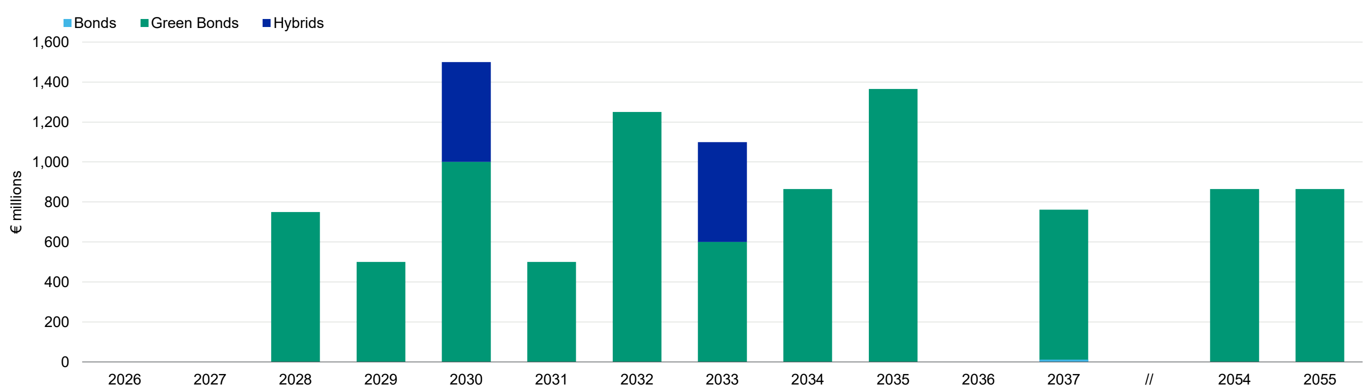
Social
RWE is **S-3**, reflecting the risk that demographics and societal trends could include public concerns over energy affordability, which may lead to clawbacks of generators' profits as observed during the energy crisis in 2022. We view risks associated with customer relations, responsible production, human capital and health & safety as low, noting that RWE still has mining operations associated with its lignite operations.

Governance
RWE is **G-2**, reflecting the company's sound financial policy with a leverage (company-defined net debt/EBITDA) target at the lower end of the 3x-3.5x range over 2026-31. RWE has also confirmed its target to maintain a solid investment grade rating, underpinned by a balanced approach regarding interests of creditors and shareholders. The company's management of its capital structure includes disposals of minority stakes to partners and the hive-down of projects, in particular in offshore wind, into at-equity consolidated joint-ventures, all of which contribute to increasing organizational complexity of the group.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Liquidity analysis
As of 30 June 2026, RWE had around €6.1 billion of cash and €7.1 billion of marketable securities, complemented by €10 billion of undrawn, syndicated and freely available committed credit lines, of which €5 billion will mature in May 2029 and the rest in May 2031, each with one remaining one-year extension option that can be exercised by the company. Together with expected operating earnings (EBITDA) of around €6 billion-€7 billion over the next 12 months, the company is comfortably positioned to cover net capex and dividends. The next bond maturity is a €750 million green bond maturing in November 2028.

Exhibit 9
Senior bond and hybrid debt maturity profile as of 20 August 2026



Periods are financial year-end unless indicated.
Sources: Company filings and Moody's Ratings

Structural considerations

RWE's capital structure includes a mix of bank debt and hybrid securities. As of 30 June 2026, RWE had two outstanding hybrids (each €500 million) rated at Baa3. They receive a 50% equity credit in our financial leverage calculations.

RWE generally funds any debt requirements centrally at the holding level of RWE AG or, since 2024, through its fully guaranteed financing vehicle RWE Finance US, LLC, which will likely be the main source of dollar funding for RWE's growing US RES portfolio. In July 2026, another fully guaranteed financing vehicle named RWE Finance Europe B.V. for the first time issued senior unsecured green bonds in a total amount of €1.5 billion.

However, the acquisition of CEB in March 2023 came with around $2 billion of project finance debt to be assumed by RWE. We understand that scheduled repayments will reduce the balance to around $1 billion through 2028. RWE also has project finance debt of around £1 billion in place at its Triton Knoll wind farm, which will be amortised through 2036. Together, debt from CEB and Triton Knoll accounts for around 10%-15% of RWE's gross financial debt. Future debt maturities, unless fully repaid, will be refinanced at the level of RWE, which should reduce the share of fully consolidated debt at opco level to the mid single digits by the end of 2028.

