

### RWE's preliminary earnings for fiscal 2020 exceed outlook

- Adjusted EBITDA expected to top €3.2 billion and adjusted EBIT to be €1.8 billion, above RWE outlook due to outperformance by Supply & Trading (€539 million)
- Adjusted EBITDA in the core business at €2.7 billion and adjusted net income at €1.2 billion also exceeding significantly expectations

Essen, 05 February 2021

**Markus Krebber, CFO of RWE AG:** "Due to a very good operational performance, we expect an excellent result for fiscal 2020, which exceeds our guidance significantly. This is mainly driven by an extraordinarily strong performance of Supply & Trading. We have also expanded our portfolio in wind and solar power plants, thus delivering on our growth strategy. In times like this when we globally and personally might face challenges from the Covid-19 pandemic, I am more than grateful for the commitment of our employees and their outstanding dedication."

RWE's operational performance in the fourth quarter of fiscal 2020 exceeded expectations. In particular, Supply & Trading performed far better towards year end than assumed. Overall, this resulted in an outperformance of the outlook for fiscal 2020, based on preliminary figures. RWE Group's adjusted EBITDA (earnings before interest, taxes, depreciation and amortisation) is expected to reach €3.2 billion and therefore to pass the upper end of the forecast range of €2.7 billion to €3.0 billion. Adjusted EBITDA in the core business is assumed to be €2.7 billion above the upper end of the forecast range of €2.15 billion to €2.45 billion. Adjusted EBIT for 2020 is expected to be €1.8 billion, against earnings forecast between €1.2 billion and €1.5 billion. Adjusted net income is expected to reach €1.2 billion, above the guidance of €0.85 billion to €1.15 billion.

"We confirm our dividend target of €0.85 per share for fiscal 2020 and we will propose this to our Annual General Meeting on 28 April 2021, which will be held virtually", said Markus Krebber.

## Performance in the core business per segment (preliminary earnings)

- Offshore Wind: Adjusted EBITDA to increase by 11% to €1,069 million, compared with the pro forma result for previous year, which can be largely attributed to very good wind conditions in the first quarter of 2020.
- Onshore Wind/Solar: Adjusted EBITDA to improve by 7% to €472 million, compared to pro forma result 2019, which is mainly due to new assets taken into operation. Because of the Covid-19 pandemic, the commissioning of some plants has been delayed, in particular in the US.
- Hydro/Biomass/Gas: Adjusted EBITDA to be at €621 million, thanks to a very good performance in the end of 2020, mainly on the back of a strong day-to-day optimisation of the power plant dispatch. Year-on-year lower earnings to be recorded, in particular given a one-off payment from UK capacity payments in 2019.
- Supply & Trading: To record an adjusted EBITDA at €539 million, due to an excellent performance and very strong year-end. However, earnings year-on-year to be below the exceptional high level in 2019.

Next to RWE's core business, Coal/Nuclear showed strong increase compared to 2019 with an adjusted EBITDA expected at €559 million. This was in particular due to realised higher generation margins. Coal generation capacities will further decrease: RWE decommissioned its remaining hard coal-fired power stations in Germany at the end of 2020. Moreover, generation capacities based on lignite will be further reduced in line with the lignite phase-out act after the closure of the first unit end of last December.

All figures are preliminary. Final figures for fiscal 2020 will be released as planned on 16 March 2021.



## Overview of selected key figures (preliminary earnings)

€ million	Actuals FY 2020	Outlook FY 2020	Actuals FY 2019 pro forma*
Adjusted EBITDA Offshore Wind	1,069	900 – 1,100	961
Adjusted EBITDA Onshore Wind/Solar	472	500 – 600	442
Adjusted EBITDA Hydro/Biomass/Gas	621	550 – 650	671
Adjusted EBITDA Supply & Trading	539	150 – 350	731
Adjusted EBITDA Other, Consolidation	-25	--100	-129
Adjusted EBITDA Core Business	2,676	2,150 – 2,450	2,676
Adjusted EBITDA Coal/Nuclear	559	500 - 600	340
Adjusted EBITDA Group	3,235	2,700 – 3,000	3,015
Adjusted EBIT	1,771	1,200 – 1,500	1,531
Adjusted net income	1,213	850 – 1,150	-

\*Pro forma: includes renewables operations acquired from E.ON as of 1 Jan 2019.

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