



RWE

20 March 2025

# Full Year 2024 Results

**Investor & Analyst Conference Call**

**Markus Krebber, CEO**

**Michael Müller, CFO**

**Thomas Denny, Head of Investor Relations**

# Disclaimer

This document contains forward-looking statements. These statements are based on the current views, expectations, assumptions and information of the management, and are based on information currently available to the management. Forward-looking statements shall not be construed as a promise for the materialisation of future results and developments and involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from those described in such statements due to, among other things, changes in the general economic and competitive environment, risks associated with capital markets, currency exchange rate fluctuations, changes in international and national laws and regulations, in particular with respect to tax laws and regulations, affecting the Company, and other factors. Neither the Company nor any of its affiliates assumes any obligations to update any forward-looking statements.

# Highlights FY 2024 and update on capital allocation

Markus Krebber, CEO



# We have delivered strong 2024 earnings, reduced our investment programme and increased our return targets

**Strong operational and financial performance** in 2024

**Net cash investment programme 2025-2030 reduced by 25 %**; Offshore Wind portfolio optimisation through sell downs; **stricter investment criteria** and **increased return targets**

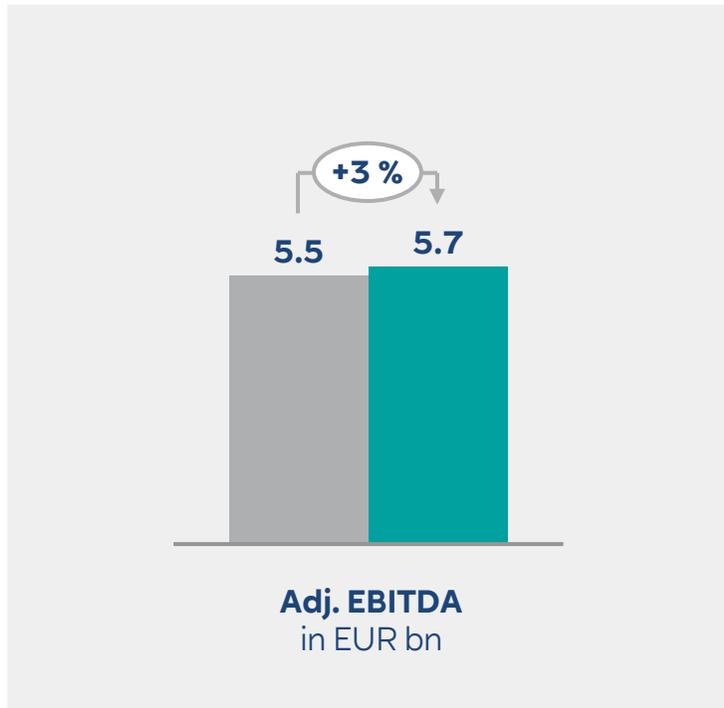
**Committed net cash investments** of EUR 13 bn for 2025-2027 **with attractive returns**; **high flexibility in capital allocation from 2026 onwards**

**Strong earnings growth**: adj. EPS CAGR of 18 % in 2025-2027; adj. EPS targets for 2027 and 2030 confirmed

**Attractive shareholder return** based on adj. EPS and dividend growth; EUR 1.5 bn **share buyback programme in place**

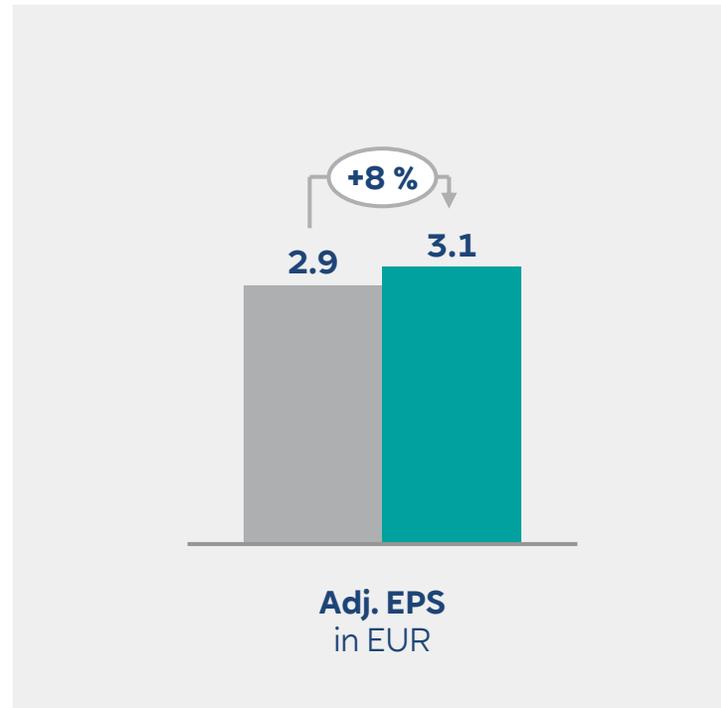
# We have delivered a strong financial performance in 2024 on the back of our robust generation portfolio

