



RWE

14 Aug 2024

H1 2024 Results

Investor & Analyst Conference Call

Markus Krebber, CEO

Michael Müller, CFO

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Disclaimer

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Markus Krebber

Chief Executive Officer, RWE AG



We continuously deliver on our Growing Green strategy



Good financial performance in H1 2024 across all segments; **€ 4.5 bn net cash investments** and **significant progress in decarbonisation**

Supportive market fundamentals; power prices stabilised, strong demand for green power and encouraging policy support

Continuous delivery on our strategy and target returns; 2.9 GW of renewable projects FID'd; in total 10.2 GW of capacity under construction and success in German offshore wind auction being awarded 4 GW

Long term targets confirmed; strong **bottom-line growth** and **carbon emission reduction** in line with the 1.5°C emission reduction pathway

Good financial performance and rapid decarbonisation in the first half of 2024

€2.9 bn

Adj. EBITDA

€1.4 bn

Adj. net income

- **Good performance across all segments**
- **On track to deliver FY guidance:** > 50 % of adj. EBITDA guidance and >70 % of ANI guidance achieved
- **Commissioned 0.7 GW of green capacities** with secured revenues

€4.5 bn

Net cash investments

95 %

Taxonomy aligned

- **Offshore construction projects on track** for delivery on time and on budget
- **Optimisation of offshore portfolio:** JV with TotalEnergies in NL and sell down of 49 % stake in Dogger Bank South project in UK closed
- **US Solar & Battery** supply chain risks mitigated

-27 %

Reduction of CO₂ emissions, compared to H1 2023

- **Record renewables electricity production up 20 %** at 26 TWh in H1 2024; 45 % of total electricity production
- **Closure of five lignite power plant units** with a total capacity of 2.1 GW in March 2024

We have supportive market fundamentals

Market trends

Fundamentals

Stabilisation of European power and carbon markets

German 2025 baseload price around € 90/MWh
2025 EUA price around € 70/t; EU auction volumes confirmed

Power demand growth

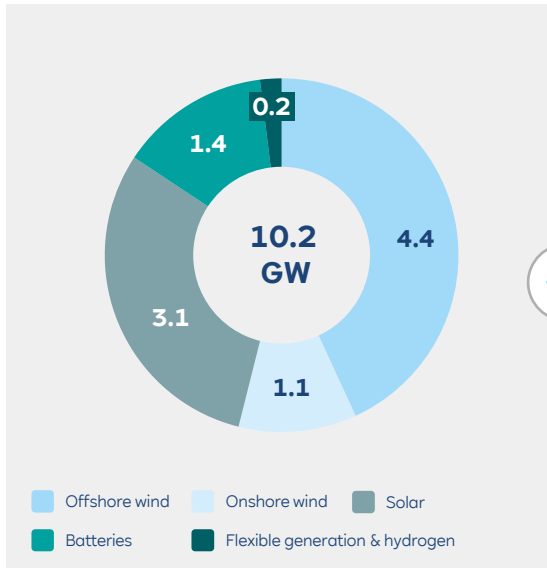
Strong demand for green power across all markets
Signed PPAs for 1.6 GW of green capacity and sizeable pipeline for additional green PPAs

Continuous policy support

European Green Deal confirmed
German white paper confirms support for renewables and need for capacity mechanism
UK Government aims for 100 % clean power by 2030; onshore wind ban revoked; CfD budget increased

