



Press release

RWE's preliminary earnings for fiscal 2021 exceed outlook

- Adjusted EBITDA for RWE Group expected to be at €3.65 billion above RWE outlook due to higher than expected earnings from the Hydro/Biomass/Gas segment and an outperformance by Supply & Trading
- In the core business, adjusted EBITDA to be expected at €2.76 billion
- Outlook to be exceeded significantly also for adjusted EBIT of €2.19 billion and adjusted net income of €1.57 billion

Essen, 26 January 2022

Michael Müller, CFO of RWE AG : "After an eventful year, we expect an excellent result for fiscal 2021, which exceeds our guidance significantly. This is due to a very good operational performance, mainly driven by a strong performance of Supply & Trading throughout the year. Also a very strong fourth quarter in our Hydro/Biomass/Gas segment contributed to this. In 2021, we also continued to successfully forge ahead with our wind and solar portfolio, both in project development, construction and operations. We are well on track in delivering on our Growing Green strategy."

RWE's operational performance in the fourth quarter of fiscal 2021 exceeded expectations. In particular, the Hydro/Biomass/Gas segment as well as Supply & Trading performed far better towards year end than assumed. Overall, it resulted in an outperformance of the outlook for fiscal 2021, based on preliminary figures.

RWE Group's adjusted EBITDA (earnings before interest, taxes, depreciation and amortisation) is expected to reach €3.65 billion and therefore to pass the upper end of the forecasted range of €3.0 billion to €3.4 billion. Adjusted EBITDA in the core business is assumed to be €2.76 billion and therefore above the upper end of the guided range of €2.15 billion to €2.55 billion. Adjusted EBIT for 2021 is expected to be €2.19 billion, against earnings forecast between €1.5 billion and €1.9 billion. Adjusted net income is expected to reach €1.57 billion, above the guidance of €1.05 billion to €1.4 billion. Net debt as of 31 December 2021 is expected to be significantly below the level at the end of September 2021, which was at €2.9 billion.



In view of the expected strong results, Michael Müller commented on the planned dividend: “We confirm our dividend target of €0.90 per share for fiscal 2021 and we will propose this to our Annual General Meeting on 28 April 2022, which will be held virtually.”

Performance in the core business per segment (preliminary earnings)

Offshore Wind: Adjusted EBITDA to be at €1,110 million and with this slightly above previous year. Mainly portfolio effects in the UK from the full consolidation of the offshore wind farm Rampion and the commissioning phase of the Triton Knoll wind farm overcompensated year-on-year weaker wind conditions.

Onshore Wind/Solar: Adjusted EBITDA expected to just top the upper end of guidance and to be at €258 million. Year-on-year earnings are lower, primarily impacted by the negative effect from the unprecedented Texas cold snap in February 2021, which reduced earnings by approximately €400 million.

Hydro/Biomass/Gas: Adjusted EBITDA to increase to €731 million, thanks to a very good performance at the end of 2021, mainly on the back of a strong day-to-day optimisation of the power plant dispatch.

Supply & Trading: To record an adjusted EBITDA at €769 million, due to an excellent performance in the trading business in particular in the first half of 2021.

On top of RWE's core business, adjusted EBITDA from Coal/Nuclear expected to be at €889 million. The year-on-year increase in earnings is due to realised higher generation margins. Earnings are within the guided range.

All figures are preliminary. Final figures for fiscal 2021 will be released as planned on 15 March 2022.





Overview of selected key figures (preliminary earnings)

€ million	Actuals 2021	Outlook 2021 (July 2021)	Actuals 2020*
Adjusted EBITDA Offshore Wind	1,110	1,050 – 1,250	1,069
Adjusted EBITDA Onshore Wind/Solar	258	50 – 250	523
Adjusted EBITDA Hydro/Biomass/Gas	731	500 – 600	621
Adjusted EBITDA Supply & Trading	769	Significantly above 350	539
Adjusted EBITDA Core Business	2,761	2,150 – 2,550	2,727
Adjusted EBITDA Coal/Nuclear	889	800 – 900	559
Adjusted EBITDA Group	3,650	3,000 – 3,400	3,286
Adjusted EBIT	2,185	1,500 – 1,900	1,823
Adjusted net income	1,569	1,050 – 1,400	1,257

*Some prior-year figures restated due to a change in the recognition of renewable energy tax benefits in the USA.

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RWE

RWE is leading the way to a green energy world. With an extensive investment and growth strategy, the company will expand its powerful, green generation capacity to 50 gigawatts internationally by 2030. RWE is investing €50 billion gross for this purpose in this decade. The portfolio is based on offshore and onshore wind, solar, hydrogen, batteries, biomass and gas. RWE Supply & Trading provides tailored energy solutions for large customers. RWE has locations in the attractive markets of Europe, North America and the Asia-Pacific region. The company is responsibly phasing out nuclear energy and coal. Government-mandated phaseout roadmaps have been defined for both of these energy sources. RWE employs around 19,000 people worldwide and has a clear target: to get to net zero by 2040. On its way there, the company has set itself ambitious targets for all activities that cause greenhouse gas emissions. The Science Based Targets initiative has confirmed that these emission reduction targets are in line with the Paris Agreement. Very much in the spirit of the company's purpose: Our energy for a sustainable life.

Forward-looking statements

This press release contains forward-looking statements. These statements reflect the current views, expectations and assumptions of management, and are based on information currently available to management. Forward-looking statements do not guarantee the occurrence of future results and developments and are subject to known and unknown risks and uncertainties. Actual future results and developments may deviate materially from the expectations and assumptions expressed in this document due to various factors. These factors primarily include changes in the general economic and competitive environment. Furthermore, developments on financial markets and changes in currency exchange rates as well as changes in national and international laws, in particular in respect of fiscal regulation, and other factors influence the company's future results and developments. Neither the company nor any of its affiliates undertakes to update the statements contained in this press release.



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