RWE Innogy -
The competence hub for renewables within RWE

Investor Meeting, 09\textsuperscript{th} December 2015
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- Statements of plans or objectives for future operations or of future competitive position
- Expectations of future economic performance; and
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Agenda

1. Highlights: RWE Innogy in a nutshell
2. Details: Technology segments
3. Outlook: Strategic growth options
RWE bundles competencies for renewables in one company

Upstream
Exploration and production

Midstream
Transportation and storage

Downstream
Distribution and retail

Raw material production
Lignite
Conventional generation
Renewable energy

Power generation

Energy trading/gas midstream

Networks

Supply
Electricity
Gas
Energy+

RWE Generation
RWE Generation
RWE Innogy
RWE Supply & Trading

RWE Deutschland
RWE East

RWE npower
Essent
RWE Innogy: strong European footprint with focus on wind and hydro

Innogy’s markets across Europe

Portfolio highlights* (in MW)

<table>
<thead>
<tr>
<th>Country</th>
<th>Onshore</th>
<th>Offshore</th>
<th>Hydro</th>
<th>others***</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>500</td>
<td>748</td>
<td>78</td>
<td>46</td>
<td>1.372</td>
</tr>
<tr>
<td>GER</td>
<td>567</td>
<td>295</td>
<td>375</td>
<td>10</td>
<td>1.247</td>
</tr>
<tr>
<td>SPA</td>
<td>447</td>
<td>12</td>
<td></td>
<td></td>
<td>459</td>
</tr>
<tr>
<td>NL</td>
<td>210</td>
<td></td>
<td></td>
<td></td>
<td>210</td>
</tr>
<tr>
<td>PL</td>
<td>197</td>
<td></td>
<td></td>
<td></td>
<td>197</td>
</tr>
<tr>
<td>ITA</td>
<td>67</td>
<td></td>
<td></td>
<td></td>
<td>67</td>
</tr>
<tr>
<td>others**</td>
<td></td>
<td>61</td>
<td></td>
<td></td>
<td>61</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1.987</td>
<td>1.043</td>
<td>526</td>
<td>56</td>
<td>3.613</td>
</tr>
</tbody>
</table>

Innogy’s financial performance (Q3 2015)

<table>
<thead>
<tr>
<th></th>
<th>Q3 2015</th>
<th>Q3 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Generation</td>
<td>6,8 GWh</td>
<td>5,6 GWh</td>
</tr>
<tr>
<td>EBITDA</td>
<td>505 m€</td>
<td>291 m€</td>
</tr>
<tr>
<td>Operating result</td>
<td>280 m€</td>
<td>29 m€</td>
</tr>
<tr>
<td>Investments</td>
<td>282 m€</td>
<td>650 m€</td>
</tr>
</tbody>
</table>

Main drivers:
- Commissioning of offshore wind farms early 2015
- Ongoing shift from project centered company to focus on operational excellence across entire fleet
- Few one-off effects

* Accounting view + PPAs as of Q3/2015
** Countries: France, Belgium, Switzerland, Portugal
*** Technologies: Biomass, Biogas, Solar
Since 2008 RWE Innogy has delivered over 2.9 GW* additional growth across all business areas

<table>
<thead>
<tr>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suwalki</td>
<td>Ururi</td>
<td>Süderdeich</td>
<td>GreenGecco Projects</td>
<td>Nowy Staw</td>
<td></td>
</tr>
<tr>
<td>(41MW)</td>
<td>(26MW)</td>
<td>(9MW)</td>
<td>(63MW)</td>
<td>(45MW)</td>
<td></td>
</tr>
<tr>
<td>Little Cheyne</td>
<td>Piecki</td>
<td>Lochelbank</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(60MW)</td>
<td>(32MW)</td>
<td>(10MW)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>415MW</td>
<td>Tychowo</td>
<td>Anzi</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>201MW</td>
<td>(35MW)</td>
<td>(16MW)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

RWE belongs to the top 10 operators of renewable energy assets across Europe**

*partly together with partners
** Source: Database "Bloomberg New Energy Finance"; accessed 28th September 2015
Innogy’s result contribution to the RWE Group constantly increases in the future

- Innogy will double its operating result in 2015 and delivers important contribution to RWE Group result – constantly increasing in the future.
- The majority of the result comes from regulated business with secured cashflows and limited risk exposure.
- Well diversified asset portfolio in various European countries.
- Partnering solutions will diversify risks and leverage project pipeline further.
- Focus on on- and off-shore wind.