We continuously deliver secured and profitable growth

Projects under construction in GW pro rata



Significant investments in green growth

€20 bn

Net cash investments committed

€6 bn

Already spent for projects under construction

IRR and EBITDA yield

8 %

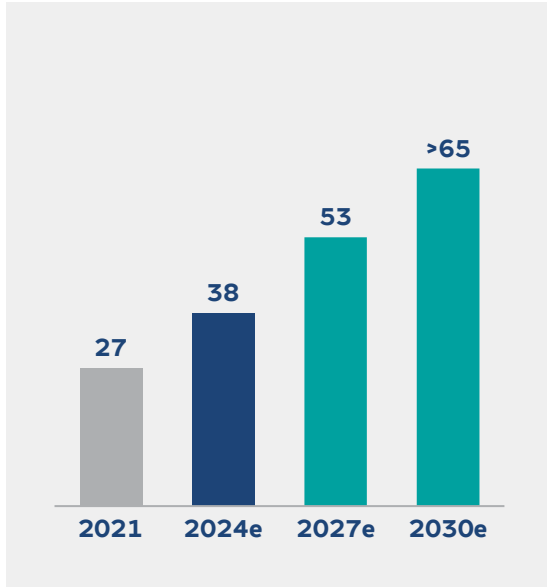
Avg. achieved IRR

10.5 %

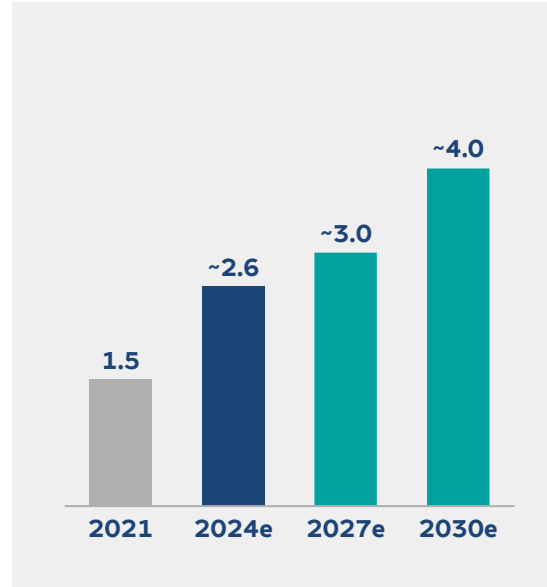
Avg. achieved EBITDA yield

RWE 2030 – A global leader in the new energy world

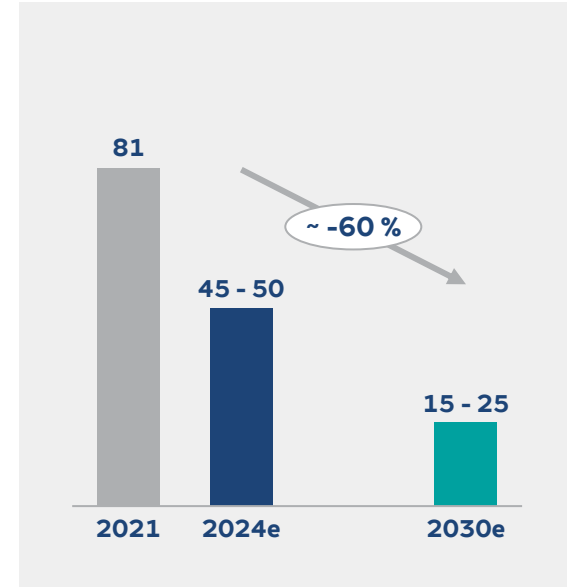
Capacity development¹
in GW



EPS growth
in EUR



CO₂ emissions²
in million tons



¹ excl. Phaseout Technologies | ² carbon dioxide emissions from electricity generation