## Strong financial performance



■ Guidance (midpoint) ■ FY 2024

## Attractive bottom line earnings



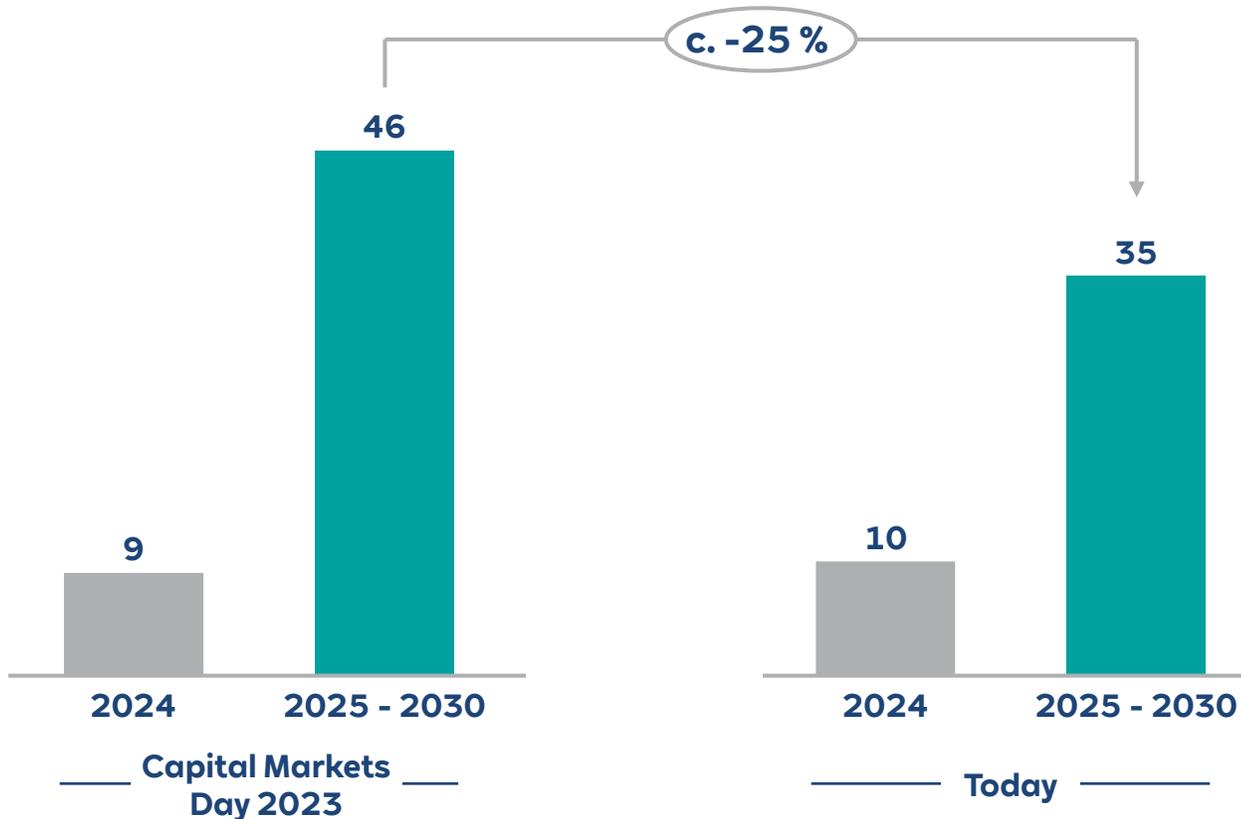
■ Guidance (midpoint) ■ FY 2024

## Significant progress in decarbonisation



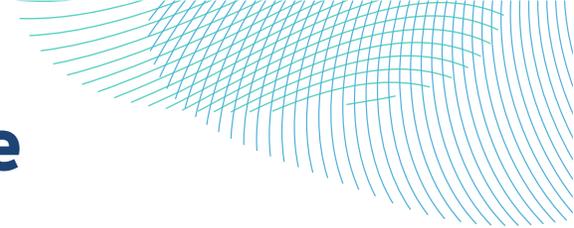
# We have adapted our investment programme to a changed market environment

## Net cash investments in EUR bn



- We will apply **stricter investment criteria** and have **increased** our **return requirements**
- We **optimise our offshore wind portfolio and reduce capital employed** through sell downs and partnering
- We have **reduced our investment programme** by 25 %
- We will **maintain our strong balance sheet** in a more uncertain and volatile environment and **target a leverage at the lower end of our range** (3 – 3.5x ND/EBITDA)

# We optimise our offshore wind portfolio and reduce capital employed



## Development stage

### Windbostel (GER)

Executed

Sell down of 50 % of N-9.1 and N-9.2 to TotalEnergies

### Dogger Bank South (UK)

Executed

Sell down of 49 % to Masdar

### Norfolk (UK)

Planned

Sell down of 50 % in 2026; project finance

## Construction stage

### OranjeWind (NL)

Executed

Sell down of 50 % to TotalEnergies; project finance

### Nordseecoluster (GER)

Planned

Sell down of 49 % in 2025

### Thor (DK)

Planned

Sell down of 49 % in 2025

## Commercial operation

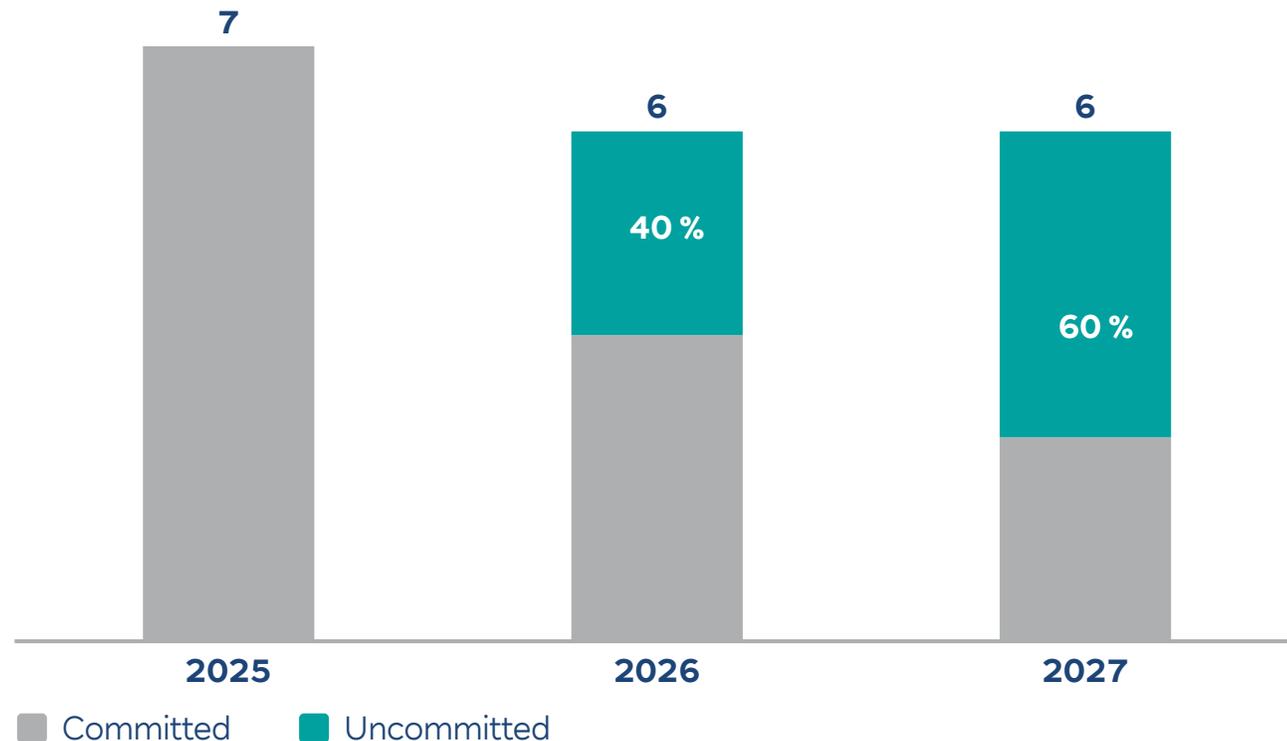
### Sofia (UK)