As a result, we deem the structural subordination in the company's capital structure manageable and do not apply notching at this time.

Methodology and scorecard

RWE is assessed in accordance with our Unregulated Utilities and Unregulated Power Companies rating methodology.

Exhibit 10

RWE AG

Unregulated Utilities and Power Companies Industry Scorecard *	Current LTM March 31 2026		Moody's 12-18 Month Forward View **	
	Measure	Score	Measure	Score
Factor 1: Scale (10%)				
a) Total Assets (USD Billion)	134.5	Aa	126.0 - 128.0	Aa
Factor 2: Business Profile (35%)				
a) Market Diversification	Aa	Aa	Aa	Aa
b) Cash Flow Stability	Baa	Baa	Baa	Baa
Factor 3: Leverage And Coverage (40%)				
a) (FFO + Interest Expense) / Interest Expense	3.9x	Ba	3.3x - 3.5x	Ba
b) FFO / Net Debt	27.9%	Baa	33.0% - 38.0%	Baa
c) RCF / Net Debt	21.4%	Baa	24.0% - 30.0%	Baa
Factor 4: Financial Policy (15%)				
a) Financial Policy	Baa	Baa	Baa	Baa
Ratings				
Preliminary Outcome		Baa1		Baa1
Construction, Development and Capital Program Risk		-0.5		-0.5
a) Scorecard-Indicated Outcome		Baa2		Baa1
b) Actual Rating Assigned				Baa2

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
LTM = Last 12 months.
The forecasts are Moody's opinion and do not represent the views of the issuer.
Sources: Moody's Financial Metrics™ and Moody's Ratings forecasts

Appendix

Exhibit 11
Peer comparison
RWE AG (consolidated)

	RWE AG			ENEL S.p.A.			Orsted A/S			Fortum Oyj		
	Baa2 Stable			Baa1 Stable			Baa2 Negative			Baa1 Stable		
(in $ millions)	FY Dec-24	FY Dec-25	LTM Mar-26	FY Dec-23	FY Dec-24	FY Dec-25	FY Dec-23	FY Dec-24	FY Dec-25	FY Dec-24	FY Dec-25	LTM Mar-26
Revenue	24,224	17,628	15,533	92,882	73,914	78,057	80,277	71,633	73,244	5,800	4,989	5,339
EBITDA	7,267	4,512	5,023	18,594	20,934	20,818	7,563	29,610	19,236	1,840	1,419	1,474
Total Assets	98,225	100,904	116,765	196,854	188,220	178,657	280,683	297,775	365,544	18,447	17,517	16,994
Total Debt	22,447	22,789	29,512	82,241	77,590	74,185	100,498	110,330	121,314	5,640	5,473	4,766
Net Debt	10,506	9,440	16,557	75,440	69,539	69,120	60,838	77,075	34,231	1,504	2,570	2,288
FFO / Net Debt	46.5%	42.8%	27.9%	20.4%	20.7%	23.4%	2.3%	22.8%	31.9%	83.4%	35.2%	40.6%
RCF / Net Debt	36.7%	31.5%	21.4%	13.5%	13.1%	14.8%	-8.2%	21.9%	25.0%	14.8%	-13.7%	-14.3%
(FFO + Interest Expense) / Interest Expense	4.3x	3.4x	3.9x	5.2x	4.9x	6.3x	1.3x	4.6x	3.0x	6.3x	6.4x	6.9x
Debt / Book Capitalization	38.0%	34.0%	39.3%	62.2%	59.2%	59.5%	58.5%	56.6%	46.8%	37.2%	37.9%	35.7%

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
LTM = Last 12 months.
Source: Moody's Financial Metrics™

Exhibit 12
Moody's-adjusted debt reconciliation
RWE AG (consolidated)

(in € millions)	2021	2022	2023	2024	2025	LTM Mar-26
As reported debt	**13,555.0**	**19,076.0**	**15,610.0**	**17,971.0**	**19,013.0**	**24,534.0**
Pensions	1,934.0	900.0	1,324.0	1,328.0	1,123.0	1,123.0
Hybrid Securities	(279.5)	(288.5)	(283.5)	(293.5)	(631.0)	(631.0)
Non-Standard Adjustments	6,029.0	5,704.0	5,384.0	3,441.0	3,283.0	4,485.0
Moody's-adjusted debt	**21,238.5**	**25,391.5**	**22,034.5**	**22,446.0**	**22,788.0**	**29,512.0**

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
LTM = Last 12 months.
Source: Moody's Financial Metrics™