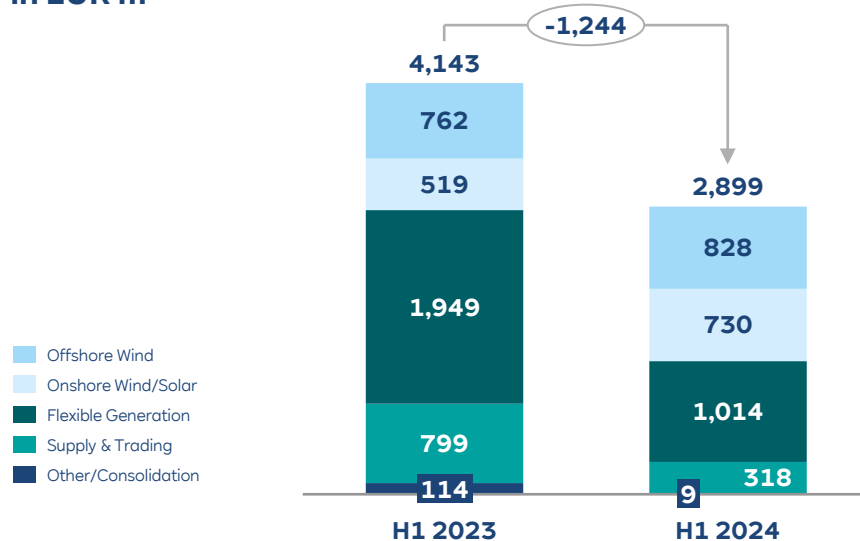
Michael Müller

Chief Financial Officer, RWE AG



Good performance in first half of 2024 after exceptional prior year

Adj. EBITDA in EUR m



- **Offshore Wind** earnings up due to better wind conditions
- **Onshore Wind/Solar** result increased on the back of organic growth and CEB assets, higher hedged prices and better weather conditions
- **Flexible Generation** earnings lower after exceptional market conditions in prior year
- **Supply & Trading** result reflects solid trading performance in H1 after strong performance in prior year

Adjusted net income reflects good performance in first half of 2024

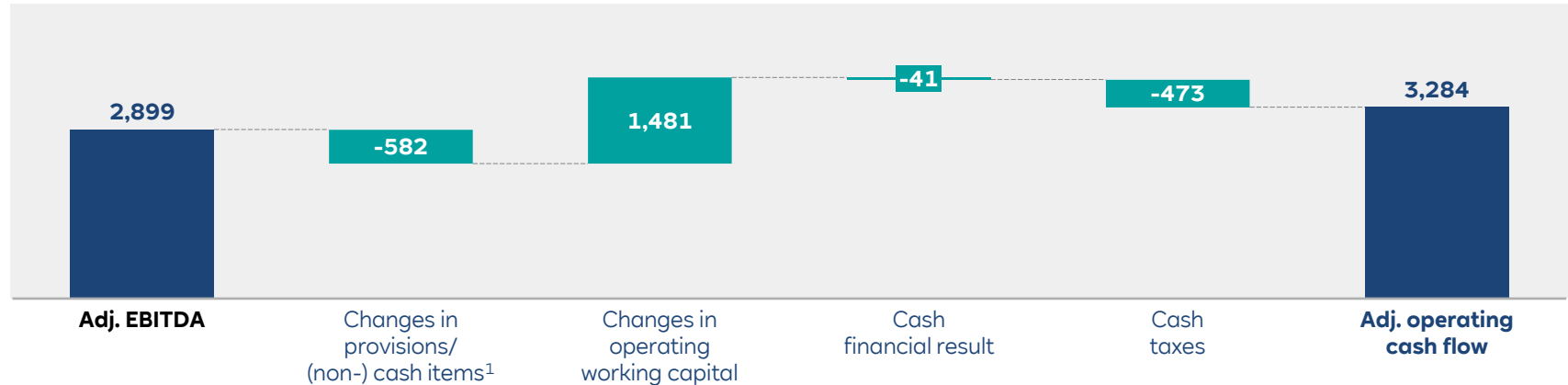
Adj. net income in EUR m

H1 2023		H1 2024
4,143	Adj. EBITDA H1 2024	2,899
-954	Adj. depreciation	-971
3,189	Adj. EBIT	1,928
-121	Adj. financial result	-154
-614	Adj. tax	-355
-76	Adj. minority interest	-57
2,378	Adj. net income H1 2024	1,362

- **Adj. EBITDA** lower after exceptional prior year
- **Adj. financial result** lower due to increased net financial debt
- **Adj. tax** applying general tax rate of 20%
- **Adj. minority interest** reflects lower earnings distributions to minority shareholders