Planned

Sell down of 49 % in 2026

# We have high flexibility in our capital allocation from 2026 onwards

## Net cash investments 2025 – 2027 in EUR bn

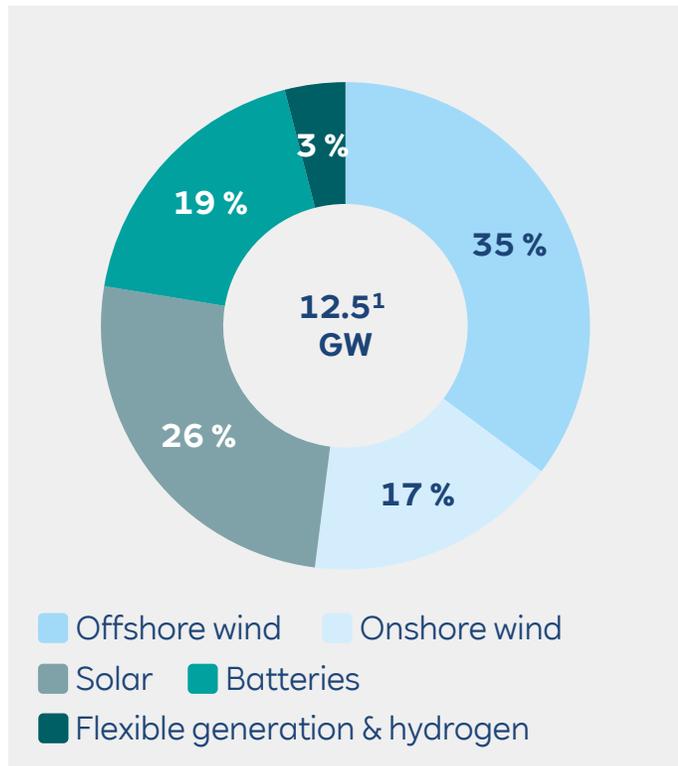


<sup>1</sup> Includes expected sell down proceeds of Nordseecluster and Thor in 2025

- **Net cash investments of EUR 13 bn committed<sup>1</sup>** with attractive returns
- **High flexibility in future capital allocation** from 2026 onwards
- **Potential to further increase flexibility** from future sell downs of Sofia and Norfolk in 2026
- **Management committed to reassess capital allocation** based on risk-reward environment of investments vs. share buybacks

# Our projects under construction will deliver attractive returns and are largely de-risked

## Projects under construction



### Offshore Wind

- Construction projects **on time and on budget**
- **Offtake for first 400 MW** of Nordseecluster project **contracted**

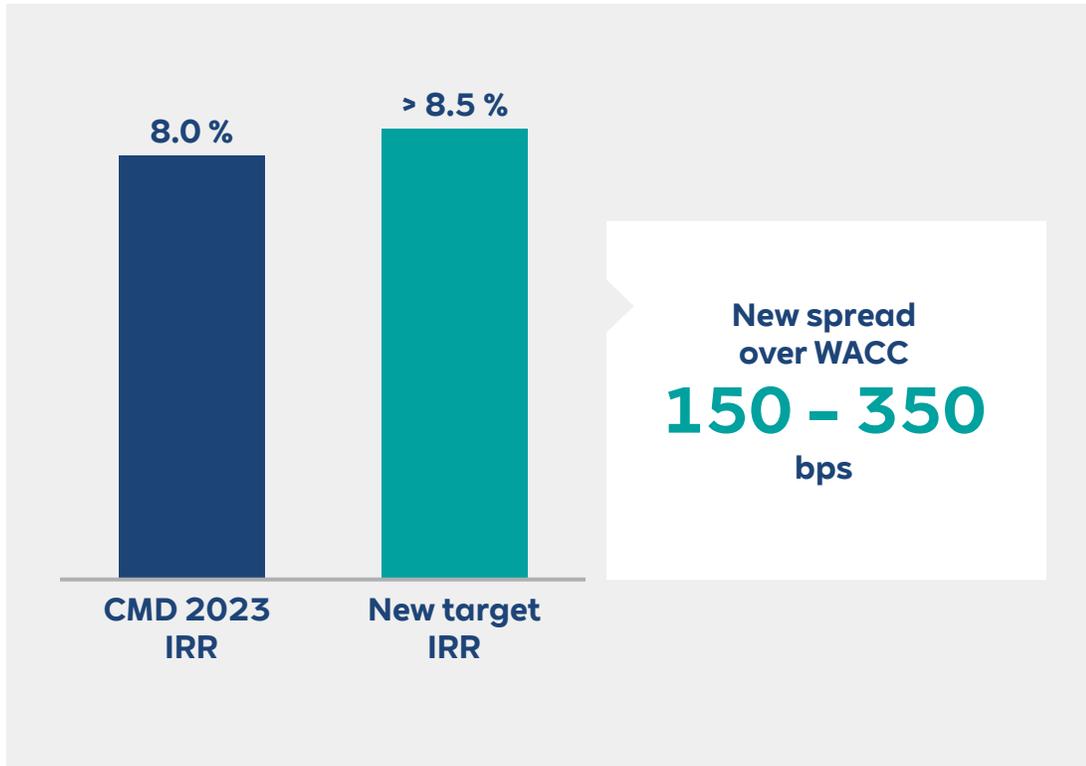
### Onshore Wind/Solar

- Construction projects **on time and on budget**
- **US supply chain risks largely mitigated**
- **No economic risk from federal permitting**
- **>95 % offtake secured**

<sup>1</sup> Net capacity under construction as of 31.12.2024. Not adjusted for planned disposals of offshore windfarms Sofia, Thor and NSC (in total 2 GW)