<table>
<thead>
<tr>
<th></th>
<th>Q1-Q3 2014</th>
<th>Q1-Q3 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>4.700</td>
<td>4.403</td>
</tr>
<tr>
<td>Operating</td>
<td>2.908</td>
<td>2.648</td>
</tr>
<tr>
<td>Result</td>
<td>291 (6%)</td>
<td>505 (11%)</td>
</tr>
<tr>
<td>RWE Innogy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RWE AG</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Agenda

1. Highlights: RWE Innogy in a nutshell
2. Details: Technology segments
3. Outlook: Strategic growth options
Innogy focuses on wind and hydro

### RWE Innogy

#### Overview
- Founded in February 2008
- Bundling renewables activities and competencies across RWE Group
  - Growth focus in onshore and offshore wind, hydro as strong operational backbone
  - Research & Development and Venture Capital to drive the development of emerging technologies
- European focus
- Asset portfolio of 3.6 GW in operation and 0.4 GW under construction mainly located in United Kingdom, Germany, Spain, Netherlands, Poland and Italy (accounting view + PPA)
- Project pipeline of 3.5 GW* consisting mainly of wind and some hydro (accounting view + PPA as of Q4/14)

<table>
<thead>
<tr>
<th>Business Area</th>
<th>Wind offshore</th>
<th>Wind onshore</th>
<th>Hydro</th>
<th>New technologies &amp; Venture Capital / others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Focus and Strategy</td>
<td>Key technology for capacity and service growth</td>
<td>Key technology for capacity and service growth</td>
<td>Operational excellence in hydro run-of-river</td>
<td>Driving innovative renewable technologies to commercial applications via</td>
</tr>
<tr>
<td></td>
<td>Organic growth strategy within partnerships</td>
<td>Focus on organic growth</td>
<td>Selective development options</td>
<td>• Cross functional R&amp;D and demonstration plants</td>
</tr>
<tr>
<td></td>
<td>Focus markets include UK and Germany</td>
<td>Focus markets include UK, Germany, Spain, Netherlands, Italy and Poland</td>
<td></td>
<td>• Venture Capital</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Markinch</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Georgia Biomass</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Siegen Wittgenstein.</td>
</tr>
</tbody>
</table>

* Maturity of development pipeline (1=advanced development, 3=early development)
- Pipeline 1: 0.6 GW
- Pipeline 2: 1.7 GW
- Pipeline 3: 1.2 GW
With 1 GW installed capacity RWE Innogy has a leading position in the European Offshore Market

**RWE Innogy wind offshore presence**

**RWE Innogy strengths**
- Strong in-house know-how to secure key value chain technologies and build large-scale power plants
- Delivery of projects through strategic partnerships & financing solutions
- Substantial installed capacity and pipeline provides a sound platform for growth, esp. strong starting position in UK

**Market outlook**
- Strong market growth in medium to long term, time horizon depends on technical progress and development of approval procedures
- Offshore wind is an engineering skill & scale game
- Trends: overcome of technical hurdles, allocation of attractive sites, development of projects, M&A of projects

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Offshore: Focus on partner strategy to enable future growth – Innogy with proven track record

Operation

<table>
<thead>
<tr>
<th>Project</th>
<th>Capacity</th>
<th>Commissioned</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Hoyle</td>
<td>60 MW</td>
<td>2004</td>
</tr>
<tr>
<td>Thornton Bank I-III</td>
<td>325 MW</td>
<td>2013</td>
</tr>
<tr>
<td>Rhyl Flats</td>
<td>90 MW</td>
<td>2009</td>
</tr>
<tr>
<td>Greater Gabbard</td>
<td>504 MW</td>
<td>2012</td>
</tr>
</tbody>
</table>

Development

<table>
<thead>
<tr>
<th>Project</th>
<th>Capacity</th>
<th>Commissioned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Galloper</td>
<td>340 MW</td>
<td></td>
</tr>
<tr>
<td>Triton Knoll</td>
<td>900 MW</td>
<td></td>
</tr>
<tr>
<td>Nordsee Ost</td>
<td>295 MW</td>
<td>2015</td>
</tr>
<tr>
<td>Nordsee One</td>
<td>332 MW</td>
<td></td>
</tr>
<tr>
<td>Nordsee 2</td>
<td>664 MW</td>
<td></td>
</tr>
<tr>
<td>Kaskasi 2</td>
<td>210 MW</td>
<td></td>
</tr>
<tr>
<td>Kaskasi 3</td>
<td>210 MW</td>
<td></td>
</tr>
<tr>
<td>Nordsee One</td>
<td>332 MW</td>
<td></td>
</tr>
<tr>
<td>Nordsee 2</td>
<td>664 MW</td>
<td></td>
</tr>
</tbody>
</table>

1) RWE Innogy (33%), owned by Zephyr Investments Ltd., 2) RWE Innogy (50.1%), Greencoat UK Wind PLC (24.95%), Green Investment Bank (24.95%), 3) RWE Innogy: 27% share in C-Power consortium, 4) RWE Innogy (50%), Scottish and Southern Energy (50%), 5) RWE Innogy (60%), Stadtwerke Munich (30%), Siemens (10%), 6) RWE Innogy (50%), Northland Power Inc (85%), 7) New Partnership structure under investigation, 8) RWE Innogy (80%), Statkraft (25%), 9) RWE Innogy (25%), Scottish and Southern Energy (25%), Statkraft (25%).
Example for successful project finance: Galloper offshore windfarm, UK