Adjusted operating cash flow marked by seasonal effects in working capital

Reconciliation to adj. operating cash flow for H1 2024 in EUR m

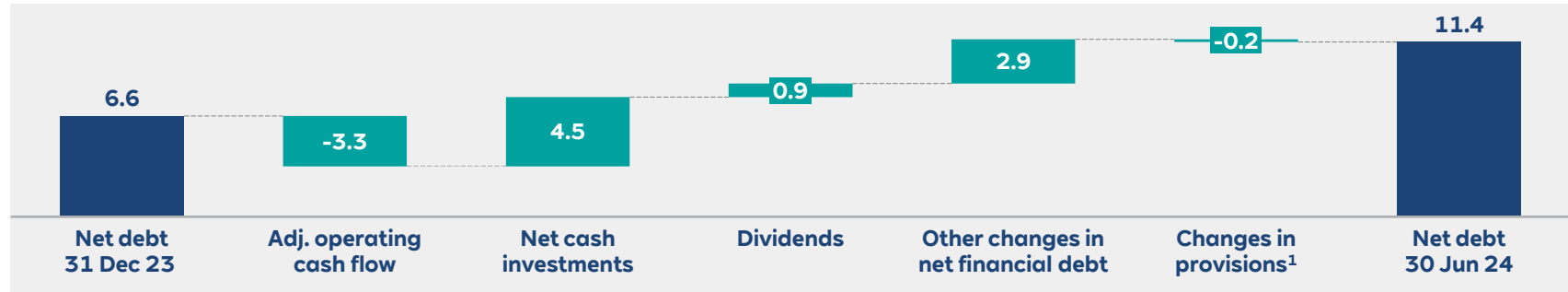


Changes in operating working capital mainly driven by a decrease of trade receivables and decrease of inventories of gas in storage; partly compensated by decrease of trade payables

¹ Excludes nuclear provisions since utilisation is not net debt effective and will be refinanced via financial debt.

Net debt mainly driven by growth investments and timing effects

Development of net debt in H1 2024 in EUR bn (+ net debt/- net assets)



<p>Net cash investments in green growth incl. acquisition of 4.2 GW Norfolk project portfolio and proceeds from Dogger Bank South sell down</p>	<p>Other changes in net debt mainly driven by timing effects from hedging and trading activities</p>	<p>Changes in provisions mainly driven by decrease of pension provisions</p>
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¹ Includes pension and wind/solar provisions but excludes nuclear provisions as they are not part of adj. operating cash flow. | Note: Rounding differences may occur.

Outlook confirmed for Full Year 2024

Group outlook FY 2024 in EUR m

	Outlook
Adj. EBITDA	<small>Lower end</small> 5,200 – 5,800
Adj. depreciation	approx. -2,000
Adj. EBIT	<small>Lower end</small> 3,200 – 3,800
Adj. financial result	-500
Adj. tax	20%
Adj. minority interest	approx. -250
Adj. net income	<small>Lower end</small> 1,900 – 2,400
Dividend target (€/Share)	1.10