# We have a disciplined approach for further investments: higher return requirements and stricter investment criteria

## Return requirements<sup>1</sup> increased



## Stricter investment criteria in the US

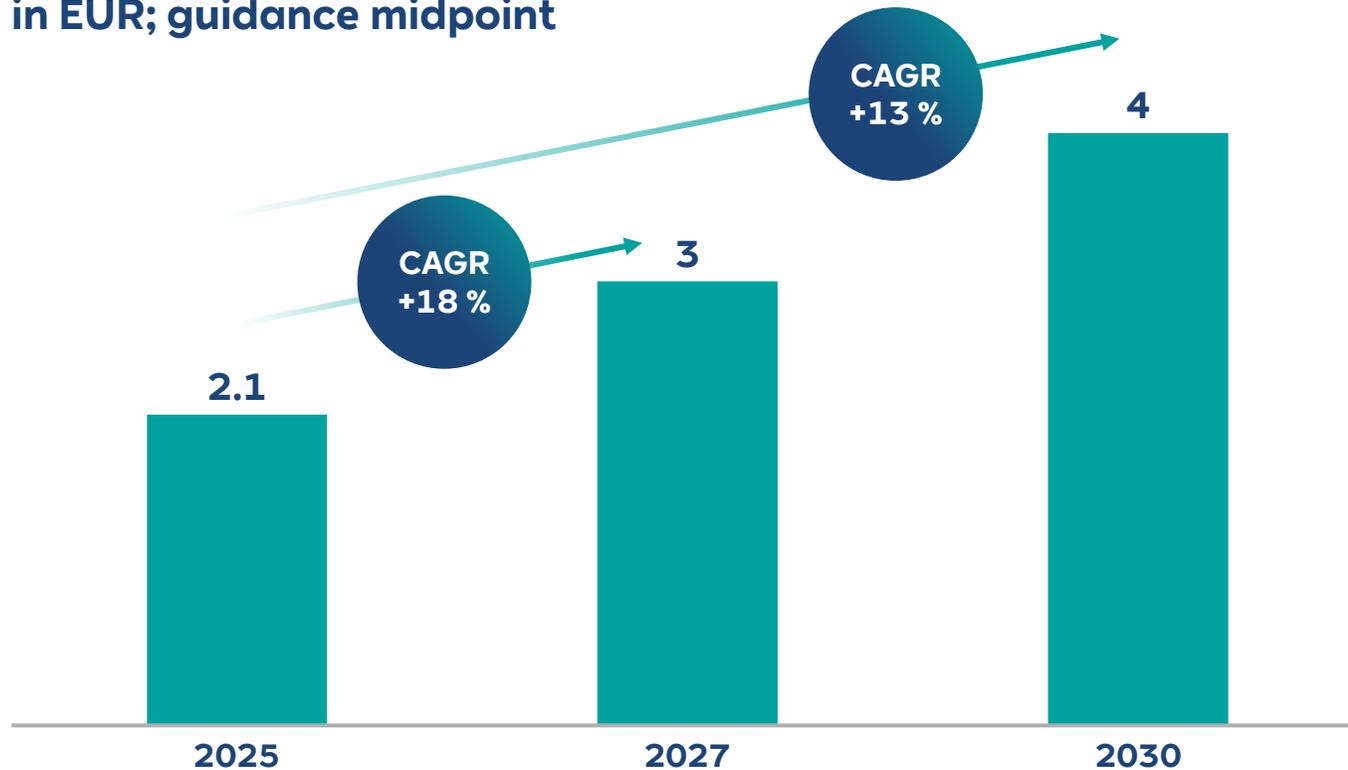
### Onshore Wind/Solar/Batteries at FID:

- All federal permits obtained
- Tariff risks mitigated
- Offtake secured
- Safe harboured tax credits

<sup>1</sup> IRRs post tax, unlevered, nominal

# We confirm our EPS guidance for 2027 and 2030 and will deliver strong earnings growth

Adj. EPS  
in EUR; guidance midpoint



- 2027 and 2030 adj. EPS targets confirmed
- Strong adj. EPS growth through
  - **stable earnings** from existing portfolio of renewable and flexible assets
  - **attractive returns** from committed investments
  - **further EPS growth** from flexible capital allocation

# We offer attractive shareholder return based on dividends, EPS growth and share buyback programme

## Dividend yield

4%

**EUR 1.20 DPS proposal for FY 2025;**  
5 – 10 % growth per annum  
until 2030

## Bottom line earnings growth

18%

**Adj. EPS growth  
2025 – 2027**

## Share buyback programme

1.5

**EUR bn  
until Q2 2026**

# RWE is an attractive investment with significant valuation upside

**Strong track record** of operational and financial performance

**Committed investments will deliver attractive returns**

**Clear focus on capital allocation discipline** with high flexibility from 2026 onwards

**Mid-term EPS growth** with high visibility and certainty

**Attractive shareholder remuneration** through continuous dividend growth

# Financial performance and outlook

Michael Müller, CFO



# We have delivered a strong financial performance in 2024 above the midpoint of our guidance ranges

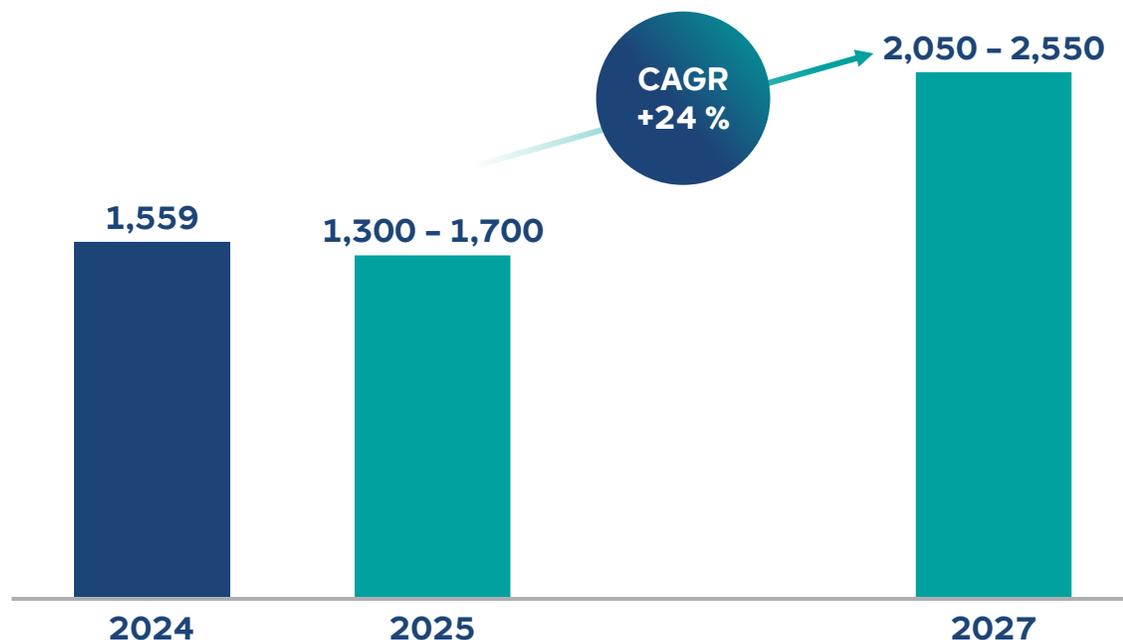
## Adj. net income in EUR m

	FY 2024 Actuals	Guidance (midpoint)	
<b>Adj. EBITDA FY 2024</b>	<b>5,680</b>	5,500	+
Adj. depreciation	-2,119	-2,000	-
<b>Adj. EBIT</b>	<b>3,561</b>	3,500	+
Adj. financial result	-466	-550	+
Adj. tax	-619	20%	o
Adj. minority interest	-154	-150	o
<b>Adj. net income FY 2024</b>	<b>2,322</b>	2,150	+
<b>Adj. EPS (EUR)</b>	<b>3.1</b>	2.9	+

- **Adj. EBITDA** higher due to strong performance of Flexible Generation and Supply & Trading
- **Adj. depreciation** higher due to one-off effects in the US
- **Adj. financial result** improved due to lower tax interest and interest on provisions as well as interest during construction
- **Adj. tax** applying general tax rate of 20 %
- **Adj. minority interest** in line with expectations
- **Adj. net income** and **adj. EPS** above midpoint of guidance ranges