- Bank process launched beginning of June 2015 and encountered very strong appetite in the commercial bank market
- Financial Close achieved in October with a consortium consisting of RWE Innogy, Macquarie, Siemens and Green Investment Bank each holding 25% equity

PROJECT DATA:

- 336 MW, 56 x 6.0 MW Siemens turbines
- Overall investment amount of c. GBP 1.5bn incl. OFTO
- 27km off the Suffolk Coast at its nearest point
- 27 – 36 meter water depth
- Supply of 336,000 households p.a.
- Start of operation currently scheduled for 2017/2018
- Project still benefitting from the ROC regime
Onshore: eight projects in four countries under construction – portfolio delivering stable results

- **United Kingdom**
  - Batsworthy Cross
    - 18 MW
    - 100% Innogy
  - Goole 2
    - 35 MW
    - 100% Innogy

- **Netherlands**
  - Zuidwester
    - 90 MW
    - 100% Innogy
  - Kattenberg
    - 10 MW
    - 100% Innogy (build-to-sell)

- **Germany**
  - Bedburg 2
    - 29 MW
    - 51% Innogy, 49% Stadt Bedburg
  - Sandbostel
    - 12 MW
    - 100% Innogy (build-to-sell)

- **Poland**
  - Opalenica
    - 17 MW
    - 100% Innogy
  - Nowy Staw 1, Stage 2
    - 28 MW
    - 100% Innogy

- In total nearly 2 GW of wind onshore assets in operation across Europe
- All current new-built projects in time and in budget
- 3rd party business (sale of services & build-to-sell) successfully launched into market
- Entry into new markets under investigation
Hydro: operational backbone with selected growth opportunities & sale of services

Markets and operations
Technology & markets
> Small hydro plants (< 10 MW) expected to have significant share in future capacity growth in Western Europe
> Most significant growth potential of several GW in South-Eastern Europe and Turkey triggers demand of technical services in the Hydro Power Sector

RWE Innogy’s assets
(Accounting view + PPA as of Q3 2015)
> Hydro power plants with 526 MW in operation
> 3 MW project under construction
> 2 MW project decided in Nov. 2015

1) Pro-rata: RWE Innogy's share is 355 MW in Germany and 23 MW in Switzerland
3rd party services: leveraging value of development and operational expertise

We are using our in-house expertise for 3rd party services in …

We have …

1. more than 20 years cross-national experience in the wind and hydro business along the whole value-chain
2. more than 3000 MW wind capacity in operation across Europe
3. more than 500 MW hydro power capacity in operation in Europe

Therefore we increase operating result further by bringing our internal expertise to the market!

... development

We advise third parties during consenting phase. This service ranges form initial feasibility studies via micrositing and detailed engineering to assistance to delivery contract negotiations from technical perspective.

... construction

Main focus is to supervise construction work and provide overall project management. This business is mainly to be seen in conjunction with sales of own pipeline projects to increase the margin of a sales project.

... operations

We provide the following services to external counterparties:

1. Operational and management services
2. Maintenance contracts where internal teams of technicians carry out scheduled maintenance and repairs
3. Control centre services where 24 hours, 365 day manned control centre provides remote monitoring and control services
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New strategic options for renewables foster additional growth ambitions in wind and PV

Stop of planned disposals
- Especially relevant for Innogy’s onshore portfolio
- Growth opportunity without additional expenditure for project development

Enter new markets
- Currently distinctive new markets under investigation regarding onshore Wind and PV

M&A
- Selected acquisitions of operational assets with strategic portfolio fit within Innogy’s core markets

Secure short term project revenues
- Deliver current development projects under existing regulatory regimes (e.g. ROC and EEG)

Enter auction with mid term projects
- Participation in auctions for future projects, e.g. Borselle (offshore wind in the Netherlands)

Expand development in core markets
- Increased onshore wind development activities in Germany and the Netherlands
RWE Innogy's operational model is very flexible and enables to work in different partnership structures

- **RWEI Board**
  - Overall accountability for results of RWEI (EBIT)
  - Accountable for economic success of Innogy's entire investment portfolio
  - Ultimate goal is to maximise the portfolio NPV and to manage risks that may have an impact on the portfolio value.
  - Framework setting for asset management
  - In case of JV asset ownership: alignment of framework with JV partners

- **Investment management**
  - Accountable for the economic success of a specific asset; during development, construction and operations
  - Freedom to act in the set framework by investment management in order to maximise the NPV of the asset he is responsible for, irrespective of ownership structures

- **Asset management**
  - Delivery of services as contracted by asset/investment management
  - Continuous improvement
  - Proactive support to improve risk/return ratio of asset/portfolio
Questions & answers