Exhibit 13

Overview of select historical Moody's-adjusted financial data

RWE AG (consolidated)

(in € millions)	2021	2022	2023	2024	2025	LTM Mar-26
INCOME STATEMENT						
Revenue	24,571	38,415	28,521	24,224	17,628	15,533
EBITDA	3,599	5,736	7,624	7,267	4,512	5,023
EBIT	2,180	4,106	5,723	5,392	2,520	2,890
Interest Expense	642	1,166	1,562	1,497	1,652	1,590
Net income	736	4,221	1,629	3,323	1,127	1,145
BALANCE SHEET						
Net Property Plant and Equipment	19,904	23,703	28,808	38,241	41,498	44,405
Total Assets	142,226	138,502	106,512	98,225	100,904	116,765
Total Debt	21,239	25,392	22,035	22,447	22,789	29,512
Cash & Cash Equivalents	13,865	20,456	14,641	11,941	13,349	12,955
Net Debt	7,374	4,936	7,394	10,506	9,440	16,557
Total Liabilities	126,748	110,669	74,196	66,529	66,440	80,851
CASH FLOW						
Funds from Operations (FFO)	2,598	6,581	8,013	4,880	4,039	4,624
Cash Flow From Operations (CFO)	6,439	2,705	4,675	6,409	4,085	4,611
Dividends	744	928	957	1,021	1,063	1,080
Retained Cash Flow (RCF)	1,854	5,653	7,056	3,859	2,976	3,544
Capital Expenditures	(3,609)	(3,257)	(5,146)	(9,160)	(9,207)	(8,932)
Free Cash Flow (FCF)	2,086	(1,480)	(1,428)	(3,772)	(6,185)	(5,401)
INTEREST COVERAGE						
(FFO + Interest Expense) / Interest Expense	5.0x	6.6x	6.1x	4.3x	3.4x	3.9x
LEVERAGE						
FFO / Debt	12.2%	25.9%	36.4%	21.7%	17.7%	15.7%
RCF / Debt	8.7%	22.3%	32.0%	17.2%	13.1%	12.0%
Debt / EBITDA	5.9x	4.4x	2.9x	3.1x	5.1x	5.9x
Net Debt / EBITDA	2.0x	0.9x	1.0x	1.4x	2.1x	3.3x

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
Periods are financial year-end unless indicated. LTM = Last 12 months.
Source: Moody's Financial Metrics™

Ratings

Exhibit 14

Category	Moody's Rating
RWE AG	
Outlook	Stable
Issuer Rating -Dom Curr	Baa2
Senior Unsecured -Dom Curr	Baa2
Senior Unsecured MTN -Dom Curr	(P)Baa2
Subordinate -Dom Curr	Baa3
Commercial Paper	P-2
Other Short Term -Dom Curr	(P)P-2
RWE FINANCE EUROPE B.V.	
Outlook	Stable
Bkd Senior Unsecured -Dom Curr	Baa2
Bkd Senior Unsecured MTN -Dom Curr	(P)Baa2
RWE FINANCE US, LLC	
Outlook	Stable
Bkd Senior Unsecured	Baa2

Source: Moody's Ratings

Endnotes

1. Capacity values stated in this report are always pro rata with RWE's ownership in the plants, unless explicitly stated otherwise.
2. Flexible generation as per RWE's definition includes gas-fired plants; pumped storage capacity and batteries not associated with RES.
3. RWE will use the proceeds to invest indirectly in a 16% stake in the Louisiana LNG terminal and to reserve gas turbine capacity for future US gas plant projects.
4. According to BloombergNEF, global demand for RES-based PPAs from energy-intensive sectors, in particular hyperscalers, amounted to almost 56 GW in 2025, with tech companies Meta Platforms, Inc. (Aa3 stable), Amazon.com, Inc. (A1 stable), Microsoft Corporation (Aaa stable) and Alphabet Inc. (Aa2 stable) accounting for almost half of the demand.
5. At the company's Capital Markets Day 2023, RWE stated an IRR range of 7%-11% specifically for new offshore wind projects, but this range has not been reconfirmed since.
6. For OranjeWind, the partner is TotalEnergies SE [(P)Aa3 stable], and in the case of the Norfolk projects, RWE announced the sale of 50% to financial investor KKR in early 2026.
7. Our calculation of adjusted net debt already excludes mining provisions, and we do not include provisions related to the dismantling of wind farms.

REPORT NUMBER 1492134