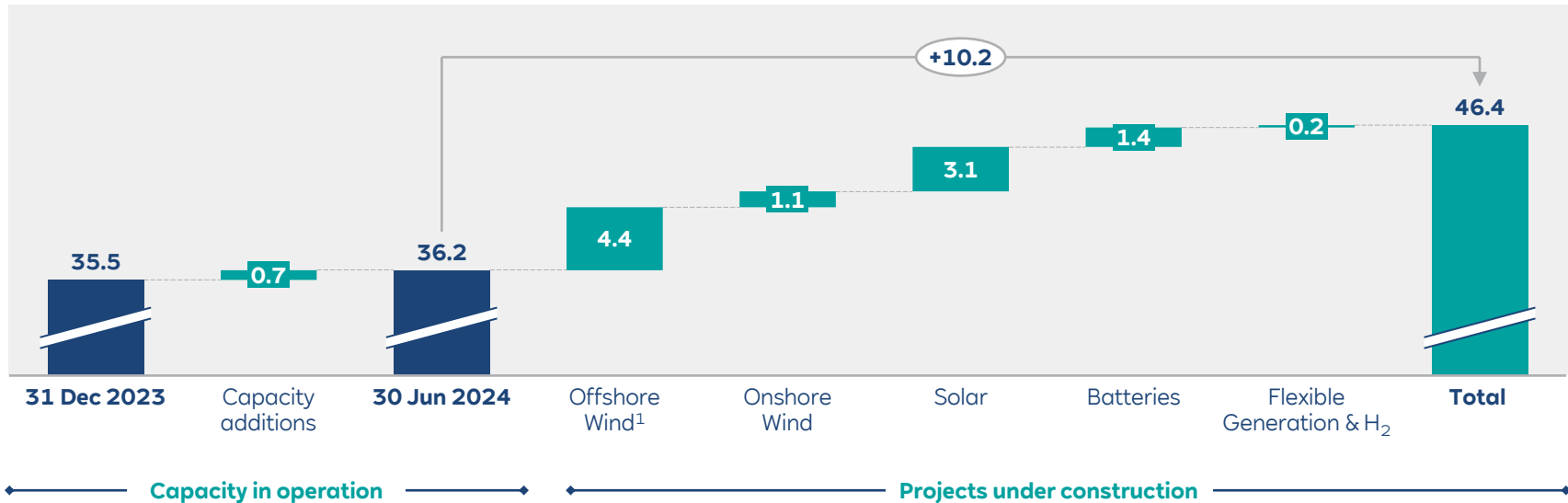
Divisional outlook FY 2024 in EUR m

	Outlook
Adj. EBITDA	
Offshore Wind	<small>Lower half</small> 1,450 – 1,850
Onshore Wind/Solar	<small>Lower half</small> 1,500 – 1,900
Flexible Generation	<small>Lower end</small> 1,800 – 2,200
Supply & Trading	100 – 500
Other/Consolidation	approx. -150
Adj. cash flow	
Phaseout Technologies	300 – 600

Appendix

Green capacity of >10 GW under construction reflects significant growth investments

Development of our green generation portfolio GW pro rata



Note: Rounding differences may occur. | ¹ Including OranjeWind.

Earnings up due to better wind conditions

Key financials H1 2024 – Offshore Wind

in EUR m	H1 2024	H1 2023	Change
Adj. EBITDA	828	762	66
t/o non-recurring items	-	-	-
Adj. depreciation	-324	-351	27
Adj. EBIT	504	411	93
t/o non-recurring items	-	-	-
Gross cash investments¹	-2,931	-630	-2,301
Gross cash divestments¹	+486	+3	+483

Adj. EBITDA H1 2024 vs. H1 2023

- + Wind conditions above normal, last year below normal
- Higher operations and maintenance costs

Adj. EBITDA Outlook 2024 vs. FY 2023

- Expiry of the German compression model
- Higher operations and maintenance costs
- + Normal weather conditions for the rest of the year

¹ Gross cash (di-)investments: Sum of (di-)investments in (in-)tangible and financial assets, loans to non-consolidated affiliates and capital measures.

Earnings up on the back of organic growth and CEB acquisition

Key financials H1 2024 – Onshore Wind/Solar

in EUR m	H1 2024	H1 2023	Change
Adj. EBITDA	730	519	211
t/o non-recurring items	-	-	-
Adj. depreciation	-396	-332	-64
Adj. EBIT	334	187	147
t/o non-recurring items	-	-	-
Gross cash investments¹	-1,841	-5,038	+3,197
Gross cash divestments¹	+4	+32	-28

Adj. EBITDA H1 2024 vs. H1 2023

- + Earnings contribution from organic growth and CEB acquisition
- + Higher hedged power prices
- + Better weather conditions

Adj. EBITDA Outlook 2024 vs. FY 2023

- + Higher earnings due to capacity additions
- + Higher hedged power prices
- + Normal weather conditions for the rest of the year

¹ Gross cash (di-)investments: Sum of (di-)investments in (in-)tangible and financial assets, loans to non-consolidated affiliates and capital measures.