# Our Offshore Wind earnings will grow driven by the commissioning of Sofia, Nordseecluster A and Thor

## Adj. EBITDA in EUR m



## Development 2025 -2027

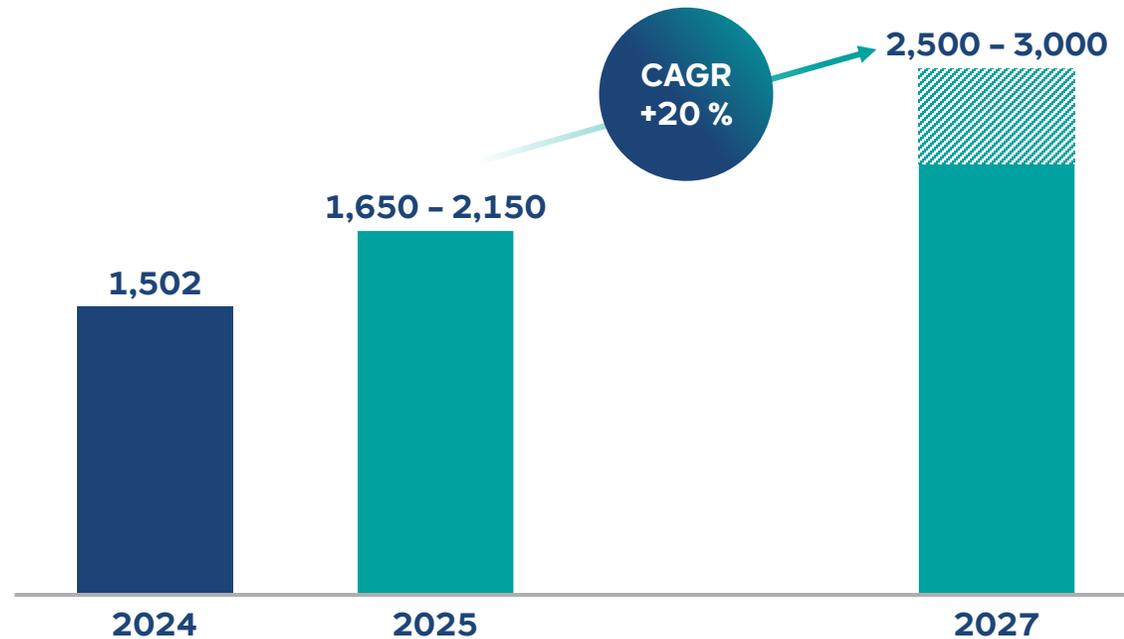
- Commissioning of Sofia (2026), Nordseecluster A (beginning 2027) and Thor (2027)
- Leasing effect from long term charter of installation vessels (EBIT neutral)
- No book gains/one-offs included

## Sensitivity to UK power prices

	2025	2027
+/- 1 EUR/MWh	€2m	€10m

# Our Onshore Wind/Solar earnings will grow driven by assets already under construction

## Adj. EBITDA in EUR m



▨ Adj. EBITDA from projects with outstanding FID

## Development 2025 -2027

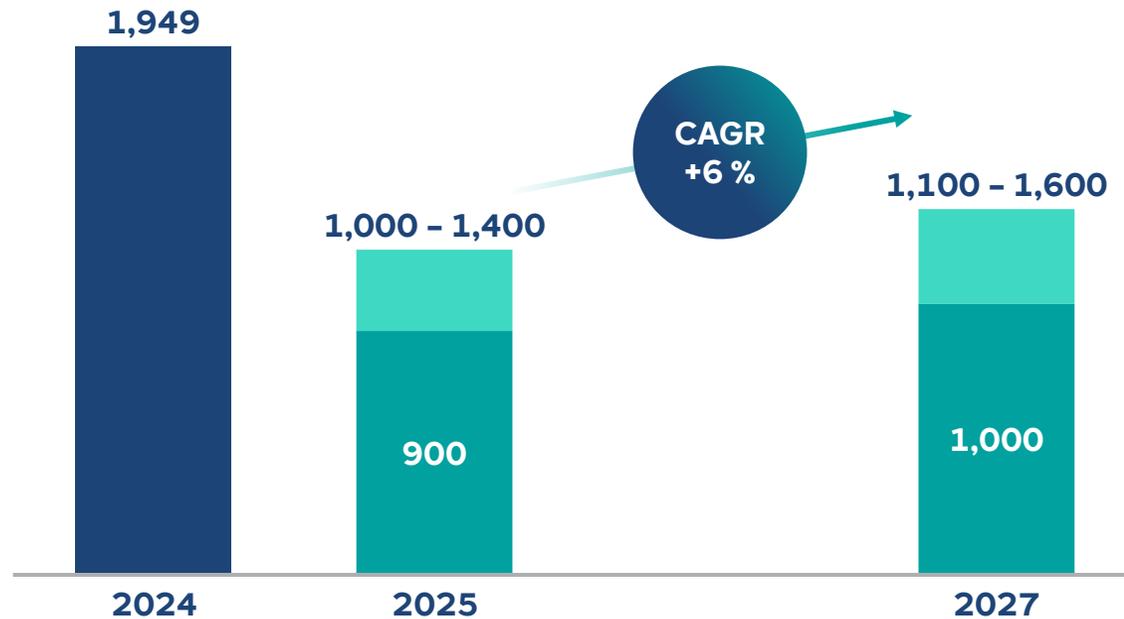
- Commissioning of wind, solar and battery projects in the US and Europe
- Lower power prices
- No book gains/one-offs included

## Sensitivity to power prices

Region	Price Change	2025	2027
Europe	+/- 1 EUR/MWh	€2m	€6m
	+/- 1 EUR/MWh	€3m	€3m

# Our Flexible Generation segment will provide stable earnings with upside from market volatility

## Adj. EBITDA in EUR m



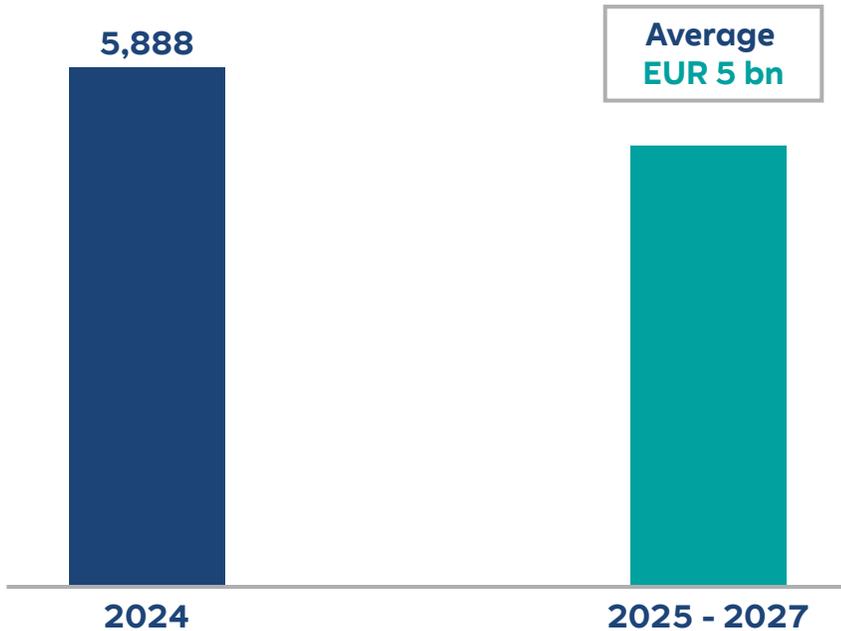
■ EBITDA Floor ■ Additional expected earnings