Lower earnings after exceptional market conditions in prior year

Key financials H1 2024 – Flexible Generation

in EUR m	H1 2024	H1 2023	Change
Adj. EBITDA	1,014	1,949	-935
t/o non-recurring items	-	78 ²	-78 ²
Adj. depreciation	-238	-249	11
Adj. EBIT	776	1,700	-924
t/o non-recurring items	-	78 ²	-78 ²
Gross cash investments¹	-202	-641	+439
Gross cash divestments¹	+2	+65	-63

Adj. EBITDA H1 2024 vs. H1 2023

- Lower margins from running the asset fleet
- + Higher income from system services

Adj. EBITDA Outlook 2024 vs. FY 2023

- Lower margins from running the asset fleet
- + Higher income from system services

¹ Gross cash investments: Sum of investments in (in-)tangible and financial assets, loans to non-consolidated affiliates and capital measures. | Note: Including 37.9% stake in Kelag. | ² Land sales

Solid performance of trading business in first half of 2024

Key financials H1 2024 – Supply & Trading

in EUR m	H1 2024	H1 2023	Change
Adj. EBITDA	318	799	-481
t/o non-recurring items	-	-	-
Adj. depreciation	-12	-23	11
Adj. EBIT	306	776	-470
t/o non-recurring items	-	-	-
Gross cash investments¹	-67	-128	+61
Gross cash divestments¹	+73	+8	+65

Adj. EBITDA H1 2024 vs. H1 2023

– Performance lower after exceptional prior year

Adj. EBITDA Outlook 2024 vs. FY 2023

– Performance lower after exceptional prior year

¹ Gross cash (di-)investments: Sum of (di-)investments in (in-)tangible and financial assets, loans to non-consolidated affiliates and capital measures.

Adj. cash flow increased due to higher hedged margins; partly offset by absence of production from Emsland nuclear power plant

Key financials H1 2024 – Phaseout Technologies

in EUR m	H1 2024	H1 2023	Change
Adj. cash flow	396	177	219

Adj. cash flow H1 2024 vs. H1 2023

- + Higher hedged margins
- Absence of production from Emsland nuclear power plant and lignite capacity reserve
- + Book gains from land sale to Microsoft

Adj. cash flow Outlook 2024 vs. FY 2023

- + Higher hedged margins
- Absence of production from Emsland nuclear power plant and lignite capacity reserve

Economic net debt

Net assets/net debt in EUR m

	30 Jun 2024	31 Dec 2023	+/-
Cash and cash equivalents	5,470	6,917	-1,447
Marketable securities	6,192	8,114	-1,922
Other financial assets	2,454	2,529	-75
Financial assets	14,116	17,560	-3,444
Bonds, other notes payable, bank debt, commercial paper	-13,719	-11,749	-1,970
Hedging of bond currency risk	7	-2	9
Other financial liabilities	-5,057	-5,278	221
Minus 50% of the hybrid capital stated as debt	292	294	-2
Financial liabilities	-18,477	-16,735	-1,742
Net financial debt (-)/net financial assets (+)	-4,361	825	-5,186
Provisions for pensions and similar obligations	-1,221	-1,324	103
Surplus of plan assets over benefit obligations	555	509	46
Provisions for nuclear waste management	-5,207	-5,384	177
Provisions for dismantling wind and solar farms	-1,185	-1,213	28
Net debt (-)/net assets (+)	-11,419	-6,587	-4,832

Net debt definition

- Net debt does not contain mining provisions, which essentially cover our obligations to recultivate opencast mining areas
- Financial assets we currently use to cover these provisions are also not part of the net debt, i.e.
 - Portion of the claim against the state for damages arising from the lignite phaseout that has not yet been settled (€1.9bn)
 - 15 % stake in E.ON

Your contacts in Investor Relations

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ADR programme available

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1-888-269-2377 (within the US)

Financial Calendar

- **13 Nov 2024:** Interim statement on the first three quarters of 2024
- **20 Mar 2025:** Annual Report for fiscal 2024

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