## Development 2025 -2027

- Increasing capacity payments in the UK
- Commissioning of battery projects

# We will generate a strong cash flow from a growing asset base

## Adj. operating cash flow in EUR m



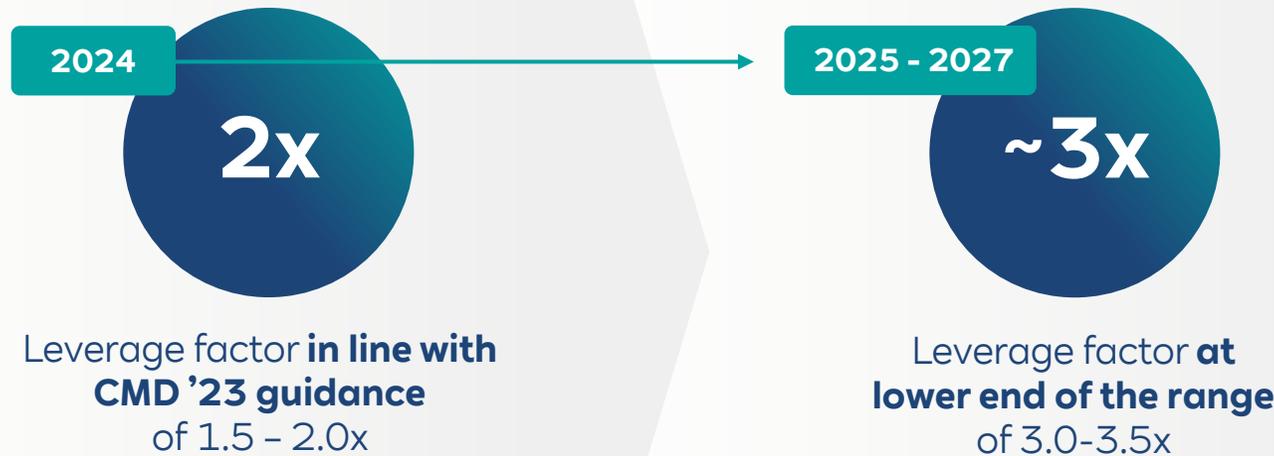
## Strong adj. operating cash flow 2025 -2027

### Includes:

- Cash flow contribution from growing core business
- Cash flow from phaseout business
- Positive working capital effects
- Cash financial result and cash taxes

# We maintain our strong balance sheet and target a lower leverage in the current market environment

## Strict balance sheet management



## Solid investment grade rating

### Ratings:

Baa2

Moody's

BBB+

Fitch

# Financial highlights

**Strong operational and financial performance** in 2024; adj. EBITDA/EPS above midpoint of guidance range

**High visibility on earnings growth**, with low sensitivity to power prices

**High cash flow generation** of robust portfolio

**Strong balance sheet** and lower leverage in current market environment

# Appendix



# Earnings guidance 2025 by segment

## Divisional outlook FY 2025 in EUR m

	FY 2024	Guidance 2025	
<b>Adj. EBITDA</b>			
<b>Offshore Wind</b>	1,559	1,300 - 1,700	➤ Lower prices, incl. German compression model. Positive effects from phasing in Sofia and lower operations and maintenance costs
<b>Onshore Wind/Solar</b>	1,502	1,650 - 2,150	➤ Higher earnings due to organic growth and normalised weather
<b>Flexible Generation</b>	1,949	1,000 - 1,400	➤ Lower margins from running the asset fleet. Positive effects from higher income from system services
<b>Supply &amp; Trading</b>	679	100 - 500	➤ Normalised performance
<b>Other/Consolidation</b>	-9	approx. -50	
<b>Adj. cash flow</b>			
<b>Phaseout Technologies</b>	584	-650 - -350	➤ Significantly lower margins: power generation to contribute positively, but cash flow burdened by costs from opencast mining

# Earnings guidance 2025

## Group guidance FY 2025 in EUR m

	FY 2024	Guidance 2025
<b>Adj. EBITDA</b>	<b>5,680</b>	<b>4,550 – 5,150</b>
Adj. depreciation	-2,119	<b>approx. -2,200</b>
<b>Adj. EBIT</b>	<b>3,561</b>	<b>2,350 – 2,950</b>
Adj. financial result	-466	<b>approx. -500</b>
Adj. tax	-619	<b>20%</b>
Adj. minority interest	-154	<b>approx. -150</b>
<b>Adj. net income</b>	<b>2,322</b>	<b>1,300 – 1,800</b>
<b>Adj. EPS</b>	<b>3.1</b>	<b>1.8 – 2.5</b>
<b>DPS</b>	<b>1.10</b>	<b>1.20</b>

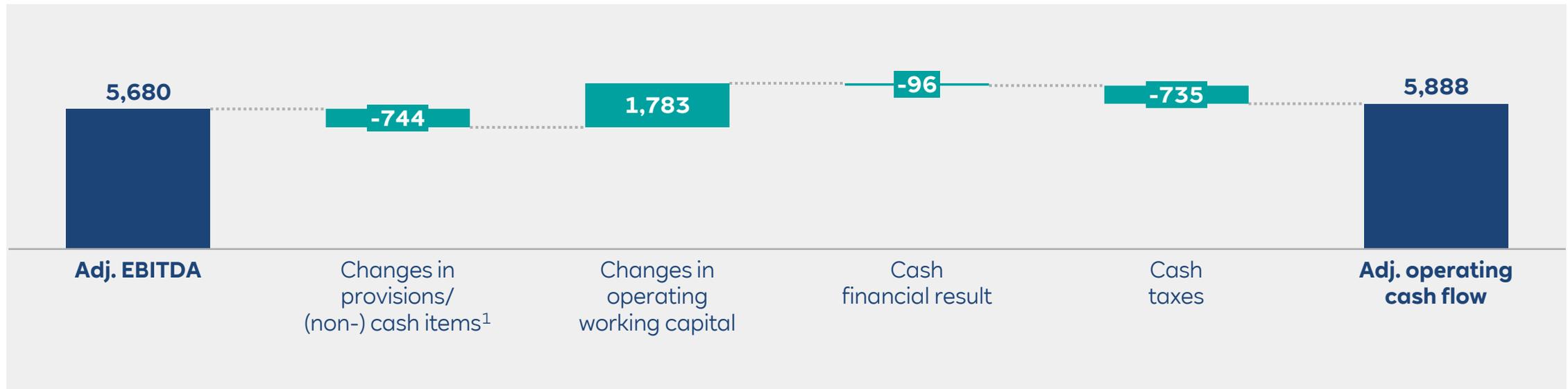
- **Adj. depreciation and adj. financial result** driven by growth investments
- Applying general **tax rate** of 20 %
- **€1.20 dividend per share** target for 2025

# Guidance 2025 and 2027

€ million	2025	2027	2030
Offshore Wind	1,300 - 1,700	2,050 - 2,550	
Onshore Wind/Solar	1,650 - 2,150	2,500 - 3,000	
Flexible Generation	1,000 - 1,400	1,100 - 1,600	
Supply & Trading	100 - 500	100 - 500	
Other/Consolidation	approx. -50	approx. -150	
<b>Adj. EBITDA</b>	<b>4,550 - 5,150</b>	<b>6,250 - 6,850</b>	
Adj. depreciation	approx. -2,200	approx. -2,800	
<b>Adj. EBIT</b>	<b>2,350 - 2,950</b>	<b>3,450 - 4,050</b>	
Adj. financial result	approx. -500	approx. -750	
Adj. tax	20%	20%	
Adj. minority interest	approx. -150	approx. -300	
<b>Adj. net income</b>	<b>1,300 - 1,800</b>	<b>1,850 - 2,350</b>	
<b>Adj. EPS</b>	<b>1.8 - 2.5</b>	<b>2.6 - 3.4</b>	<b>~4</b>
<b>Leverage factor</b>	<b>3.0 - 3.5x</b>	<b>3.0 - 3.5x</b>	<b>3.0 - 3.5x</b>

# Adjusted operating cash flow marked by effects in working capital

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



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

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

# Net debt driven by growth investments

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

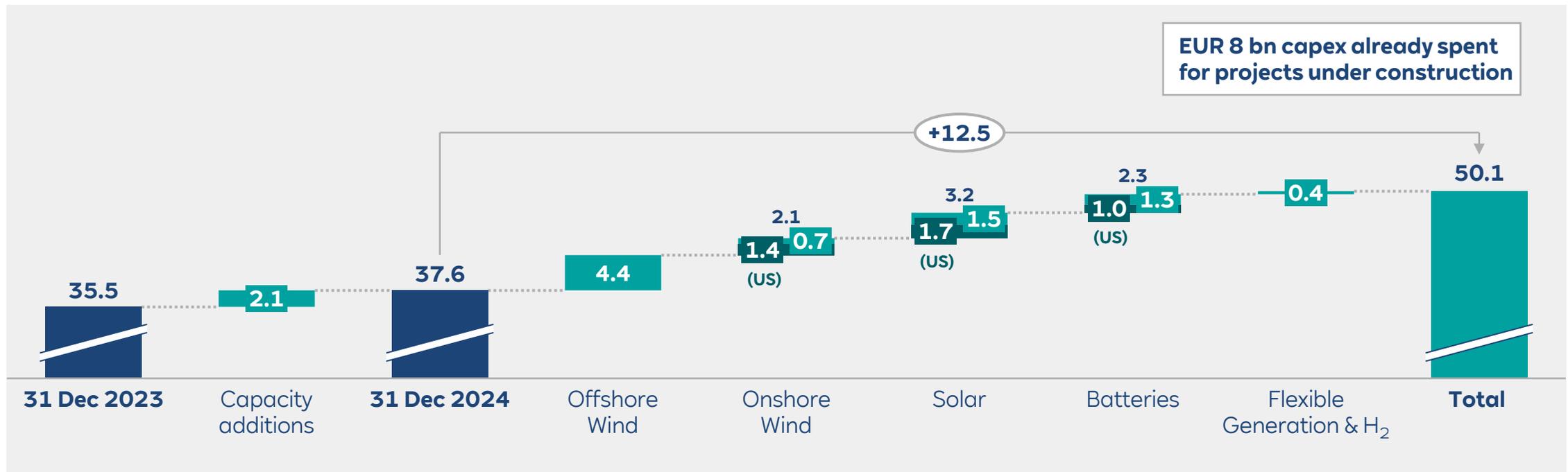


<p><b>Net cash investments</b> in green growth</p>	<p><b>Other changes in net debt</b> mainly driven by timing effects from hedging and trading activities; increase of leasing liabilities</p>	<p><b>Changes in provisions</b> mainly driven by decrease of pension provisions and increase of wind/solar provisions</p>
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<sup>1</sup> 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.

# 12.5 GW of capacity of under construction

## Development of our renewables and flexible generation portfolio GW pro rata<sup>1</sup>



← Capacity in operation →      ← Projects under construction →

Note: Rounding differences may occur | <sup>1</sup> Net capacity under construction as of 31.12.2024. Not adjusted for planned disposals of offshore windfarms Sofia, Thor and NSC (in total 2 GW).

# Offshore project Sofia: Construction progressing well, on time and on budget



**COD in 2026 for 1.4 GW**, located on Dogger Bank, 195 km off the east coast of UK in the North Sea

**Inflation linked CfD** for 15 years;  
no lease payment

**>50 % monopiles, export cable and the onshore and offshore converter station installed**, turbine installation to start in Q2 2025

**Pre-COD revenues** expected for **second half of 2025**

**Sell down of 49 % planned** in 2026

Picture: Sofia's installed offshore converter platform

# Offshore project Thor: Construction progressing as planned



**COD in 2027 for 1.1 GW**, located 22 km off the Danish coast

**PPAs to be signed before COD;**  
“lease-like” payment of DKK 2.8 bn in 2018 prices via two-sided CfD

**Onshore construction works very well advanced**

**50 % of foundations delivered to Eemshaven port**, to be installed this summer

**Sell down of 49 % planned in 2025**

Picture: Thor foundations in Eemshaven port

# Offshore project OranjeWind: Construction starts 2026; all supplier contracts signed



**COD in 2028 for 795 MW (RWE stake 50 %),** located 53 km off the Dutch coast

**PPAs to be signed before COD;**  
lease payment of EUR 50 m upfront

**Offshore construction scheduled to start in 2026;** all supplier contracts signed

OranjeWind is a **50/50 joint venture project between RWE and TotalEnergies;** Project financing planned

Picture: OranjeWind illustrative map

# Offshore project Nordseecluster A & B: Construction to begin this year



**COD of NSC A in 2027 for 660 MW and NSC B in 2029 for 900 MW**, located in the German North Sea

**First 400 MW contracted**, further PPAs to be signed before COD; no lease payment

**All supplier contracts signed**; fabrication of foundations and substations progressing well

**First offshore works** to prepare for installation of foundations started

**Sell down of 49 % planned in 2025**

Picture: Nordseecluster onshore mock-up construction

# Lower earnings due to lower realised prices

## Key financials FY 2024 – Offshore Wind

in EUR m	FY 2024	FY 2023	Change
<b>Adj. EBITDA</b>	<b>1,559</b>	<b>1,664</b>	<b>-105</b>
t/o non-recurring items	-	-	-
Adj. depreciation	-664	-654	-10
<b>Adj. EBIT</b>	<b>895</b>	<b>1,010</b>	<b>-115</b>
t/o non-recurring items	-	-	-
<b>Gross cash investments<sup>1</sup></b>	<b>-5,085</b>	<b>-1,457</b>	<b>-3,628</b>
<b>Gross cash divestments<sup>1</sup></b>	<b>+817</b>	<b>+665</b>	<b>+152</b>

### Adj. EBITDA FY 2024 vs. FY 2023

- Lower prices, incl. German compression model
- Higher operations and maintenance costs

<sup>1</sup> 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 higher hedged prices

## Key financials FY 2024 – Onshore Wind/Solar

in EUR m	FY 2024	FY 2023	Change
<b>Adj. EBITDA</b>	<b>1,502</b>	<b>1,248</b>	<b>254</b>
t/o non-recurring items	-	113	-113
Adj. depreciation	-943	-713	-230
<b>Adj. EBIT</b>	<b>559</b>	<b>535</b>	<b>24</b>
t/o non-recurring items	-	116	-116
<b>Gross cash investments<sup>1</sup></b>	<b>-4,999</b>	<b>-6,901</b>	<b>+1,902</b>
<b>Gross cash divestments<sup>1</sup></b>	<b>+87</b>	<b>+55</b>	<b>+32</b>

### Adj. EBITDA FY 2024 vs. FY 2023

- + Earnings contribution from organic growth and CEB acquisition
- + Higher hedged power prices, partly offset by lower prices on unhedged positions
- No non-recurring items incl. book gains
- Weaker weather conditions

<sup>1</sup> 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 FY 2024 – Flexible Generation

in EUR m	FY 2024	FY 2023	Change
<b>Adj. EBITDA</b>	<b>1,949</b>	<b>3,217</b>	<b>-1,268</b>
t/o non-recurring items	-	78 <sup>2</sup>	-78 <sup>2</sup>
Adj. depreciation	-485	-522	37
<b>Adj. EBIT</b>	<b>1,464</b>	<b>2,695</b>	<b>-1,231</b>
t/o non-recurring items	-	78 <sup>2</sup>	-78 <sup>2</sup>
<b>Gross cash investments<sup>1</sup></b>	<b>-621</b>	<b>-1,048</b>	<b>+427</b>
<b>Gross cash divestments<sup>1</sup></b>	<b>+5</b>	<b>+80</b>	<b>-75</b>

### Adj. EBITDA FY 2024 vs. FY 2023

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

<sup>1</sup> 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. | <sup>2</sup> Land sales

# Strong performance of trading business in 2024

## Key financials FY 2024 – Supply & Trading

in EUR m	FY 2024	FY 2023	Change
<b>Adj. EBITDA</b>	<b>679</b>	<b>1,578</b>	<b>-899</b>
t/o non-recurring items	-	-	-
Adj. depreciation	-26	-58	32
<b>Adj. EBIT</b>	<b>653</b>	<b>1,520</b>	<b>-867</b>
t/o non-recurring items	-	-	-
<b>Gross cash investments<sup>1</sup></b>	<b>-188</b>	<b>-247</b>	<b>+59</b>
<b>Gross cash divestments<sup>1</sup></b>	<b>+105</b>	<b>+459</b>	<b>-354</b>

### Adj. EBITDA FY 2024 vs. FY 2023

– Performance lower after exceptional prior year

<sup>1</sup> 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

## Key financials FY 2024 – Phaseout Technologies

in EUR m	FY 2024	FY 2023	Change
Adj. cash flow	584	117	467

### Adj. cash flow FY 2024 vs. FY 2023

- + Higher hedged margins and extraordinarily high commercial asset optimisation
- + Sale of land to Microsoft
- Absence of production from Emsland nuclear power plant and lignite capacity reserve

# Economic net debt

## Net assets/net debt in EUR m

	31 Dec 2024	31 Dec 2023	+/-
Cash and cash equivalents	5,090	6,917	-1,827
Marketable securities	7,241	8,114	-873
Other financial assets	1,903	2,529	-626
<b>Financial assets</b>	<b>14,234</b>	<b>17,560</b>	<b>-3,326</b>
Bonds, other notes payable, bank debt, commercial paper	-13,559	-11,749	-1,810
Hedging of bond currency risk	16	-2	18
Other financial liabilities	-5,110	-5,278	168
Minus 50% of the hybrid capital stated as debt	304	294	10
<b>Financial liabilities</b>	<b>-18,349</b>	<b>-16,735</b>	<b>-1,614</b>
<b>Net financial debt (-)/net financial assets (+)</b>	<b>-4,115</b>	<b>825</b>	<b>-4,940</b>
Provisions for pensions and similar obligations	-1,328	-1,324	-4
Surplus of plan assets over benefit obligations	613	509	104
Provisions for nuclear waste management	-4,981	-5,384	403
Provisions for dismantling wind and solar farms	-1,366	-1,213	-153
<b>Net debt (-)/net assets (+)</b>	<b>-11,177</b>	<b>-6,587</b>	<b>-4,590</b>

### 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 (€1.6bn)
  - 15 % stake in E.ON

# Prices and sensitivities

## Commodity prices as of 18 February 2025

		2025	2027
<b>Power Base DE</b>	€/MWh el	95	80
<b>Carbon EUA</b>	€/t CO <sub>2</sub>	75	80
<b>Gas TTF</b>	€/MWh th	49	32
<b>Power Base UK</b>	£/MWh el	93	70
<b>Carbon UKA</b>	€/t CO <sub>2</sub>	52	55
<b>Gas NBP</b>	£/MWh th	40	28
<b>Power Base ERCOT</b>	\$/MWh el	48	55

## Adj. EBITDA sensitivities

in EUR m		2025	2027
<b>Offshore</b>	+/- 1 EUR/MWh	2	10
<b>Onshore/Solar Europe</b>	+/- 1 EUR/MWh	2	6
<b>Onshore/Solar US</b>	+/- 1 EUR/MWh	3	3

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

## Financial Calendar

- **30 April 2025:** Annual General Meeting
- **06 May 2025:** Dividend payment
- **15 May 2025:** Interim statement on the first quarter of 2025

## Contacts for Institutional Investors & Analysts



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## Contact for Private Shareholders